

LICENSURE STATUS OF PHYSICIANS AND CONTINUING ELIGIBILITY TO MAINTAIN A PROFESSIONAL MEDICAL CORPORATION

Under subsection 31(4) of the *Medical Act, 2011* (the “Act”), a corporation is not permitted to use the words “professional medical corporation” or an abbreviation of those words in its corporate name, unless that corporation is registered and licensed as a professional medical corporation (PMC) with the College.

Under section 32 of the Act, a corporation cannot be registered and licensed as a professional medical corporation (PMC) with the College unless a medical practitioner licensed under the Act is a voting shareholder and a director of the corporation. This is a continuous requirement. Under section 33 of the Act, the licence of a PMC cannot be renewed unless the requirements of section 32 continue to be met.

Lapse of your PMC’s eligibility for registration and licensure

Physicians who have had a PMC registered and licensed by the College to provide their own services as a medical practitioner¹, but who subsequently allow their own individual license with the College to lapse (or who otherwise lose their individual licensure with the College) will also cause a lapse in the eligibility of their PMC to continue to be registered and licensed with the College. Examples of when a PMC’s eligibility to continue to be registered and licensed with the College will lapse include:

1. When a physician, on sabbatical or other leave from practice in the Province, decides not to renew his or her individual license with the College.
2. When a physician only practices in the Province on an occasional or “locum” basis, and is only individually licensed with the College for those periods of practice.

Action that must be taken if your PMC’s eligibility for registration and licensure lapses

When a physician who has incorporated a PMC allows his or her individual license to lapse, the physician must immediately take the following steps to bring his or her PMC into compliance with the Act:

1. File Articles of Amendment for the PMC at the Registry of Companies for Newfoundland and Labrador (the “Registry”) doing the following:
 - a. changing the name to remove any reference to a Professional Medical Corporation (or to an abbreviation of those words); and
 - b. amending the services the corporation may provide to remove the language restricting services to those of a medical practitioner, and related services;

¹ If there are multiple licensed medical practitioners acting as directors and holding voting shares for the PMC, and only one of them allows his/her license to lapse, the PMC continues to be eligible for registration and licensure.

2. Notify MCP that the corporation is no longer a professional medical corporation;
3. Notify the College that steps 1 and 2 have been taken, and surrender the PMC's license to the College.

(the "Post-Licensure Action")

How to avoid lapse of the your PMC's eligibility for registration and licensure

Physicians who are on sabbatical or other leave from practice in the Province in a year, or who only practice occasionally or on a "locum" basis in the Province in a year, and who wish to maintain their PMC's eligibility for registration and licensure (and avoid the requirement to take Post-Licensure Action) for that year, will have to maintain their own individual licensure status throughout that year, by applying to the College for a full year individual license, fulfilling all the requirements for a full year individual license (including professional liability protection), and renewing that licence on annual expiry. In the event the physician needs to be sponsored by a regional health authority, the physician will also need to request that the regional health authority sponsor the physician for the full year, even if he or she is only practising occasionally or on a locum basis during that year.

Conduct deserving of sanction

Physicians who allow their PMC's eligibility for registration and licensure to lapse, and who do not upon such lapse immediately take the Post-Licensure Action, will be considered to be in breach of the *Medical Act*, and may be subject to the filing of an allegation of conduct deserving of sanction. Physicians are reminded that the College retains jurisdiction over former licensees for discipline purposes, and that action under the College's discipline process will appear on their Certificates of Professional Conduct.