

APA-2

07/04

**Alabama State Board of Veterinary Medical Examiners**

NOTICE OF INTENDED ACTION

RULE NUMBER: 930-X-1-.39

TITLE OF RULE: EXERCISE OF INDEPENDENT PROFESSIONAL JUDGEMENT BY VETERINARIANS;  
PROHIBITED BUSINESS ARRANGEMENTS OR RELATIONSHIP.

- (1) No person other than a veterinarian licensed pursuant to §34-29-76 & §34-29-87 may:
- (a) Employ a veterinarian, licensed veterinary technician or both in operation of a veterinary facility;
  - (b) Place in the possession of a veterinarian, licensed veterinary technician or other agent such veterinary material or equipment as may be necessary for the management of a veterinary facility on the basis of a lease or any other agreement for compensation for the use of such material, equipment or offices; or
  - (c) Retain the ownership or control of veterinary equipment, material, or office and make the same available in any manner for the use of a veterinarian, licensed veterinary technician or other agent.
  - (d) The term "person" as used in this section, shall not in any way pertain to state, county, municipal or city institutions but shall be deemed to include any individual, firm, partnership, corporation or other entity not licensed to practice veterinary medicine in the state of Alabama.
  - (f) Nothing in this subsection shall apply to bona fide sales of veterinary equipment, material or office secured by a chattel mortgage or retention title agreement, or to an agreement for the rental of the equipment or office by bona fide lease at a reasonable amount, and under which agreement the licensee under this chapter maintains complete care, custody, and control of said equipment and his practice. Further, nothing in this subsection shall prohibit or restrict persons, firms or corporations from employing or retaining licensed veterinarians to furnish veterinary treatment for their employees or dependents of their employees.
- (2) A prohibited business arrangement or relationship as defined in subsection (a) above shall not be considered a violation of that subsection if a prohibited arrangement or relationship results from the death of a licensed veterinarian and is cured within 24 months of the date of the death.
- (3) The purpose of this section is to prevent a non-veterinarian from influencing or otherwise interfering with the exercise of a veterinarian's independent professional judgment. In addition to the acts specified in subsection (a) no person, other than a veterinarian licensed in accordance with this chapter,

shall enter into a relationship with a person licensed under this chapter pursuant to which said unlicensed person exercises control over the following:

(a) The selection of a course of treatment for a patient, the procedures or materials to be as a part of such course of treatment, and the manner in which such course of treatment is carried out by the licensee;

(b) The patient records of a veterinarian;

(c) Policies and decisions relating to pricing, credit, refunds, warranties and advertising;  
and

(d) Decisions relating to office personnel; and hours of practice.

(4) Any licensed veterinarian or licensed veterinary technician who enters into any of the arrangements or relationships described in subsection (a) or subsection (c) above with any unlicensed person as defined above, may be subject to any of the penalties set forth in section §34-29-88.

*Author: Alabama State Board of Veterinary Medical Examiners*

*Statutory Authority: Code of Ala. 1975, §34-29-76 & §34-29-88*