



SPONSOR: Sen. Townsend & Sen. S. McBride
Sens. Hansen, Pinkney; Reps. Osienski, Ramone

DELAWARE STATE SENATE
151st GENERAL ASSEMBLY

SENATE BILL NO. 245

AN ACT TO AMEND TITLE 8 OF THE DELAWARE CODE RELATING TO THE PROFESSIONAL SERVICE CORPORATIONS AND TITLE 24 OF THE DELAWARE CODE RELATING TO PROFESSIONS AND OCCUPATIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 6, Title 8 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 603. Definitions.

(3) The term "qualified related professional services" ~~means, and is limited to,~~ means any combination of the practice of medicine by doctors of ~~medicine~~ medicine, ~~or~~ doctors of ~~osteopathy~~ osteopathy, or both, ~~and~~ the practice of podiatry by doctors of podiatric medicine, and the practice of physical therapy by physical therapists, provided that the combination includes the practice of medicine by a doctor of medicine, a doctor of osteopathy, or both.

Section 2. Amend Chapter 26, Title 24 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 2616. Grounds for discipline.

(8) Engaged directly or indirectly in the division, transferring, assigning, ~~rebating~~ rebating, or refunding of fees received for professional services or who profits by means of a credit or other valuable consideration such as wages, an unearned commission, ~~discount~~ discount, or gratuity with any person who referred a patient, or with any relative or business associate of the referring person. Nothing in this paragraph shall be construed as (i) prohibiting the members of any regularly and properly organized business entity recognized by Delaware law and comprised of physical therapists or athletic trainers, physical therapists and doctors of medicine or doctors of osteopathy, or physical therapists, doctors of podiatric medicine, and doctors of medicine or doctors of osteopathy, from making any division of their total fees among themselves as they determine by contract ~~necessary to defray their joint operating costs; or (ii) prohibiting payment of compensation by an employer to a physical therapist for services rendered, provided that such physical therapist is a bona fide employee of such employer;~~

SYNOPSIS

This Act creates additional partnership and employment opportunities, as opposed to the current framework of employment-only opportunities within the corporate employment setting, and gives the same parity to Delaware physical therapists, physicians, and podiatrists as exists in all other 49 states who already permit this.

This Act permits physical therapists, physicians, and podiatrists to organize as a professional corporation on the basis that they are licensed professionals "legally authorized to render... qualified related professional services."

Further, this Act enables professional fees to be divided with physical therapists, physicians, and podiatrists who practice within the same corporate entity.

Finally, this Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual.

Author: Senator Townsend