# **About Physician Non-Competes**

#### January 2023

US Federal Trade Commission (FTC) proposes legislation that would ban ALL non-competes (including physicians) but <u>exempts not-for-profit</u> organizations. Read more <u>here</u>.

### National News:

- 1. GA: Dr. Jacqui O'Kane moved to SC to avoid pressure from hospital employer increase pt. load. Read <u>more.</u>
- 2. Dr. Vaness Urbina spent \$25K fighting a noncompete, opened a practice 19 miles away, cannot treat her patients who now have access issues. Read <u>more</u>.
- A) PA: 5 OB/Gyns wanted to change employers. Four were barred by noncompete agreements from practicing in their county for 1 year, severing physician-patient relationships.

B) IA: a urologist left town due to a 1 year, 35 mile noncompete agreement.

C) A PCP wanted to care for underserved patients but instead stopped practicing for 2 years due to a noncompete agreement. Read <u>more</u>.

 PA: physicians who want to leave hospital practice to join FQHC where shortages are rampant but cannot due to non competes. Read more <u>here.</u>

Prepared by Employers' Forum of Indiana, 4-7-23

#### Summary of state statutes (July 2022. Source: ACC)

Physician* non- competes not allowed (or not enforceable)	Alabama, California, Colorado, Delaware, Massachusetts, Montana, New Hampshire, New Mexico, North Dakota, Oklahoma, Rhode Island, South Dakota
Physician* non- competes allowed with restrictions	Connecticut, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Louisiana, Maine, Michigan, Missouri, Nevada, North Carolina, Oregon, Tennessee, Texas, Utah, Washington, West Virginia, Wisconsin

\*Not all statutes are specific to physicians

## **Specific Restrictions**

- CO=1 yr, 15 mi, not enforceable if contract termed by employer
- FL="Reasonable" time, distance, counties w/ sole specialty grp.
- GA ID, MI, NV, WI="Reasonable time, distance, business need
- IL=Only considered following 2 years of employment
- IN, TX=Can be bought out, allowances for pt. Communications and medical info
- LA=Geographic and time limitations (2 years)
- ME=Effective after 1 yr employment or 6 mos. after signature
- MO=Effective after 1 yr employment
- NC=Case dependent
- OR=18 mos limit
- TN=2 yr limit, 10 mi or county borders. Specific rules apply to ER & hospital employed doctors
- UT=1 yr
- WA= enforceable for income > 100k. Terminated employees must be paid for duration
- WV=1 yr, 30 mi.
- DC=Eff for income > \$250k

# Links to State Statutes

Non-competes Prohibited			
AL (2016)	<u>AL Code § 8-1-190 (2016)</u>		
CA	Section 16600		
CO (2022)	<u>HB22-1317</u>		
DE (2021)	<u>6 DE Code § 2707. (2021)</u>		
MA	TitleXVI/Chapter112/Section12x		
MT (2021)	<u>28-2-703</u>		
NH (2016)	<u>RSA 329:31-a</u>		
NM (2020)	<u>NM Stat § 24-1I-2 (2020)</u>		
ND	Chapter 9-08		
OK (2014)	<u>15 OK Stat § 15-219A</u>		
RI	<u>§ 5-37-33</u>		
SD	<u>53-9-11.1</u>		

Non-competes allowed, with restrictions				
CO (2016)	<u>SB 351</u>	NC	Chapter 75	
DC (2020)	Law 23-209	OR	<u>ORS 653.295</u>	
FL (2022)	FL Title XXXIII	TN	<u>§ 63-1-148</u>	
GA (2012)	<u>O.C.G.A. § 13-8-53</u>	TX (1983)	Title 2 Chapter 15	
ID (2008)	<u>44-2701</u>	UT (2016)	Chapter 51 Pt 1	
IL (2022)	<u>P.A. 102-358</u>	WA (2019)	<u>49.62 RCW</u>	
IN (2022)	<u>#25-22.5-5.5</u>	WV (2017)	<u>§47-11E-4</u>	
LA	<u>RS 23:921</u>	WI	<u>103.465</u>	
ME	<u>Title 26, 599-A</u>			
MI	Section 445.774a			
MO (2001)	<u>431.202</u>			
NV	nrs_613.195			