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Forming or Acquiring a Veterinary Practice in Colorado: The Basics of Corporate Practice

Insight — February 29, 2024

Most people would say they love their dogs, but if you're considering starting a veterinary practice in Colorado, your patients may belong to some of the most dedicated pet-owners out there: In 2024, Colorado ranked number one among most devoted dog owners in the nation. If you're considering starting a veterinary practice in Colorado and hoping to build a devoted following among these devoted pet owners, there are a few questions to keep front of mind to help ensure a seamless start.

How open is Colorado toward the corporate practice of veterinary medicine and what are the licensing requirements?

As we've discussed in other articles, rules may differ greatly from state to state when it comes to the nuanced intersection between delivering quality patient care and commercial interests. Some states follow the doctrine (borrowed from human medical care) that veterinarians may not be employed by non-licensed persons; this doctrine is intended to prevent corporate interests from affecting veterinarians' judgment and independence as licensed professionals. Other states are more flexible, allowing the corporate practice of veterinary medicine to varying degrees or fully allowing it.

Colorado does not prohibit corporate practice of veterinary medicine. In fact, Colorado statute is specific and upfront about allowing the corporate practice of veterinary medicine, with some conditions. A Colorado-licensed veterinarian must be internally designated as responsible for the veterinary practice. Lay directors, officers, and shareholders shouldn't exercise any authority over the independent medical judgment of licensed veterinarians.

If you're a veterinarian coming to Colorado from another state, you must have an active license in good-standing. Otherwise, Colorado offers licensure by examination and endorsement. There's no premises or facility permit or registration required in Colorado. The designation of a responsible medical director for a facility appears to be left to internal policies. That responsible medical director must be a licensed veterinarian. That director should be designated responsible any time a patient is present on a veterinary premises.

Can a veterinarian be employed as an independent contractor versus an employee in Colorado?

Yes, it seems like independent contractor relationships are permitted. There are no specific rules stating that a veterinarian in Colorado must be an employee. The crucial issue for both employees and independent

contractors is that any contractual relationship must not permit a lay person to interfere with the veterinarian's independent medical judgement.

Conclusion

Thanks to its openness toward the corporate practice of veterinarian medicine, Colorado offers a plethora of opportunities to build connections with a large number of devoted pet owners. Beginning to understand some of the specificities of Colorado's rules and regulations is a smart way for veterinary practices to hit the ground running in the Centennial State.

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