



State of Tennessee

PUBLIC CHAPTER NO. 196

SENATE BILL NO. 560

By Walley, Bailey, Jackson

Substituted for: House Bill No. 584

By Gant, Todd, Leatherwood, Thompson, Cepicky

AN ACT to amend Tennessee Code Annotated, Title 63 and Title 68, Chapter 11, relative to the employment of medical professionals.

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

SECTION 1. Tennessee Code Annotated, Section 63-6-204, is amended by adding the following as a new subsection:

(l)(1) This section does not prohibit a hospital or an affiliated entity from employing an emergency physician to treat patients at a satellite emergency department, or a physician to treat patients at a primary care clinic or urgent care clinic, which are located in this state and owned or controlled by the hospital or affiliated entity, if:

(A) The hospital:

(i) Is located in a neighboring state in a county contiguous to this state;

(ii) Is licensed by the appropriate healthcare facility licensing authority in that state; and

(iii) Holds a valid certificate of need for a satellite emergency department in this state;

(B) The satellite emergency department, primary care clinic, or urgent care clinic is located:

(i) In a county that:

(a) Borders the neighboring state and contiguous county in which the hospital is located;

(b) Is designated as an economically distressed or at-risk county by the department of economic and community development, as updated annually;

(c) Has a population of less than twenty-seven thousand (27,000), according to the 2020 federal census or a subsequent federal census; and

(d) Had a hospital in the county close within eight (8) years before the date healthcare services are initiated at the satellite emergency department, primary care clinic, or urgent care clinic; and

(ii) Less than twenty (20) miles from a hospital designated as a Level I, II, or III trauma center in the neighboring state, but more than fifty (50) miles from a hospital designated as a Level I, II, or III trauma center in this state;

(C) The physician is:

- (i) Licensed to practice medicine in this state; and
- (ii) Employed at the hospital in the neighboring state; and

(D) The employment relationship with the physician is evidenced by a written contract, job description, or other documentation containing language that does not restrict the physician from exercising independent medical judgment in diagnosing and treating patients.

(2) A hospital or affiliated entity that employs a physician pursuant to subdivision (l)(1) is not deemed to be engaged in the practice of medicine.

(3) As used in this subsection (l), "affiliated entity" means an entity that is directly or indirectly controlled by, or is under common control with, the hospital.

SECTION 2. Tennessee Code Annotated, Section 68-11-205, is amended by adding the following as a new subsection:

(g)(1) Notwithstanding this section or another law, a hospital or an affiliated entity may employ an emergency physician to treat patients at a satellite emergency department, or a physician to treat patients at a primary care clinic or urgent care clinic, which are located in this state and owned or controlled by the hospital or affiliated entity, if:

(A) The hospital:

(i) Is located in a neighboring state in a county contiguous to this state;

(ii) Is licensed by the appropriate healthcare facility licensing authority in that state; and

(iii) Holds a valid certificate of need for a satellite emergency department in this state;

(B) The satellite emergency department, primary care clinic, or urgent care clinic is located:

(i) In a county that:

(a) Borders the neighboring state and contiguous county in which the hospital is located;

(b) Is designated as an economically distressed or at-risk county by the department of economic and community development, as updated annually;

(c) Has a population of less than twenty-seven thousand (27,000), according to the 2020 federal census or a subsequent federal census; and

(d) Had a hospital in the county close within eight (8) years before the date healthcare services are initiated at the satellite emergency department, primary care clinic, or urgent care clinic; and

(ii) Less than twenty (20) miles from a hospital designated as a Level I, II, or III trauma center in the neighboring state, but more than fifty (50) miles from a hospital designated as a Level I, II, or III trauma center in this state;

(C) The physician is:

(i) Licensed to practice medicine in this state; and

(ii) Employed at the hospital in the neighboring state; and

(D) The employment relationship with the physician is evidenced by a written contract, job description, or other documentation containing language

that does not restrict the physician from exercising independent medical judgment in diagnosing and treating patients.

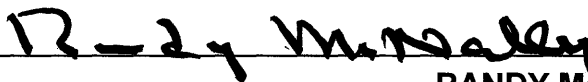
(2) A hospital or affiliated entity that employs a physician pursuant to subdivision (g)(1) is not deemed to be engaged in the practice of medicine.

(3) As used in this subsection (g), "affiliated entity" means an entity that is directly or indirectly controlled by, or is under common control with, the hospital.

SECTION 3. This act takes effect July 1, 2023, the public welfare requiring it.

SENATE BILL NO. 560

PASSED: April 3, 2023




RANDY MCNALLY
SPEAKER OF THE SENATE



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 24th day of April 2023



BILL LEE, GOVERNOR