



Senator Sandra Williams
21st Ohio Senate District

Committees:

- Energy and Public Utilities –Ranking Member
- Ways and Means – Ranking Member
- Higher Education – Ranking Member
- Insurance and Financial Institutions
- Rules and Reference

Senate Bill 141 Sponsor Testimony
Transportation, Commerce and Workforce Committee
February 5, 2020

Chairman McColley, Vice Chair Johnson, Ranking Member Antonio, and members of the Senate Transportation, Commerce and Workforce Committee thank you for the opportunity to present sponsor testimony on Senate Bill 141.

Senate Bill 141 would prohibit an employer of physicians from requiring a current or prospective physician to enter into a post-employment non-compete agreement as a condition of employment. Furthermore, the bill allows a current or prospective physician employee to sue an employer in which they believe has violated the prohibition for damages, attorney fees and cost.

Non-compete agreements are contracts that are generally enforced by the courts and the terms of the contract. The Ohio Supreme Court set forth a rule of reasonableness with respect to the enforcement of noncompetition agreements between employees and their employer. The court held that a noncompetition agreement is reasonable if (1) it is no greater than is required for the protection of the employer; (2) it does not impose undue hardship on the employee; and (3) it is not injurious to the public.

Provisions in non-competes agreements for medical professionals, prohibit physicians from engaging in competition with their previous employer by working in a particular field, within a specific geographic area, and for a stated period of time. As a result of these restrictions, physicians are forced to uproot their families and relocate several miles away without the option to continue working in their field of expertise.

States such as Massachusetts, Arkansas, Delaware, and Alabama have passed legislation that prohibits the use of physician non-compete agreements which restrict a physician's ability to work outside their regular practice.

Physician non-compete agreements disrupt the continuity of patient care. This is due in part to provisions in contracts that prohibit health care professionals from taking patients with them if they begin their own practice. Physician non-compete agreements limit patients from choosing their own physician. Research has shown that patients tend to comply with medical recommendations from a physician they have built good rapport with.

The purpose of the bill is to eliminate restrictions placed on current and potential physicians interested in expanding the scope of their practice and to sustain patient-doctor relationships.

Chairman McColley, Vice Chair Johnson, Ranking Member Antonio and members of the committee, this concludes my testimony and I will be happy to answer any questions the committee may have.