THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1358 Session of 2022

INTRODUCED BY BROOKS, J. WARD AND CAPPELLETTI, OCTOBER 17, 2022

REFERRED TO HEALTH AND HUMAN SERVICES, OCTOBER 17, 2022

AN ACT

- Prohibiting the enforcement of a noncompete covenant entered into by a health care practitioner.
- 3 The General Assembly of the Commonwealth of Pennsylvania
- 4 hereby enacts as follows:
- 5 Section 1. Short title.
- 6 This act shall be known and may be cited as the Health Care
- 7 Practitioner Noncompete Act.
- 8 Section 2. Legislative intent.
- 9 The General Assembly finds and declares as follows:
- 10 (1) Patient access to health care in this Commonwealth
- often depends on geography, transportation and availability
- 12 of practitioners.
- 13 (2) Most of rural Pennsylvania can be considered health
- 14 care deserts in which patients travel two or three hours for
- their basic health care needs.
- 16 (3) Continuity of care is a fundamental public policy
- 17 goal in which patients are most adherent to their health care
- 18 goals and build trust with their health care practitioners.

- 1 (4) The global COVID-19 pandemic exacerbated an already
- 2 prominent shortage in health care practitioners Statewide.
- 3 (5) More health care practitioners are specializing
- 4 their education and residencies to increase their wages with
- 5 the goal of paying off escalating education loan debts.
- 6 (6) This Commonwealth cannot afford to continue losing
- 7 health care practitioners to surrounding states and must do
- 8 all that it can to attract and retain them.
- 9 Section 3. Definitions.
- 10 The following words and phrases when used in this act shall
- 11 have the meanings given to them in this section unless the
- 12 context clearly indicates otherwise:
- "Employer." A person or group of persons employing a health
- 14 care practitioner at a primary health care facility or office.
- 15 "Health care practitioner." As defined in section 103 of the
- 16 act of July 19, 1979 (P.L.130, No.48), known as the Health Care
- 17 Facilities Act.
- 18 "Noncompete covenant." An agreement between an employer and
- 19 a health care practitioner within this Commonwealth that is
- 20 designed to impede the ability of the health care practitioner
- 21 to compete with the employer.
- 22 "Patient." An individual to whom a health care practitioner
- 23 rendered professional services in the health care practitioner's
- 24 scope of practice for which compensation has been received by
- 25 the health care practitioner, regardless of the source of the
- 26 compensation.
- 27 "Primary health care facility or office." The direct
- 28 facility or office location where a health care practitioner
- 29 renders the majority of their professional services. For the
- 30 purposes of this act, more than 50% of the care and services the

- 1 health care practitioner provides shall define a majority.
- 2 "Scope of practice." The activities or professional services
- 3 that a health care practitioner may provide to a patient based
- 4 on the license that the health care practitioner holds.
- 5 Section 4. Enforcement of noncompete covenants.
- A noncompete covenant shall be deemed contrary to public
- 7 policy, void and unenforceable by the employer if the health
- 8 care practitioner is dismissed without cause.
- 9 Section 5. Patient notification.
- 10 Within 45 days of a health care practitioner's departure from
- 11 employment, with or without cause, with an employer, the
- 12 employer shall notify a patient:
- 13 (1) Of the health care practitioner's departure.
- 14 (2) If the health care practitioner will be rendering
- services under the health care practitioner's scope of
- 16 practice or if there are changes to the health care
- 17 practitioner's scope of practice.
- 18 (3) Of the process by which the patient may:
- 19 (i) Choose to follow the health care practitioner.
- 20 (ii) Remain with the health care system, hospital or
- 21 private practice and be assigned a new health care
- 22 practitioner to render the patient's care.
- 23 Section 6. Applicability.
- 24 The following shall apply to the applicability of a
- 25 noncompete convent:
- 26 (1) This act shall apply to an agreement entered into or
- 27 amended on or after the effective date of this section or
- upon the renewal of a health care practitioner's license,
- 29 registration or certification within this Commonwealth,
- 30 whichever is sooner.

- 1 (2) A noncompete covenant shall only apply to a primary
- 2 health care facility or office and may not include other
- 3 locations or satellite offices within the health care system,
- 4 hospital or private practice.
- 5 Section 7. Effective date.
- 6 This act shall take effect in 30 days.