



Senate Fiscal Agency  
P.O. Box 30036  
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 5295 (as passed by the House)  
House Bill 5296 (as passed by the House)  
Sponsor: Representative Roger Hauck (H.B. 5295)  
Representative Kevin Hertel (H.B. 5296)  
House Committee: Regulatory Reform  
Senate Committee: Economic and Small Business Development

Date Completed: 1-27-22

### **CONTENT**

**House Bill 5295 and House Bill 5296 would amend the Michigan Limited Liability Company Act and the Business Corporation Act, respectively, to do the following:**

- **Allow one or more individuals licensed to engage in the practice of chiropractic to organize a professional limited liability company (PLLC) or a professional corporation (PC), as applicable, with one or more other individuals licensed in the practice of chiropractic, the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery.**
- **Allow one or more individuals licensed to engage in the practice of chiropractic to organize a PLLC or a PC with one or more licensed physician's assistants.**
- **Prohibit one or more physician's assistants from forming a PLLC or a PC with a chiropractic physician unless a physician licensed to engage in the practice of medicine or osteopathic medicine and surgery also was a member.**

### **House Bill 5295**

The Michigan Limited Liability Company Act allows a PLLC to render one or more professional services in the State. Except as provided below, the Act requires all members and managers of a PLLC that renders a professional service included in the Public Health Code to be licensed or legally authorized in the State to render that professional service.

The Act allows one or more individuals who are licensed to engage in the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery under the Public Health Code to organize a PLLC with one or more other individuals who are licensed to engage in the practice of those professions. The Act also allows, subject to Section 17048 of the Public Health Code, one or more individuals who are licensed to engage in the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery under the Public Health Code to organize a PLLC with one or more physician's assistants licensed under the Public Health Code.

(Section 17048 of the Public Health Code restricts and prohibits the delegation of medical care services that require extensive medical training, education, or ability or pose serious risks to the health and safety of patients.)

The bill would extend the provisions above to one or more individuals engaged in the practice of chiropractic under the Public Health Code. However, the bill would prohibit, subject to Section 17048 of the Public Health Code, one or more physician's assistants from forming a PLLC with a chiropractic physician unless a physician licensed under Part 170 (Medicine) or 175 (Osteopathic Medicine and Surgery) of Article 15 (Occupations) of the Public Health Code was also a member in the company.

### **House Bill 5296**

Except as otherwise provided below, the Business Corporation Act requires each shareholder of a PC that provides a professional service subject to Article 15 of the Public Health Code to be licensed or legally authorized in the State to provide the same professional service.

The Act allows one or more individuals who are licensed to engage in the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery under the Public Health Code to organize a PC with one or more other individuals who are licensed to engage in the practice of those professions. The Act also allows, subject to Section 17048 of the Public Health Code, one or more individuals who are licensed to engage in the practice of medicine, the practice of osteopathic medicine and surgery, or the practice of podiatric medicine and surgery under the Public Health Code to organize a PC with one or more physician's assistants licensed under the Public Health Code.

The bill would extend the allowances in the provisions above to one or more individuals engaged in the practice of chiropractic under the Public Health Code. However, the bill would prohibit, subject to Section 17048 of the Public Health Code, one or more physician's assistants from forming a PC with a chiropractic physician unless a physician licensed under Part 170 or 175 of Article 15 of the Public Health Code was also a shareholder in the corporation.

MCL 450.4904 (H.B. 5295)  
450.1284 (H.B. 5296)

Legislative Analyst: Tyler VanHuyse

### **FISCAL IMPACT**

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.