

HOUSE BILL REPORT

HB 2452

As Reported by House Committee On:
Health Care & Wellness
Appropriations

Title: An act relating to the interstate medical licensure compact.

Brief Description: Creating the interstate medical licensure compact.

Sponsors: Representatives Riccelli, Harris, Cody, Johnson, Robinson, Senn, Clibborn, Jinkins and Ormsby; by request of Department of Health.

Brief History:

Committee Activity:

Health Care & Wellness: 2/2/16, 2/3/16 [DPS];
Appropriations: 2/8/16, 2/9/16 [DPS(HCW)].

Brief Summary of Substitute Bill

- Adopts the Interstate Medical Licensure Compact (Compact) to allow physicians and osteopathic physicians and surgeons to receive an expedited license to practice medicine in states that are members of the Compact.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Caldier, Clibborn, DeBolt, Jinkins, Johnson, Moeller, Robinson, Rodne, Short, Tharinger and Van De Wege.

Staff: Chris Blake (786-7392).

Background:

Licensing of Physicians and Osteopathic Physicians and Surgeons.

Physicians are licensed to practice medicine in Washington by the Medical Quality Assurance Commission (Medical Commission). To be eligible for a license to practice medicine, an applicant must have graduated from an approved medical school, have

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completed two years of postgraduate medical training, be of good moral character, be physically and mentally capable of safely practicing medicine, and successfully complete an examination.

Osteopathic physicians and surgeons in Washington are licensed to practice osteopathic medicine and surgery by the Board of Osteopathic Medicine and Surgery (Board). To be eligible for a license to practice osteopathic medicine and surgery, an applicant must have graduated from an accredited school of osteopathic medicine and surgery, have completed at least one year of postgraduate training, not have engaged in unprofessional conduct, be physically and mentally capable of safely practicing medicine, and successfully complete an examination.

A practitioner licensed by another state to practice medicine or osteopathic medicine and surgery, however, may practice medicine or osteopathic medicine and surgery in Washington as long as the practitioner does not open an office or appoint a place for meeting patients or receiving calls in Washington. Both the Medical Commission and the Board have provisions to allow practitioners who are licensed in other states to obtain a license in Washington without having to repeat the examination. The Medical Commission has authority to issue limited licenses to practitioners licensed in other states in certain cases, such as when employed by the Department of Social and Health Services, the Department of Corrections, or a local health jurisdiction.

The Interstate Medical Licensure Compact.

The Interstate Medical Licensure Compact (Interstate Compact) establishes a process for the issuance of expedited licenses for physicians and osteopathic physicians and surgeons who are fully licensed in one member state to receive a license in another member state. Currently, there are 12 member states participating in the Interstate Compact.

Summary of Substitute Bill:

Expedited Licenses.

An expedited license is a full and unrestricted medical license that is granted to an eligible physician or osteopathic physician and surgeon (physician) by a state that has enacted the Interstate Medical Licensure Compact (Interstate Compact) based on the status of the physician's license in another state that has enacted the Interstate Medical Licensure Compact (member state). The stated purpose of the Interstate Compact is that the expedited license be an alternative path to obtaining a license to practice medicine or osteopathic medicine and surgery in Washington or other member states. In addition, the purpose of the Interstate Compact states that the practice of medicine occurs where the patient is located at the time of the physician-patient encounter.

To be eligible for an expedited license, a physician must:

- be a graduate of an accredited medical school;
- have passed each component of the United States Medical Licensing Examination or the Comprehensive Osteopathic Medical Licensing Examination;
- have successfully completed approved graduate medical education;

- hold recognized specialty certification;
- possess a full and unrestricted license to practice medicine issued by the state agency that licenses physicians for a member state (member board);
- have never been convicted, received adjudication, deferred adjudication, community supervision, or deferred disposition for any offense;
- have never had a license to practice medicine subject to discipline by a licensing agency in any state;
- have never had a controlled substance license suspended or revoked; and
- not be under active investigation by a licensing agency or law enforcement authority.

A physician must designate a member state as the state of principle license. The physician may select the state of principle license from any member state in which the physician has an unrestricted license to practice medicine as long as the state is either:

- the state of the physician's primary residence;
- the state where at least 25 percent of the physician's practice of medicine occurs;
- the location of the physician's employer; or
- in some cases, the state of residence for federal income tax purposes.

Once a state of principle license has been designated, a physician seeking an expedited license must apply to the member board of the state of principle license. The state of principle license will review the application for compliance with the eligibility standards. Following its review, the member board of the state of principle license must issue a letter of qualification to the Interstate Medical Licensure Compact Commission (Interstate Commission) declaring whether or not the physician is eligible for an expedited license. A denial of eligibility may be appealed to the member board of the state of principle license.

Upon the verification of a physician's eligibility, the physician may register with the Interstate Commission and select a member state in which to become licensed. The selected member state must issue an expedited license upon receiving verification of eligibility and payment of the licensing fee. Upon issuance of the expedited license, the physician may practice medicine in the selected member state consistent with that state's law and regulations. The expedited license is valid for the same duration as the regular licensing period in the selected member state.

To renew an expedited license, a physician must follow a renewal process established by the Interstate Commission. Renewal of an expedited license requires that the physician maintain a full, unrestricted license in the state of principle license; not have any criminal findings, disciplinary actions against a medical license, or suspension or revocation of a controlled substance license; and complete continuing medical education requirements required for renewal in the member state. The Interstate Commission distributes the renewal information with all member boards and the member boards are responsible for renewing the license upon receipt of payment of the renewal fee determined by the state.

A disciplinary action taken by one member board against a licensed physician is deemed unprofessional conduct which may subject the physician to discipline by the other boards. If a physician's license is suspended or revoked by the state of principle license, the other member boards must impose the same sanction. Any member board may take disciplinary

action which another member board may use to impose the same or lesser sanction, or to pursue a separate disciplinary action.

Interstate Medical Licensure Compact Commission.

The Interstate Commission is created for the purpose of administering the Interstate Medical Licensure Compact. The Interstate Commission consists of two voting members from each member state. In a state in which allopathic physicians and osteopathic physicians are regulated by different licensing entities, each licensing entity appoints one of the state's members. The members must be either board members of a member state's licensing entity, executive directors of a member state's licensing entity, or public members of a member state's licensing entity.

Among its authorities, the Interstate Commission may adopt rules; issue advisory opinions; enforce compliance with the Interstate Compact and related rules through the judicial process; and carry out personnel, budgeting, and administrative functions. The Interstate Commission must issue an annual report to the legislatures and governors of the member states regarding the activities of the prior year, including financial audits and adopted recommendations. The Interstate Commission may impose an annual assessment upon member states to cover the costs of administration.

The Interstate Commission is responsible for establishing a database of all physicians licensed, or who have applied for an expedited license. Member boards must report any public action or complaint against any licensed physician who has, or has applied for, an expedited license. Member boards also must report disciplinary and investigatory information determined necessary by the Interstate Commission. Member boards may report any nonpublic complaint, or disciplinary or investigative information not otherwise required by the Interstate Commission. Information submitted to the Interstate Commission is confidential and only used for investigatory or disciplinary matters.

Any enforcement of the Interstate Compact against a member state that is in default must occur by a majority vote of the Interstate Commission. Default may occur through a member state's failure to perform its responsibilities under the Interstate Compact.

Immunity from liability is provided to officers and employees of the Interstate Commission when acting within the scope of their employment, as long as the conduct was not intentional or willful misconduct.

Any amendments to the Interstate Compact that are proposed by the Interstate Commission must be unanimously approved by the member states.

A member state may voluntarily withdraw from the Interstate Compact by repealing its enacting statute.

Substitute Bill Compared to Original Bill:

The substitute bill requires that the cost of the operations and activities of health professions licensure compacts be borne by those who hold licenses issued under the compacts rather than the licensing authorities.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill will help bring more doctors to Washington. The Compact can help with the need for access in rural and underserved areas as well as specialty care for the aging population. The Interstate Compact will allow smaller communities to have access to services that they might only need a couple of times a month without having to recruit and retain full-time specialists.

With advances in telemedicine, the practice of medicine across state lines will continue to grow. The Compact is beneficial to the advancement of telemedicine and will make it easier for doctors to participate in telemedicine activities.

Health care systems that operate across state lines can use the Compact to reduce duplication and time. Hospitals are competing for physicians in a national marketplace. This will help health systems grow their network of physicians. Thirty percent of physicians who are currently licensed in Washington practice in multiple states. This can allow for continuity of care for patients as they travel across state lines.

The Interstate Compact does not monkey with the state's medical practice act or disciplinary standards. The Interstate Compact responds nicely to many of today's challenges in the regulation of health care. This is an initiative from the states themselves. The Interstate Compact obliges physicians to follow each state's laws and rules and, if they do not, the state can take action. The Interstate Compact has broad support across medical organizations. This Interstate Compact allows states to continue to protect the public while streamlining the process for well-qualified physicians to serve their patients without borders. The Interstate Compact does not change the way that Washington licenses physicians who do not want to go through the Interstate Compact. Only physicians with the strongest track record of safe medical practice will be able to participate in the Interstate Compact. The Interstate Compact has already been adopted in 12 states and is under consideration in 12 more. There will be grants available for states to set up the necessary information technology to implement the Interstate Compact. Fees will be paid by each individual seeking a license through the Interstate Compact. This is a one-stop shop for licensure.

(Opposed) None.

(Other) The bill makes a broad delegation of authority to an out-of-state commission to establish its own budgets and assess the states. The fees should only be charged to those physicians who actually participate in the Interstate Compact process.

Persons Testifying: (In support) Representative Riccelli, prime sponsor; Melanie DeLeon, Medical Commission; Blake Maresh, Department of Health; Katie Kolan, Washington Medical Association; Ian Goodhew, University of Washington School of Medicine; and Kristen Federici, Providence Health Services.

(Other) David Knutson, Washington Osteopathic Medical Association.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Health Care & Wellness be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Dunshee, Chair; Ormsby, Vice Chair; Parker, Assistant Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Cody, Dent, Fitzgibbon, Hansen, Harris, S. Hunt, Jinkins, Kagi, Lytton, MacEwen, Magendanz, Pettigrew, Robinson, Sawyer, Schmick, Senn, Springer, Stokesbary, Sullivan, Tharinger and Walkinshaw.

Minority Report: Do not pass. Signed by 6 members: Representatives Chandler, Ranking Minority Member; Buys, Haler, Hudgins, Taylor and Van Werven.

Minority Report: Without recommendation. Signed by 1 member: Representative Condotta.

Staff: Linda Merelle (786-7092).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care & Wellness:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The Interstate Medical Licensure Compact (Compact) has broad support. The fiscal note will be zero because the information technology costs to implement the Compact will be minimal, and the Compact has already received funding from other sources and will apply for additional grants. Other states that have adopted the Compact have received a net revenue after enactment. The amendatory language added to the bill would allow for physicians to pay for operation under the Compact through user fees, and physicians may obtain licenses in a more expeditious manner. Under this bill, the status quo would be maintained regarding the availability of disciplinary information.

(Opposed) None.

(Other) Disciplinary information regarding medical professionals is currently available to Washington citizens, and it should continue to be available.

Persons Testifying: (In support) Micah Matthews, Washington Medical Commission; Kathryn Kolan, Washington State Medical Association; and Ian Goodhew, University of Washington Medicine.

(Other) Rowland Thompson, Allied Daily Newspapers of Washington.

Persons Signed In To Testify But Not Testifying: None.