

As Amended by House Committee

Session of 2019

HOUSE BILL No. 2402

By Committee on Appropriations

3-19

1 AN ACT concerning health and healthcare; providing for the authorization
2 of certain business entities to employ physicians and chiropractors;
3 amending K.S.A. 65-2803, 65-2836 and 65-2877a and K.S.A. 2018
4 ~~Supp. 40-3404~~ and repealing the existing sections.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) ~~Notwithstanding any other provision of law, a~~
8 ~~business entity may employ one or more persons licensed by the state~~
9 ~~board of healing arts to practice medicine and surgery or chiropractic~~
10 ~~pursuant to this section, if the entity first obtains a certificate of~~
11 ~~authorization from the state board of healing arts.~~ **Notwithstanding any**
12 **other provision of law, a business entity issued a certificate of**
13 **authorization by the board may employ or contract with one or more**
14 **licensees of the board for the purpose of providing professional**
15 **services for which such licensees hold a valid license issued by the**
16 **board. Nothing in the Kansas healing arts act shall be construed to**
17 **prohibit a licensee from being employed by or under contract to**
18 **provide professional services for a business entity granted a certificate**
19 **of authorization pursuant to this section. Medical care facilities, as**
20 **defined by K.S.A. 65-425, and amendments thereto, that are in**
21 **compliance with department of health and environment licensure**
22 **requirements are exempt from the provisions of this section. Nothing**
23 **contained herein shall be construed to allow a corporation to practice**
24 **optometry or dentistry, except as otherwise provided in K.S.A. 17-**
25 **2706, and amendments thereto.**

26 (b) (1) A business entity may apply to the state board of healing arts
27 for a certificate of authorization, on a form and in a manner prescribed by
28 the state board of healing arts, and shall include the following information:

29 (A) The name of the business entity;

30 (B) a list of the names of the owners and officers of the business
31 entity;

32 (C) a description of the apportionment of liability of all partners or
33 owners, if the business entity is organized as a limited partnership or a
34 limited liability company;

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

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

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

5 (A) The address of the business entity;

6 (B) a city or county occupational license; and

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

9 (3) A business entity applying for certification shall remit a fee set by
10 the state board of healing arts through rules and regulations, not to exceed
11 ~~\$500~~**\$1,000**.

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

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

22 (d) **Except as provided in K.S.A. 40-4303, and amendments**
23 **thereto**, no business entity issued a certificate of authorization under this
24 section shall be relieved of responsibility for the conduct or acts of its
25 agents or employees by reason of its compliance with the provisions of
26 this section, nor shall any individual licensed to practice the healing arts be
27 relieved of responsibility and liability for services performed by reason of
28 employment or relationship with such business entity. Nothing in this
29 section shall exempt any business entity from the provisions of any other
30 law applicable to the business entity.

31 (e) A business entity issued a certificate of authorization under this
32 section shall not ~~impose or substitute its judgment for that of the physician~~
33 ~~or chiropractor~~:

34 (1) **In any manner, directly or indirectly, interfere with, diminish,**
35 **restrict, substitute its judgment for or otherwise exercise control over**
36 **the independent professional judgment and decisions of its employed**
37 **licensees as it relates to the care of patients; or**

38 (2) **prohibit or restrict any employed licensee from discussing**
39 **with or disclosing to any patient or other individual any medically**
40 **appropriate healthcare information that such licensee deems**
41 **appropriate regarding the nature of treatment options, the risks or**
42 **alternatives thereto, the process used or the decision made by the**
43 **business entity to approve or deny health- care services, the**

1 **availability of alternate therapies, consultations or tests, or from**
2 **advocating on behalf of the patient.**

3 (f) As used in this section:

4 (1) (A) "Business entity" means an employer located in Kansas that
5 **utilizes electronic medical records and** offers medicine and surgery or
6 chiropractic services **solely** for its employees and the dependents of such
7 employees at the employer's work site; an organization that is licensed to
8 sell accident and sickness insurance in the state that is also a mutual or
9 non-profit health carrier **that utilizes electronic medical records**, or a
10 wholly owned subsidiary of such organization that provides medical
11 services **solely** for the organization's enrollees and dependents of such
12 enrollees; or an information technology company that designs, **utilizes** and
13 provides electronic medical records for businesses and worksite medical
14 clinics for employers located in Kansas **and offers medicine and surgery**
15 **or chiropractic services solely to its employees and the dependents of**
16 **such employees at the employer's work sites in Kansas.**

17 (B) "Business entity" does not include medical care facilities under
18 K.S.A. 65-425, and amendments thereto, corporations licensed under
19 K.S.A. 40-3214, and amendments thereto, and professional corporations
20 organized pursuant to the professional corporation law of Kansas.

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

23 (3) "Licensee" means a person licensed by the state board of
24 healing arts to practice medicine and surgery or chiropractic and
25 whose license is in a full active status and has not been revoked,
26 suspended, limited or placed under probationary conditions.

27 (g) A business entity's certificate of authorization may be
28 revoked, suspended or limited, may be publicly censured or placed
29 under probationary conditions, or an application for a certificate or
30 for reinstatement of a certificate may be denied upon a finding of the
31 existence of any of the following grounds:

32 (1) The business entity has committed fraud or misrepresentation
33 in applying for or securing an original, renewal or reinstated
34 certificate.

35 (2) The business entity has willfully or repeatedly violated this
36 act, the pharmacy act of the state of Kansas or the uniform controlled
37 substances act, or any rules and regulations adopted pursuant thereto,
38 or any rules and regulations of the secretary of health and
39 environment that are relevant to the practice of the healing arts.

40 (3) The business entity has had a certificate, or equivalent
41 authorization, to employ licensees to practice the healing arts revoked,
42 suspended or limited, has been censured or has had other disciplinary
43 action taken, or an application for a certificate or license denied, by

1 the proper licensing authority of another state.

2 (4) The business entity has violated any lawful rule and
3 regulation promulgated by the board.

4 (5) The business entity has failed to report or reveal the
5 knowledge required to be reported or revealed under K.S.A. 65-
6 28,122, and amendments thereto.

7 (6) The business entity has failed to report to the board any
8 adverse action taken against the business entity by another state or
9 licensing jurisdiction, a governmental agency, by a law enforcement
10 agency or a court for acts or conduct similar to acts or conduct that
11 would constitute grounds for disciplinary action under this section.

12 (7) The business entity has engaged in conduct likely to deceive,
13 defraud or harm the public.

14 (8) The business entity has engaged in conduct that violates
15 patient trust and exploits the licensee-patient relationship for
16 corporate gain.

17 (9) The business entity has used any false, fraudulent or deceptive
18 statement in any document connected with the practice of the healing
19 arts, including the intentional falsifying or fraudulent altering of a
20 patient healthcare record.

21 (10) The business entity has failed to furnish to the board, or its
22 investigators or representatives, any information legally requested by
23 the board.

24 (11) The business entity has had, or failed to report to the board,
25 any adverse judgment, award or settlement against the business entity
26 resulting from a medical liability claim related to acts or conduct
27 similar to acts or conduct that would constitute grounds for
28 disciplinary action under this section.

29 (12) The business entity has been convicted of a felony or class A
30 misdemeanor, or substantially similar offense in another jurisdiction,
31 related to the practice of the healing arts.

32 (h) The state board of healing arts shall adopt all rules and
33 regulations as necessary to implement and administer the provisions of this
34 section.

35 (i) For the purposes of determining the impact on the healthcare
36 stabilization fund of requiring business entities to comply with the
37 provisions of the healthcare provider insurance availability act, the
38 healthcare stabilization fund is hereby directed to conduct such
39 actuarial and operational studies as are necessary to determine such
40 impact, and to report the findings to the legislature on or before
41 January 1, 2020.

42 ~~(h)~~(j) This section shall be a part of and supplemental to the Kansas
43 healing arts act.

1 Sec. 2.—K.S.A. 2018 Supp. 40-3401 is hereby amended to read as
2 follows: 40-3401. As used in this act:

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

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

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

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

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

12 (f) *(1)* "~~Healthcare provider~~" means a person licensed to practice any
13 branch of the healing arts by the state board of healing arts, a person who
14 holds a temporary permit to practice any branch of the healing arts issued
15 by the state board of healing arts, a person engaged in a postgraduate
16 training program approved by the state board of healing arts, a medical
17 care facility licensed by the state of Kansas, a podiatrist licensed by the
18 state board of healing arts, a health maintenance organization issued a
19 certificate of authority by the commissioner, an optometrist licensed by the
20 board of examiners in optometry, a pharmacist licensed by the state board
21 of pharmacy, a licensed professional nurse who is authorized to practice as
22 a registered nurse anesthetist, a licensed professional nurse who has been
23 granted a temporary authorization to practice nurse anesthesia under
24 K.S.A. 65-1153, and amendments thereto, a professional corporation
25 organized pursuant to the professional corporation law of Kansas by
26 persons who are authorized by such law to form such a corporation and
27 who are healthcare providers as defined by this subsection, a Kansas
28 limited liability company organized for the purpose of rendering
29 professional services by its members who are healthcare providers as
30 defined by this subsection and who are legally authorized to render the
31 professional services for which the limited liability company is organized,
32 a partnership of persons who are healthcare providers under this
33 subsection, a Kansas not-for-profit corporation organized for the purpose
34 of rendering professional services by persons who are healthcare providers
35 as defined by this subsection, a nonprofit corporation organized to
36 administer the graduate medical education programs of community
37 hospitals or medical care facilities affiliated with the university of Kansas
38 school of medicine, a dentist certified by the state board of healing arts to
39 administer anesthetics under K.S.A. 65-2899, and amendments thereto, a
40 psychiatric hospital licensed prior to January 1, 1988, and continuously
41 thereafter under K.S.A. 2015 Supp. 75-3307b, prior to its repeal, and
42 K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, or a mental
43 health center or mental health clinic licensed by the state of Kansas. On

1 and after January 1, 2015, "Healthcare provider" also means, a physician
2 assistant licensed by the state board of healing arts, a licensed advanced
3 practice registered nurse who is authorized by the board of nursing to
4 practice as an advanced practice registered nurse in the classification of a
5 nurse-midwife, a licensed advanced practice registered nurse who has been
6 granted a temporary authorization by the board of nursing to practice as an
7 advanced practice registered nurse in the classification of a nurse-midwife,
8 a nursing facility licensed by the state of Kansas, an assisted living facility
9 licensed by the state of Kansas or, a residential healthcare facility licensed
10 by the state of Kansas *or a business entity that holds a certificate of*
11 *authorization pursuant to section 1, and amendments thereto.*

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

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

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

1 the Kansas Statutes Annotated, and amendments thereto.

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

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

10 (k) ~~"Rating organization" means a corporation, an unincorporated~~
11 ~~association, a partnership or an individual licensed pursuant to K.S.A. 40-~~
12 ~~956, and amendments thereto, to make rates for professional liability~~
13 ~~insurance.~~

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

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

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

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

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

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

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

40 (1) ~~A person engaged in a postgraduate training program approved by~~
41 ~~the state board of healing arts who is employed by and is studying at the~~
42 ~~university of Kansas medical center only when such person is engaged in~~
43 ~~medical activities that do not include extra-curricular, extra-institutional~~

1 medical service for which such person receives extra compensation and
2 that have not been approved by the dean of the school of medicine and the
3 executive vice-chancellor of the university of Kansas medical center.
4 Persons engaged in residency training shall be considered resident
5 healthcare providers for purposes of K.S.A. 40-3401 et seq., and
6 amendments thereto; and

7 (2)—a person engaged in a postgraduate training program approved by
8 the state board of healing arts who is employed by a nonprofit corporation
9 organized to administer the graduate medical education programs of
10 community hospitals or medical care facilities affiliated with the university
11 of Kansas school of medicine or who is employed by an affiliate of the
12 university of Kansas school of medicine as defined in K.S.A. 76-367, and
13 amendments thereto, only when such person is engaged in medical
14 activities that do not include extracurricular, extra-institutional medical
15 service for which such person receives extra compensation and that have
16 not been approved by the chief operating officer of the nonprofit
17 corporation or the chief operating officer of the affiliate and the executive
18 vice-chancellor of the university of Kansas medical center.

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

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

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

32 (v)—"Board of directors" means the governing board created by K.S.A.
33 40-3413, and amendments thereto.

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

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

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

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

1 ~~Sec. 2.~~ **2.** K.S.A. 65-2803 is hereby amended to read as follows: 65-
2 2803. (a) Unless otherwise specified by the board *or as provided in section*
3 *1, and amendment thereto*, it shall be unlawful for any person who does
4 not have a license, registration, permit or certificate to engage in the
5 practice of any profession regulated by the board or whose license,
6 registration, permit or certificate to practice has been revoked or
7 suspended to engage in the practice of any profession regulated by the
8 board.

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

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

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

20 ~~Sec. 3.~~ **3.** K.S.A. 65-2836 is hereby amended to read as follows: 65-
21 2836. A licensee's license may be revoked, suspended or limited, or the
22 licensee may be publicly censured or placed under probationary
23 conditions, or an application for a license or for reinstatement of a license
24 may be denied upon a finding of the existence of any of the following
25 grounds:

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

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

36 (c) The licensee has been convicted of a felony or class A
37 misdemeanor, or substantially similar offense in another jurisdiction,
38 whether or not related to the practice of the healing arts-, *or* the licensee
39 has been convicted in a special or general court-martial, whether or not
40 related to the practice of the healing arts. The board shall revoke a
41 licensee's license following conviction of a felony or substantially similar
42 offense in another jurisdiction, or following conviction in a general court-
43 martial occurring after July 1, 2000, unless a $\frac{2}{3}$ majority of the board

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

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

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

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

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

22 (h) The licensee has engaged in the practice of the healing arts under
23 a false or assumed name, or the impersonation of another practitioner. The
24 provisions of this subsection relating to an assumed name shall not apply
25 to licensees practicing under a professional corporation, *under a business*
26 *entity that holds a certificate of authorization pursuant to section 1, and*
27 *amendments thereto*, or *under any* other legal entity duly authorized to
28 provide such professional services in the state of Kansas.

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

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

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

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

1 thereto.

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

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

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

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

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

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

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

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

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

40 (v) The licensee has failed to report to the board surrender of the
41 licensee's license or authorization to practice the healing arts in another
42 state or jurisdiction or surrender of the licensee's membership on any
43 professional staff or in any professional association or society while under

1 investigation for acts or conduct similar to acts or conduct ~~which that~~
2 would constitute grounds for disciplinary action under this section.

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

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

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

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

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

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

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

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

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

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

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

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

38 ~~Sec. 5.~~ **4.** K.S.A. 65-2877a is hereby amended to read as follows: 65-
39 2877a. ~~The healing arts act and any other~~ No provision of law prohibiting
40 practice of the healing arts by a general corporation shall ~~not~~ apply to a
41 healing arts school approved by the board if the healing arts school is a
42 non-profit entity under section 501(c)(3) of the internal revenue code of
43 1986, is approved by the state board of regents, and as part of its academic

1 requirements provides clinical training to its students under the supervision
2 of persons who are licensed to practice a branch of the healing arts in this
3 state.

4 ~~Sec. 6.~~ **5.** K.S.A. 65-2803, 65-2836 and 65-2877a ~~and K.S.A. 2018~~
5 ~~Supp. 40-3401~~ are hereby repealed.

6 ~~Sec. 7.~~ **6.** This act shall take effect and be in force from and after
7 ~~January~~ **March** 1, 2020 and its publication in the statute book.