

State of Washington  
Medical Quality Assurance Commission

# Guideline

Title:	Ownership of Clinics by Physician Assistants	MD2015-06
References:	<a href="#">Chapter 18.71 RCW</a> , <a href="#">Chapter 18.71A RCW</a> , <a href="#">Chapter 246-918 WAC</a> , <a href="#">Chapter 246-919 WAC</a>	
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## Purpose

The Medical Quality Assurance Commission (Commission) sets forth its position on physician assistants owning clinics and hiring their sponsoring physician.

## Background

Physicians and physician assistants face numerous ethical challenges every day in their practice. The ability to avoid ethical pitfalls is built on a foundation of the training that physician assistants and physicians receive during their education, as well as the ongoing continuing education process physician assistants and physicians engage in throughout their career. With ethical conundrums never far away, such attention to professionalism and ethical conduct is essential to provide high-quality, sensitive, and respectful care to patients. In an average clinical day for a physician assistant or physician, the clinician faces an almost uncountable array of decision-points related to ethical and professional care. These include documentation, billing, interactions with colleagues and staff, the selection of words and phrases to be used when talking with patients, interactions with vendors and the public, dealing with inquiries about patient information from a variety of sources, use of social media, and navigating potentially complex and pressured decision making about screening, exam and plans of care. All of these are areas where lack of attention to detail and sub-par decision-making can lead to ethical breaches and patient harm, and safe physician-physician assistant practice requires constant vigilance.

As with the above areas of risk, the interactions between physicians and physician assistants are also a possible area in which ethical and professional lapses can compromise patient care. In rare cases, physicians and physician assistants work in settings where the physician assistant is the owner of the clinic or business, and employs the supervising physician.

Most clinics and medical facilities are not owned by either physicians or physician assistants, but instead by a variety of other organizations. Such organizations hire physicians to lead the medical practice, and it would clearly be an ethical breach for such a facility to dictate medical practice to a medical employee, just as it would be an ethical violation for a physician assistant owner to undermine the decision-making authority of an employed supervising physician. Solid grounding in ethical and professional principles is what prevents such situations from occurring.

Such is the case in the uncommon setting where a physician assistant owns a practice and hires a physician who is then the supervising physician. These situations require standard ethical and professional principles to assure quality care for patients. Physician assistant ownership does not change the legal requirements for physician assistants and physicians. The ethical practice of physician assistants and physicians requires knowledge of, adherence to, and compliance with these rules and laws, regardless of the ownership of the business. Failure to adhere to these laws risks harm to the public and disciplinary action against physicians and physician assistants.

## Policy

Physician assistants and physicians who work in a setting in which the physician assistant owns a clinic and employs his or her supervising physician should:

1. Understand that the primary duty of an owner or employee of a clinic is to provide high quality care to patients.
2. Understand the ethical challenges that can arise in such a relationship, particularly the reluctance to address or report unprofessional conduct or impairment.
3. Fully abide by the law regulating physicians and physician assistants, [Chapter 18.71 RCW](#), [Chapter 18.71A RCW](#), [Chapter 246-918 WAC](#), and [Chapter 246-919 WAC](#).
4. Fully abide by the mandatory reporting laws, [RCW 18.130.080](#), [RCW 18.130.070](#), [RCW 18.71.0195](#), [WAC 246-16-220 et seq.](#), [WAC 246-919-700 et seq.](#), particularly the laws requiring reporting of other license holders, to wit:
  - a. A license holder must report knowledge of a conviction, determination or finding that another license holder has committed an act of unprofessional conduct. [WAC 246-16-235\(1\)](#).
  - b. A license holder must report that another license holder may not be able to practice his or her profession with reasonable skill and safety due to a mental or physical condition. [WAC 246-16-235\(2\)](#). When there is no patient harm, this report may be made to one of the approved impaired practitioner or voluntary substance abuse programs.
  - c. A license holder, corporation, organization, health care facility, and state and local governmental agency that employs a license holder must report to the Commission when an employed license holder's services have been terminated or restricted based on a final determination that a license holder has either committed an act of unprofessional conduct or may not be able to practice with

reasonable skill and safety as a result of a mental or physical condition. [RCW 18.130.080](#)(1)(b).

5. Understand that the failure to comply with the law may subject the physician assistant and the physician to discipline.