Clearinghouse Rule 99-040

CERTIFICATE

STATE OF WISCONSIN DEPARTMENT OF REGULATION AND LICENSING

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Kimberly Nania, Director, Bureau of Health Service Professions in the Wisconsin Department of Regulation and Licensing and custodian of the official records of the Chiropractic Examining Board, do hereby certify that the annexed rules were duly approved and adopted by the Chiropractic Examining Board 16th day of December, 1999.

I further certify that said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the board at 1400 East Washington Avenue, Madison, Wisconsin this 16th day of December, 1999

Kimberly Nania, Director, Bureau of Health Service Professions, Department of Regulation and Licensing

3-1-00

99-040



STATE OF WISCONSIN CHIROPRACTIC EXAMINING BOARD

PROCEEDINGS BEFORE THE CHIROPRACTIC EXAMINING BOARD	: CHIROPRACTIC EXAMINING BOARD ITSTIC : ADOPTING RULES : (CLEARINGHOUSE RULE 99-040)

ORDER

An order of the Chiropractic Examining Board to *create* Chir 3.08 relating to use of limited liability entities in chiropractic practice.

Analysis prepared by the Department of Regulation and Licensing.

ANALYSIS

Statutes authorizing promulgation: ss. 15.08 (5) (b), 227.11 (2) and 446.02 (8), Stats.

Statutes interpreted: s. 446.02 (8), Stats.

Since January 1, 1994, Wisconsin has permitted use of limited liability companies and since December 1995, limited liability partnerships. The law regulating the practice of chiropractic in Wisconsin does not specifically prohibit or authorize a chiropractor to organize a chiropractic practice as a limited liability company or limited liability partnership. The rule proposed is intended to provide a clear statement of the board's position as to whether it is permissible for a chiropractor to organize a practice under any of the limited liability organizations recognized in current state law.

Under the rule a chiropractor may practice with or in a business that is organized as a limited liability organization under Wisconsin law with certain restrictions that are based on current statutory practice requirements. The chiropractor shall not practice with or in a business organized so that a person other than a chiropractor has the right to direct or control the professional judgment of the chiropractor. The chiropractor shall have in effect professional liability insurance in the amounts required by the board in s. Chir 3.07.

The rule explicitly recognizes legal principle that chiropractic practice with or in a business that is organized as a limited liability organization does not relieve the chiropractor from personal liability for any acts, errors or omissions of the chiropractor arising out of the performance of professional services.

TEXT OF RULE

SECTION 1. Chir 3.08 is created to read:

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Chir 3.08 Limited liability entities. (1) A chiropractor may practice with or in a business that is organized as a limited liability organization under the laws of this state, including a limited liability partnership, a service corporation, and limited liability company.

(2) A chiropractor may not practice with or in a business organized so that a person other than a chiropractor has the right to direct or control the professional judgment of the chiropractor. This restriction does not prohibit a chiropractor from working with or in a business organized so that someone other than the patient pays the chiropractor's fee or salary, provided the fee or salary arrangements do not modify the chiropractor's obligation to his or her patient.

(3) Nothing in this section shall relieve a chiropractor from personal liability for any acts, errors or omissions of the chiropractor arising out of the performance of professional services.

(4) Nothing in this section shall relieve a chiropractor from the requirement that every practicing chiropractor shall have in effect professional liability insurance in the amounts required by the board in s. Chir 3.07.

(END OF TEXT OF RULE)

The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin administrative register, pursuant to s. 227.22 (2) (intro.), Stats.

Dated 17 - 16 - 99

Agency Chairperson

Chiropractic Examining Board

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DEPARTMENT OF REGULATION AND LICENSING

CORRESPONDENCE/MEMORANDUM

DATE: December 17, 1999
TO: Gary Poulson Assistant Revisor of Statutes
FROM: Pamela A. Haack, Paralegal Department of Regulation and Licensing

Office of Administrative Rules



SUBJECT: Final Order Adopting Rules

Agency: Chiropractic Examining Board

Clearinghouse Rule 99-040

Attached is a copy and a certified copy of a final order adopting rules.

Please stamp or sign a copy of this letter to acknowledge receipt.

Thank you.