



To: House Health and Human Services

From: Rachelle Colombo, Director of Government Affairs

Date: March 20, 2019

Re: HB 2402 allowing for the Corporate Practice of Medicine

The Kansas Medical Society appreciates the opportunity to provide these comments in opposition to HB 2402 as introduced. As written, HB 2402 would allow specific business entities to employ physicians for purposes of providing medical care to employees or insurance enrollees and their dependents. While this version of the bill has been narrowed significantly from previous proposals, it still fails to address the principle concern of the Kansas Medical Society as it pertains to patient protection.

Our objection to HB 2402 is not simply to the concept of allowing a corporation to employ rather than contract with a physician. Our objection is based on the principle that those who practice medicine and employ those who practice medicine must be held to consistent standards regarding independent physician judgment and clinical care. Additionally, changing the construct which governs the practice of medicine also affects the medical malpractice market, malpractice premiums, coverage, claims, and potentially the right to recovery for patients as guaranteed by the Health Care Stabilization Fund. It is imperative that these outcomes are carefully considered before legislation is enacted potentially jeopardizing the protections established by our current regulatory and malpractice structure.

Though the Kansas Medical Society does not believe this bill is necessary at this time since the proponents are currently able to provide care to their employees and enrollees through contracts with Kansas physicians, we have worked to outline statutory provisions which would remove our objections to the passage of HB 2402.

It is our understanding that the proponents have drafted a balloon amendment which addresses some, but not all, of our concerns. Based on the version we received yesterday afternoon, we would respectfully request five additional changes to their amendment to HB 2402. We have attached a working draft that should reflect their amendments to the underlying bill as well as our requested amendments, which are italicized.

The first substantive change can be found in New Section 1 (c)(1). This change clarifies that corporations are not authorized to practice medicine but to employ those who do.

The second significant provision, in New Section 1 (f) makes explicit that corporations are held to the same standards as the physicians they employ when it comes to patient

care matters. There should not be two standards of care. This provision is crucial as current law prohibits the employment of physicians by non-physicians and hospitals. Both physicians and hospitals are defined health care providers, a legal term with legal implications requiring adherence to licensure, regulation and participation in the Health Care Stabilization Fund. If non health care providers are going to employ physicians under a newly enacted statute, the standards should be consistent to ensure that patients can expect the same standard of care and right to recovery regardless of where they receive their medical care.

Finally, under Section 2, we would request inclusion of our drafted provision requiring the Health Care Stabilization Fund to perform an actuarial study on the impact of the Corporate Practice of Medicine on the Fund and to report back to the legislature by January 1, 2020. This provision allows the legislature to consider the findings of the study regarding the actual impact of adding an entirely new class of “providers” to those who must participate in the Fund law. We believe this is critical to protecting the Health Care Stabilization Fund which has performed as designed for more than 40 years as a stabilizing mechanism for our medical malpractice market.

We respectfully request your adoption of each of these provisions if you elect to advance HB 2402. If adopted with these amendments, HB 2402 will allow corporations to employ physicians as the proponents’ desire and will protect patients with consistent regulation as Kansas physicians believe is imperative.

We respectfully request your support of the KMS amendments and your opposition to HB 2402 without their inclusion. Thank you.

AN ACT concerning health and healthcare; providing for the authorization of certain business entities to employ physicians and chiropractors; amending K.S.A. 65-2803, 65-2836 and 65-2877a and K.S.A. 2018 Supp. 40-3401 and repealing the existing sections.

*Be it enacted by the Legislature of the State of Kansas:*

New Section 1. (a). Notwithstanding any other provision of law, a business entity issued a certificate of authorization by the board may employ or contract with one or more licensees of the board as defined herein for the purpose providing professional services for which such licensees hold a valid license issued by the board. Nothing in the healing arts act shall be construed to prohibit a licensee from being employed by or under contract to provide professional services for a corporate business entity granted a certificate of authorization pursuant to this section. Medical care facilities, as defined by KSA 65-425, which are in compliance with Kansas Department of Health and Environment licensure requirements are exempt from the provisions of this section. Nothing contained herein shall be construed to allow a corporation to practice optometry or dentistry, except as otherwise provided in K.S.A. 17-2706, and amendments thereto.(b) (1) A business entity shall apply to the state board of healing arts for a certificate of authorization, on a form and in a manner prescribed by the state board of healing arts, providing the following information:

- (A) The name of the business entity;
- (B) a list of the names of the owners and officers of the business entity;
- (C) if the business entity is organized as a limited partnership or limited liability company, a description of the apportionment of liability of all partners or owners;

(D) if the business entity is organized as a governmental unit, a list of each responsible official; and

(E) a list of all licensed physicians and chiropractors to be hired by the business entity.

(2) As a condition of certification, a business entity shall be required to provide the state board of healing arts evidence of the following:

(A) The address of the business entity;

(B) a city or county occupational license; and

(C) licensure of all physicians and chiropractors to be employed by the business entity.

(3) A business entity applying for certification shall remit a fee set by the state board of healing arts through rules and regulations, ~~not to exceed \$500.~~

(c) (1) If the state board of healing arts finds that such business entity is in compliance with all of the requirements of this section, the state board of healing arts shall issue a certificate of authorization to such business entity designating the business entity as authorized to employ individuals licensed to engage in the practice of medicine and surgery or chiropractic, as applicable.

(2) A certificate of authorization shall be renewed annually ~~biennially~~ and accompanied by a fee to be fixed by the state board of healing arts. The renewal fee shall be accompanied by a form prescribed by the state board of healing arts.

(d) Except as otherwise provided under K.S.A 40-3403 (h), nNo business entity issued a certificate of authorization under this section shall be relieved of responsibility for the conduct or acts of its agents or employees by reason of its compliance with the provisions of this section, nor shall any individual licensed to practice the healing arts be relieved of responsibility and liability for services performed by reason of employment or relationship with such business entity. Nothing in this section shall exempt any business entity from the provisions of any other law applicable to the business entity.

(e) A business entity issued a certificate of authorization under this section shall not:

- (1) in any manner, directly or indirectly, interfere with, diminish, restrict, substitute its judgment for or otherwise exercise control over the independent professional judgment and decisions of its employed licensees as it relates to the care of patients; or
- (2) prohibit or restrict any employed licensee from discussing with or disclosing to any patient or other individual any medically appropriate health care information that such licensee deems appropriate regarding the nature of treatment options, the risks or alternatives thereto, the process used or the decision made by the business entity to approve or deny health care services, the availability of alternate therapies, consultations, or tests, or from advocating on behalf of the patient.

(f) A business entity issued a certificate of authorization under this section shall be subject to all provisions of the healing arts act otherwise applicable to licensees, and be held to the same legal obligations to the patient and standards of professional conduct which otherwise apply to all licensees of the board.

(fg) As used in this section:

(1) "Business entity" means an employer located in Kansas that utilizes electronic medical records and offers medical services for its employees and the dependents of such employees at the employer's work site; or an organization that is licensed to sell accident and sickness insurance in the state that is also a mutual or non-profit health carrier that utilizes electronic medical records, or a wholly-owned subsidiary of such organization that provides medical services for the organization's enrollees and dependents of such enrollees; or an information technology company that designs, utilizes, and provides electronic medical records for businesses and work site medical clinics for employers located in Kansas. "Business entity" does not include medical care facilities under K.S.A. 65-425, and amendments thereto, corporations licensed under K.S.A. 40-3214, and amendments thereto, and professional corporations organized pursuant to the professional corporation law of Kansas.

(2) "Physician" means a person licensed by the state board of healing arts to practice medicine and surgery.

(3) "Licensee" means a person licensed by the state board of healing arts to practice medicine and surgery or chiropractic in this state, and who holds a full active license to practice the healing arts that is not limited or currently under any type of license action.

(4) "Board" means the Kansas state board of healing arts.

(gh) The state board of healing arts shall adopt all rules and regulations as may be necessary to implement and administer the provisions of this section.

(gh) The state board of healing arts shall adopt all rules and regulations as may be necessary to implement and administer the provisions of this section.

(hi) This section shall be part of and supplemental to the Kansas healing arts act.

Sec. 2. For the purposes of determining the impact on the health care stabilization fund of requiring business entities to comply with the provisions of the health care provider insurance availability act, the health care stabilization fund is hereby directed to conduct such actuarial and operational studies as are necessary to determine such impact, and to report the findings to the legislature on or before January 1, 2020.

K.S.A. 2018 Supp. 40-3401 is hereby amended to read as follows: 40-3401. As used in this act:

(a) ~~"Applicant" means any healthcare provider.~~

(b) ~~"Basic coverage" means a policy of professional liability insurance required to be maintained by each healthcare provider pursuant to the provisions of K.S.A. 40-3402(a) or (b), and amendments thereto.~~

(c) ~~"Commissioner" means the commissioner of insurance.~~

(d) ~~"Fiscal year" means the year commencing on the effective date of this act and each year, commencing on the first day of July thereafter.~~

(e) ~~"Fund" means the healthcare stabilization fund established pursuant to K.S.A. 40-3403(a), and amendments thereto.~~

~~(f) (1) "Healthcare provider" means a person licensed to practice any branch of the healing arts by the state board of healing arts, a person who holds a temporary permit to practice any branch of the healing arts issued by the state board of healing arts, a person engaged in a postgraduate training program approved by the state board of healing arts, a medical care facility licensed by the state of Kansas, a podiatrist licensed by the state board of healing arts, a health maintenance organization issued a certificate of authority by the commissioner, an optometrist licensed by the board of examiners in optometry, a pharmacist licensed by the state board of pharmacy, a licensed professional nurse who is authorized to practice as a registered nurse anesthetist, a licensed professional nurse who has been granted a temporary authorization to practice nurse anesthesia under K.S.A. 65-1153, and amendments thereto, a professional corporation organized pursuant to the professional corporation law of Kansas by persons who are authorized by such law to form such a corporation and who are healthcare providers as defined by this subsection, a Kansas limited liability company organized for the purpose of rendering professional services by its members who are healthcare providers as defined by this subsection and who are legally authorized to render the professional services for which the limited liability company is organized, a partnership of persons who are healthcare providers under this subsection, a Kansas not for profit corporation organized for the purpose of rendering professional services by persons who are healthcare providers as defined by this subsection, a nonprofit corporation organized to administer the graduate medical education programs of community hospitals or medical care facilities affiliated with the university of Kansas school of medicine, a dentist certified by the state board of healing arts to administer anesthetics under K.S.A. 65-2899, and amendments thereto, a psychiatric hospital licensed prior to January 1, 1988, and continuously thereafter under K.S.A. 2015 Supp. 75-3307b, prior to its repeal, and~~



~~K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, or a mental health center or mental health clinic licensed by the state of Kansas. On and after January 1, 2015, "Healthcare provider" also means, a physician assistant licensed by the state board of healing arts, a licensed advanced practice registered nurse who is authorized by the board of nursing to practice as an advanced practice registered nurse in the classification of a nurse-midwife, a licensed advanced practice registered nurse who has been granted a temporary authorization by the board of nursing to practice as an advanced practice registered nurse in the classification of a nurse-midwife, a nursing facility licensed by the state of Kansas, an assisted living facility licensed by the state of Kansas or, a residential healthcare facility licensed by the state of Kansas or a business entity that holds a certificate of authorization pursuant to section 1, and amendments thereto.~~

~~(2) "Healthcare provider" does not include: (1) (A) Any state institution for people with intellectual disability; (2) (B) any state psychiatric hospital; (3) (C) any person holding an exempt license issued by the state board of healing arts or the board of nursing; (4) (D) any person holding a visiting clinical professor license from the state board of healing arts; (5) (E) any person holding an inactive license issued by the state board of healing arts; (6) (F) any person holding a federally active license issued by the state board of healing arts; (7) (G) an advanced practice registered nurse who is authorized by the board of nursing to practice as an advanced practice registered nurse in the classification of nurse-midwife or nurse-anesthetist and who practices solely in the course of employment or active duty in the United States government or any of its departments, bureaus or agencies or who provides professional services as a charitable healthcare provider as defined under K.S.A. 75-6102, and amendments thereto; or (8) (H) a physician assistant licensed by the state board of healing arts who practices solely in the course of employment or active duty in the United States government or any of its departments;~~

~~bureaus or agencies or who provides professional services as a charitable healthcare provider as defined under K.S.A. 75-6102, and amendments thereto.~~

~~(g) "Inactive healthcare provider" means a person or other entity who purchased basic coverage or qualified as a self-insurer on or subsequent to the effective date of this act but who, at the time a claim is made for personal injury or death arising out of the rendering of or the failure to render professional services by such healthcare provider, does not have basic coverage or self-insurance in effect solely because such person is no longer engaged in rendering professional service as a healthcare provider.~~

~~(h) "Insurer" means any corporation, association, reciprocal exchange, inter-insurer and any other legal entity authorized to write bodily injury or property damage liability insurance in this state, including workers compensation and automobile liability insurance, pursuant to the provisions of the acts contained in article 9, 11, 12 or 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto.~~

~~(i) "Plan" means the operating and administrative rules and procedures developed by insurers and rating organizations or the commissioner to make professional liability insurance available to healthcare providers.~~

~~(j) "Professional liability insurance" means insurance providing coverage for legal liability arising out of the performance of professional services rendered or that should have been rendered by a healthcare provider.~~

~~(k) — "Rating organization" means a corporation, an unincorporated association, a partnership or an individual licensed pursuant to K.S.A. 40-956, and amendments thereto, to make rates for professional liability insurance.~~

~~(l) — "Self insurer" means a healthcare provider who qualifies as a self insurer pursuant to K.S.A. 40-3414, and amendments thereto.~~

~~(m) — "Medical care facility" means the same when used in the healthcare provider insurance availability act as defined in K.S.A. 65-425, and amendments thereto, except that as used in the healthcare provider insurance availability act such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a medical care facility.~~

~~(n) — "Mental health center" means a mental health center licensed by the state of Kansas under K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, except that as used in the healthcare provider insurance availability act such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a mental health center.~~

~~(o) — "Mental health clinic" means a mental health clinic licensed by the state of Kansas under K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, except that as used in the healthcare provider insurance availability act such term, as it relates to insurance coverage under the healthcare provider insurance availability act, also includes any director, trustee, officer or administrator of a mental health clinic.~~

~~(p) "State institution for people with intellectual disability" means Winfield state hospital and training center, Parsons state hospital and training center and the Kansas neurological institute.~~

~~(q) "State psychiatric hospital" means Larned state hospital, Osawatomie state hospital and Rainbow mental health facility.~~

~~(r) "Person engaged in residency training" means:~~

~~(1) A person engaged in a postgraduate training program approved by the state board of healing arts who is employed by and is studying at the university of Kansas medical center only when such person is engaged in medical activities that do not include extracurricular, extra-institutional medical service for which such person receives extra compensation and that have not been approved by the dean of the school of medicine and the executive vice-chancellor of the university of Kansas medical center. Persons engaged in residency training shall be considered resident healthcare providers for purposes of K.S.A. 40-3401 et seq., and amendments thereto; and~~

~~(2) a person engaged in a postgraduate training program approved by the state board of healing arts who is employed by a nonprofit corporation organized to administer the graduate medical education programs of community hospitals or medical care facilities affiliated with the university of Kansas school of medicine or who is employed by an affiliate of the university of Kansas school of medicine as defined in K.S.A. 76-367, and amendments thereto, only when such person is engaged in medical activities that do not include extracurricular, extra-institutional medical service for which such person receives extra compensation and that have~~

not been approved by the chief operating officer of the nonprofit corporation or the chief operating officer of the affiliate and the executive vice-chancellor of the university of Kansas medical center.

(s) ~~"Full-time physician faculty employed by the university of Kansas medical center"~~ means a person licensed to practice medicine and surgery who holds a full-time appointment at the university of Kansas medical center when such person is providing healthcare. A person licensed to practice medicine and surgery who holds a full-time appointment at the university of Kansas medical center may also be employed part-time by the United States department of veterans affairs if such employment is approved by the executive vice-chancellor of the university of Kansas medical center.

(t) ~~"Sexual act" or "sexual activity"~~ means that sexual conduct that constitutes a criminal or tortious act under the laws of the state of Kansas.

(u) ~~"Board"~~ means the board of governors created by K.S.A. 40-3403, and amendments thereto.

(v) ~~"Board of directors"~~ means the governing board created by K.S.A. 40-3413, and amendments thereto.

(w) ~~"Locum tenens contract"~~ means a temporary agreement not exceeding 182 days per calendar year that employs a healthcare provider to actively render professional services in this state.

~~(x) "Professional services" means patient care or other services authorized under the act governing licensure of a healthcare provider.~~

~~(y) "Healthcare facility" means a nursing facility, an assisted living facility or a residential healthcare facility as all such terms are defined in K.S.A. 39-923, and amendments thereto.~~

~~(z) "Charitable healthcare provider" means the same as defined in K.S.A. 75-6102, and amendments thereto.~~

Sec. 3. K.S.A. 65-2803 is hereby amended to read as follows: 65-2803. (a) Unless otherwise specified by the board or as provided in section 1, and amendment thereto, it shall be unlawful for any person who does not have a license, registration, permit or certificate to engage in the practice of any profession regulated by the board or whose license, registration, permit or certificate to practice has been revoked or suspended to engage in the practice of any profession regulated by the board.

(b) This section shall not apply to any healthcare provider who in good faith renders emergency care or assistance at the scene of an emergency or accident as authorized by K.S.A. 65-2891, and amendments thereto.

(c) The commission of any act or practice declared to be a violation of this section may render the violator liable to the state or county for the payment of a civil penalty of up to \$1,000 per day for each day a person engages in the unlawful practice of a profession regulated by the board. In addition to such civil penalty, such violator may be assessed reasonable costs of investigation and prosecution.

(d) Violation of this section is a severity level 10, nonperson felony.

Sec. 4. K.S.A. 65-2836 is hereby amended to read as follows: 65-2836. A licensee's license may be revoked, suspended or limited, or the licensee may be publicly censured or placed under probationary conditions, or an application for a license or for reinstatement of a license may be denied upon a finding of the existence of any of the following grounds:

(a) The licensee has committed fraud or misrepresentation in applying for or securing an original, renewal or reinstated license.

(b) The licensee has committed an act of unprofessional or dishonorable conduct or professional incompetency, except that the board may take appropriate disciplinary action or enter into a non-disciplinary resolution when a licensee has engaged in any conduct or professional practice on a single occasion that, if continued, would reasonably be expected to constitute an inability to practice the healing arts with reasonable skill and safety to patients or unprofessional conduct as defined in K.S.A. 65-2837, and amendments thereto.

(c) The licensee has been convicted of a felony or class A misdemeanor, or substantially similar offense in another jurisdiction, whether or not related to the practice of the healing arts., or the licensee has been convicted in a special or general court-martial, whether or not related to the practice of the healing arts. The board shall revoke a licensee's license following conviction of a felony or substantially similar offense in another jurisdiction, or following conviction in a general court-martial occurring after July 1, 2000, unless a  $\frac{2}{3}$  majority of the board members present and voting determine by clear and convincing evidence that such licensee will not pose a threat to the public in such person's capacity as a licensee and that such

person has been sufficiently rehabilitated to warrant the public trust. In the case of a person who has been convicted of a felony or convicted in a general court-martial and who applies for an original license or to reinstate a canceled license, the application for a license shall be denied unless a  $\frac{2}{3}$  majority of the board members present and voting on such application determine by clear and convincing evidence that such person will not pose a threat to the public in such person's capacity as a licensee and that such person has been sufficiently rehabilitated to warrant the public trust.

(d) The licensee has used fraudulent or false advertisements.

(e) The licensee is addicted to or has distributed intoxicating liquors or drugs for any other than lawful purposes.

(f) The licensee has willfully or repeatedly violated this act, the pharmacy act of the state of Kansas or the uniform controlled substances act, or any rules and regulations adopted pursuant thereto, or any rules and regulations of the secretary of health and environment which that are relevant to the practice of the healing arts.

(g) The licensee has unlawfully invaded the field of practice of any branch of the healing arts in which the licensee is not licensed to practice.

(h) The licensee has engaged in the practice of the healing arts under a false or assumed name, or the impersonation of another practitioner. The provisions of this subsection relating to an assumed name shall not apply to licensees practicing under a professional corporation, under a business entity that holds a certificate of authorization pursuant to section 1, and amendments



thereto, or under any other legal entity duly authorized to provide such professional services in the state of Kansas.

(i) The licensee's ability to practice the healing arts with reasonable skill and safety to patients is impaired by reason of physical or mental illness, or condition or use of alcohol, drugs or controlled substances. All information, reports, findings and other records relating to impairment shall be confidential and not subject to discovery by or release to any person or entity outside of a board proceeding.

(j) The licensee has had a license to practice the healing arts revoked, suspended or limited, has been censured or has had other disciplinary action taken, or an application for a license denied, by the proper licensing authority of another state, territory, District of Columbia, or other country.

(k) The licensee has violated any lawful rule and regulation promulgated by the board or violated any lawful order or directive of the board previously entered by the board.

(l) The licensee has failed to report or reveal the knowledge required to be reported or revealed under K.S.A. 65-28,122, and amendments thereto.

(m) The licensee, if licensed to practice medicine and surgery, has failed to inform in writing a patient suffering from any form of abnormality of the breast tissue for which surgery is a recommended form of treatment, of alternative methods of treatment recognized by licensees of the same profession in the same or similar communities as being acceptable under like conditions and circumstances.

(n) The licensee has cheated on or attempted to subvert the validity of the examination for a license.

(o) The licensee has been found to be mentally ill, disabled, not guilty by reason of insanity, not guilty because the licensee suffers from a mental disease or defect or incompetent to stand trial by a court of competent jurisdiction.

(p) The licensee has prescribed, sold, administered, distributed or given a controlled substance to any person for other than medically accepted or lawful purposes.

(q) The licensee has violated a federal law or regulation relating to controlled substances.

(r) The licensee has failed to furnish the board, or its investigators or representatives, any information legally requested by the board.

(s) Sanctions or disciplinary actions have been taken against the licensee by a peer review committee, health care facility, a governmental agency or department or a professional association or society for acts or conduct similar to acts or conduct which that would constitute grounds for disciplinary action under this section.

(t) The licensee has failed to report to the board any adverse action taken against the licensee by another state or licensing jurisdiction, a peer review body, a health care facility, a professional association or society, a governmental agency, by a law enforcement agency or a court for acts or conduct similar to acts or conduct which that would constitute grounds for disciplinary action under this section.

(u) The licensee has surrendered a license or authorization to practice the healing arts in another state or jurisdiction, has surrendered the authority to utilize controlled substances issued by any state or federal agency, has agreed to a limitation to or restriction of privileges at any medical care facility or has surrendered the licensee's membership on any professional staff or in any professional association or society while under investigation for acts or conduct similar to acts or conduct ~~which~~ that would constitute grounds for disciplinary action under this section.

(v) The licensee has failed to report to the board surrender of the licensee's license or authorization to practice the healing arts in another state or jurisdiction or surrender of the licensee's membership on any professional staff or in any professional association or society while under investigation for acts or conduct similar to acts or conduct ~~which~~ that would constitute grounds for disciplinary action under this section.

(w) The licensee has an adverse judgment, award or settlement against the licensee resulting from a medical liability claim related to acts or conduct similar to acts or conduct ~~which~~ that would constitute grounds for disciplinary action under this section.

(x) The licensee has failed to report to the board any adverse judgment, settlement or award against the licensee resulting from a medical malpractice liability claim related to acts or conduct similar to acts or conduct ~~which~~ that would constitute grounds for disciplinary action under this section.

(y) The licensee has failed to maintain a policy of professional liability insurance as required by K.S.A. 40-3402 or 40-3403a, and amendments thereto.

(z) The licensee has failed to pay the premium surcharges as required by K.S.A. 40-3404, and amendments thereto.

(aa) The licensee has knowingly submitted any misleading, deceptive, untrue or fraudulent representation on a claim form, bill or statement.

(bb) The licensee as the supervising physician for a physician assistant has failed to adequately direct and supervise the physician assistant in accordance with the physician assistant licensure act or rules and regulations adopted under such act.

(cc) The licensee has assisted suicide in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2018 Supp. 21-5407, and amendments thereto, as established by any of the following:

(1) A copy of the record of criminal conviction or plea of guilty for a felony in violation of K.S.A. 21-3406, prior to its repeal, or K.S.A. 2018 Supp. 21-5407, and amendments thereto.

(2) A copy of the record of a judgment of contempt of court for violating an injunction issued under K.S.A. 60-4404, and amendments thereto.

(3) A copy of the record of a judgment assessing damages under K.S.A. 60-4405, and amendments thereto.

(dd) The licensee has given a worthless check or stopped payment on a debit or credit card for fees or moneys legally due to the board.

(ee) The licensee has knowingly or negligently abandoned medical records.

Sec. 5. K.S.A. 65-2877a is hereby amended to read as follows: 65-2877a. ~~The healing arts act and any other~~ No provision of law prohibiting practice of the healing arts by a general corporation shall ~~not~~ apply to a healing arts school approved by the board if the healing arts school is a non-profit entity under section 501(c)(3) of the internal revenue code of 1986, is approved by the state board of regents, and as part of its academic requirements provides clinical training to its students under the supervision of persons who are licensed to practice a branch of the healing arts in this state.

Sec. 6. K.S.A. 65-2803, 65-2836 and 65-2877a and K.S.A. 2018 Supp. 40-3401 are hereby repealed.

Sec. 7. This act shall take effect and be in force from and after ~~March~~ January 1, 2020 and its publication in the statute book.