

## Are physician non-competition agreements under attack?



James J. Boutrous II | Tuesday, August 2, 2016

On July 12, 2016, Rhode Island Gov. Gina Raimondo [signed into law a bill](#) prohibiting non-competition language in most physician agreements. The law prohibits virtually all restrictions on a physician's ability to practice medicine post-employment with his/her private practice, hospital employer, laboratories, etc., absent restrictions that are attendant with the purchase of the practice.

Rhode Island joins a growing number of states prohibiting physician restrictive covenants, such as, by way of example, Delaware and Massachusetts, under the auspice that the "public interest" is not served in prohibiting physicians to continue treating their former patients. While this trend is gaining momentum, there are still several jurisdictions that will enforce reasonably tailored covenants (i.e., reasonable in duration and geographical scope) against physicians in order to protect the "good will" of the practice at issue.

The lesson for both physicians and healthcare institutions is that restrictive covenant law is very state specific and it is imperative that all interested parties consult with counsel to understand what is and is not permissible in their respective jurisdictions.



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