

Resolution 21-312
Physician Contract Non-Compete Clause
Escambia County Medical Society

Whereas, Non-compete clauses are being used by employers to subject physicians to accept unfair labor practices including additional hours without additional compensation and mid contract reimbursement changes inconsistent with the latest 2021 CMS initiatives; and

Whereas, Non-compete clauses are enforced by employers upon no-cause separations even when physician performance, patient satisfaction and productivity metrics meet employer goals; and

Whereas, Enforcement of non-compete clauses disrupts the patient physician relationship and continuity of care which has been shown to improve quality of care, patient satisfaction, and lower mortality; and

Whereas, Enforcement of non-compete clauses serves to reduce access to care by eliminating valuable community physicians at a time when there is an estimated shortage of 1,636 primary care physicians in Florida with expected rise to 3,060 by 2025; and

Whereas, Non-compete clauses are most often not part of contracts involving non-physician providers who have recently been granted the same independent practice privileges as physicians thus putting physicians at a competitive disadvantage in employment and contract negotiations; and

Whereas, The economic and personal impact of non-compete clause enforcement on physicians, their families and their communities are far greater than the comparatively minimal employer investment in physicians which has been used for justification for these clauses; and

Whereas, The Kaiser Family Foundation has ranked Florida fifth in the nation for communities facing health profession shortages and the U.S. Health Resources and Service Administration shows 279 communities in Florida with shortages of medical professionals in primary care, dental care and mental health, and Florida continues to be a highly sought retirement location for an aging and medically needy population; therefore be it

RESOLVED, That within one year the FMA Board of Governors choose between a legislative vs constitutional amendment strategy to limit enforcement of non-compete clauses in physician contracts to those cases where termination of the contract is sought by the physicians within two years of the initial employer physician contract.

Fiscal Note:

Description	Amount	Budget Narrative
300 staff hours or 13,650 staff hours and Signature Campaign and Campaign Expenses	\$45,600 or \$1,000,000 and \$15 to \$30 million and \$20 to \$80 million	Can be accomplished with current staff or 25% of staff resources Collect signatures, polling, focus groups, legal, media and fundraising
Total	\$45,600 or \$36 million to \$111 million	\$0 added to the operating budget or \$36 to \$111 from fundraising and FMA Reserves

Fiscal notes are an estimate of the cost to implement a given Resolution. All Resolutions that are adopted by the House of Delegates will be referred to the FMA Committee on Finance and Appropriations for fiscal consideration.

Reference Committee: III – Legislation & Miscellaneous