

RESOLUTION

Subject: Detrimental Impact of Restrictive Covenants on Health Care in Kentucky

Submitted by: Lexington Medical Society

Referred to: Reference Committee

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WHEREAS, Kentucky has a shortage of Health Care Providers; and

WHEREAS, KMA current policy states that if progress is not made on the use of restrictive contract terms by employers, KMA will pursue alternative means that may include legislative or regulatory action, or advocacy through the AMA (Res 2016-12, 2016 HOD); and

WHEREAS, KMA Policy is stated to work with the Kentucky Hospital Association, the individual hospitals and health care systems to eliminate restrictive covenants from their employed physician contracts; and

WHEREAS, KMA policy states that if KMA's efforts to eliminate restrictive covenants with employed physicians contracted by hospital and health care systems are unsuccessful, the KMA states will then pursue legislative action (Res 2016-5, 2016 HOD); and

WHEREAS, restrictive covenants disrupt continuity of care by forcing a patient's provider to practice in a different region once they absolve their contract with a group; and

WHEREAS, restrictive covenants hinder recruitment and retention of knowledgeable and renown physicians; and

WHEREAS, restrictive covenants potentially limit patient access to care; now, therefore, be it

RESOLVED, that KMA supports legislation that eliminates all restrictive covenants in all physician contracts and not limited to employed physicians, so as to better serve the health care needs of the Commonwealth of Kentucky.