RESOLUTION

Subject: Securing Physician Autonomy and Professional Protections in Corporate Healthcare Employment

Submitted by: Greater Louisville Medical Society

Referred to: Reference Committee

WHEREAS, as the healthcare delivery model in Kentucky shifts rapidly from independent practices to consolidated corporate, institutional, and hospital systems, the administrative policies imposed by non-clinical managers increasingly challenge the clinical autonomy of physicians; and

WHEREAS, employed physicians are routinely mandated by institutional employers to enter into collaboration or supervisory agreements with Advanced Practice Providers (APPs), including Nurse Practitioners (NPs) and Physician Assistants (PAs), without the physician possessing any direct authority over the hiring, credentialing, or clinical volume management of those providers; and

WHEREAS, under current state tort doctrines, the supervising physician remains personally exposed to immense vicarious malpractice and professional liability for the clinical acts or omissions of mandated APPs, creating an unfair risk shift from the employer to the individual clinician's license; and

WHEREAS, pioneering state legislation, modeled after Oregon's framework [1] to curb corporate medicine, establishes explicit boundaries prohibiting unlicensed entities from manipulating clinical schedules, altering required staffing levels, or enforcing predatory restrictive covenants to silence clinicians; and

WHEREAS, safeguarding the physician's legal and ethical duty to care requires that physicians face zero adverse administrative or financial consequences for prioritizing evidence-based specialty standards over corporate volume metrics; now, therefore, be it

RESOLVED, that KMA advocate for state legislation explicitly prohibiting any corporate, institutional, or hospital employer from imposing negative administrative consequences, including retaliatory compensation adjustments, scheduling manipulation, or negative performance evaluations, against an employed physician for exercising independent clinical judgment or adhering to specialty standard-of-care guidelines; and be it further

RESOLVED, that KMA seek legislation providing that when a physician shall not be held liable solely by virtue of a required supervisory or collaborative agreement for independent clinical decisions made by another licensed practitioner absent negligence in supervision, delegation, or other conduct creating independent physician liability; and be it further

RESOLVED, that KMA seek legislative and regulatory frameworks based on established state peer models to ensure that no corporate entity or healthcare system can exercise backdoor control over clinical staffing ratios, patient appointment durations, or diagnostic coding metrics; and be it further

RESOLVED, that KMA support legislation declaring that all non-competition, non-disclosure, and non-disparagement clauses within corporate physician employment contracts are completely void and unenforceable if utilized to penalize or retaliate against a physician for reporting or resisting administrative interference in patient care.

References

1. https://olis.oregonlegislature.gov/liz/2025r1/Measures/Overview/SB951