

RESOLUTION 25-15

Title: Invalidate Hospital-Physician Non-Compete Clauses

Introduced by: Kenneth A. Fisher, MD, for the Kalamazoo County Delegation

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Referred to: Reference Committee A

House Action: **APPROVED AS AMENDED**

Whereas, the federal Health Information Technology for Economic and Clinical Health (HITECH) Act has forced physicians to use excessively expensive and cumbersome electronic health records (EHRs), compelling many to become hospital employees, and

Whereas, the Affordable Care Act via its accountable care organization initiative has also forced many physicians to become hospital employees, and

Whereas, many physicians are rethinking being employees of a hospital serving it rather than their patients, and

Whereas, Michigan Public Act 522 of 2014 makes Michigan's climate for direct primary care contracts significantly more attractive; thereby, allowing physicians to better serve their patients, and

Whereas, if a physician wishes, he or she may choose to select a more physician-friendly, lower cost EHR not certified pursuant to the federal electronic health record incentive program that can be used with patients having direct care contracts, and

Whereas, to facilitate better and more personal patient care and physician choice, hospital-physician non-compete clauses should be made null and void; therefore be it

RESOLVED: That MSMS educate its physicians regarding non-compete clauses and other encumbrances to continued practice in the community; and be it further

RESOLVED: That MSMS further study the nuances and legalities of non-compete clauses and other encumbrances to continued practice in the community.

WAYS AND MEANS COMMITTEE FISCAL NOTE: None