Connecticut Expands Noncompete Law for Healthcare Professionals and Imposes New Restrictions



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On June 28, 2023, Connecticut Governor Ned Lamont signed Public Act No. 23-97 into effect, amending Connecticut's noncompete law for physicians and extending it to include physician assistants (PAs) and advanced practice registered nurses (APRNs). Connecticut passed legislation in 2016 limiting the use of noncompete agreements for physicians in several material ways. Among other limitations, the law precludes employers from entering into agreements that restrict physicians from competing for a period of more than one year and outside of a fifteen-mile radius of the primary site where the physician practices. In addition, a physician noncompete agreement is enforceable only in the event that the physician resigns or is discharged for cause.

Under the amended law, PAs and APRNs may not be subject to noncompete agreements with a duration of more than one year, and restrictions on competition must be limited to a fifteen-mile radius from the PA's or APRN's primary site of practice. The amended law also places additional limitations on physician noncompete agreements. For example, any contract or agreement entered into, amended, extended, or renewed on or after October 1, 2023, will not be enforceable in the event the physician does not agree to a proposed material change to the compensation terms prior to or at the time of the extension or renewal of the agreement and the agreement expires or is terminated by the employer except for cause.

Click Here to read the entire July 2023 Healthcare Law Update now!

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