



Sabrina Sepulveda, CRNP-PMH
Harborside Behavioral Health, LLC
41625 Park Ave
Leonardtown, MD, 20650
Mail: PO Box 452 Valley Lee, MD 20692
Phone: (301) 494-1009 Fax: (970) 296-5636
Email: sabrina@harborsidebehavioralhealth.com

Support

HB 1388: Noncompete and Conflict of Interest Clauses—Health Care Professions

I am writing to bring your attention to an issue that has been a subject of growing concern within the healthcare industry - the use of non-compete clauses in employment contracts for healthcare professionals. Non-compete clauses, while perhaps effective in certain industries, pose significant challenges when applied to the healthcare sector. They not only limit the professional growth and mobility of healthcare professionals, but also inadvertently compromise patient care and access to medical services.

I urge favorable support of HB 1388. I am a Psychiatric Nurse Practitioner who owns Harborside Behavioral Health, LLC, located in Leonardtown, Maryland. I established my own practice after being directly affected by a predatory non-compete clause that caused significant distress to myself, my family, and the patients whom I serve. My community is in a federally identified health care provider shortage area for both behavioral health and primary care. Non-compete clauses can lead to a shortage of healthcare professionals in certain areas, particularly in rural and underserved communities. If a healthcare provider who has signed a non-compete agreement decides to leave their current employer, they may be unable to practice within a certain geographical radius, leaving patients without access to necessary medical care.

This happened to me. After completing a five-year contract, I elected not to continue employment with a large corporate healthcare provider—the only game in town. My contract included a non-compete agreement that prohibited me from practicing with a 50-mile radius of any of the entities' multiple sites for a period of 18 months. This effectively limited my ability to practice to a geographical area that was more than 87 miles, and approximately two hours from my home. That is a hardship not only to me and my family, but to patients who want to continue to receive care with me.

There were also restrictions in the contract about continuing care for patients. Let me be clear---health care providers do not own patients. Patients have the right to choose their health care provider. In behavioral health, many patients want to continue a therapeutic relationship, especially as there is such difficulty to find a new behavioral health provider. In fact, 24 of 25 counties in Maryland having health care providers shortages, there is no community benefit to geographically excluding qualified health care providers, especially in a rural area, such as mine in St. Mary's County.

While you may assume that one can elect not to seek employment with an employer whose contracts contain non-compete clauses, in a rural area there may be only a single corporate healthcare entity for certain specialties in which to be employed. Non-compete clauses limit competition and innovation within the healthcare sector. Competition is a critical driver of quality improvement and cost reduction

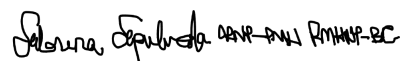
in healthcare. Non-compete clauses can stifle this healthy competition and innovation, which ultimately is detrimental to patient care and the healthcare industry.

Lastly, non-compete clauses can create an imbalance in the employer-employee relationship, giving disproportionate power to the employer. This can lead to exploitation and may discourage healthcare professionals from advocating for their rights. This is especially true given that in many rural areas, one single corporate health care provider has a monopoly, as is true in my area.

In light of these reasons, I urge you to consider the potential negative implications of non-compete clauses in the healthcare sector. It is crucial that we prioritize the needs of patients and healthcare professionals and ensure that the healthcare industry remains competitive and innovative.

I urge you to support HB 1388.

Respectfully,

A handwritten signature in black ink that reads "Sabrina Sepulveda CRNP-PMH". The signature is written in a cursive style.

Sabrina Sepulveda, CRNP-PMH
Owner, Harborside Behavioral Health, LLC