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HB 429

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## HB 429: Interstate compact for physician licensure

### WHAT IS THE COMPACT?

- A binding agreement made between states; there are many other compacts covering various activities. Most states belong to about 25 compacts.

- The compact will establish a process that will allow a physician who has exemplary credentials and is licensed in one state (which participates in the compact) to be licensed in other states (who also are part of the compact). This will allow licensure to occur rapidly and efficiently.

### HOW WAS THIS COMPACT DEVELOPED AND WHEN?

- Over the past decade, as physicians became more mobile and established practices and consultation in multiple states, the need for a timely and efficient way to obtain state based licensure became clear. (Currently, a physician must complete an independent application for licensure on a state by state basis.)

- The first national meeting of state medical boards focused on this topic occurred in January, 2013. It was organized by the Federation of State Medical Boards (FSMB) near their offices in Dallas, TX. During that 2 day meeting, many different ways to solve this problem were discussed. By the end of the meeting there was general consensus that an interstate compact for physician licensure would be the best option. Subsequently a working group comprised of representatives of several state medical boards continued the discussion and worked out the details. This was facilitated by the FSMB. The interstate compact was finalized in October, 2014.

### HOW WILL IT BE MANAGED? BY WHOM?

- It will be administered by a Compact Commission composed of 2 representatives from each state that is part of the compact – physicians on the state medical board and the board executive officer are eligible and appointed by the governor.

- This compact commission will establish administrative procedures, rules, fees, and the necessary infrastructure to provide for accounting and audits of its financial structure, legal services, and administrative support.

## WHEN WILL IT TAKE EFFECT?

- As soon as 7 states enter into the compact. Currently legislation to enter into the compact has been introduced by 12 states, including 2 of our neighbors, Wyoming and South Dakota.

## HOW WILL IT WORK?

- A physician must designate a "home state" (called the state of principal license) in which his/her practice is primarily located and in which he/she holds a full and unrestricted license. The physician then applies to that state to establish eligibility for participation in the interstate compact.

- That state board will review that physician's credentials and practice history. If the qualifications are met, that board will certify the physician's eligibility and give that information to the compact commission. The physician must be board certified and have a completely unblemished practice and legal history. (Full details re qualifications are in Section 2 under definitions.)

- That physician can then apply through the commission for licensure in any other state that participates in the interstate compact.

- The necessary fees are collected by the commission for their administrative costs and for the "secondary" state's licensing fee.

- The secondary state will then issue a license to that physician and receive the fees to which it is entitled.

- As is the current situation, a physician will still be required to have a license in each state in which he/she practices, and each state will continue to have authority over that physician when providing medical care to a resident of that state.

## WHAT ARE THE BENEFITS TO MONTANA?

- Increased and efficient ability of physicians to work in Montana. This would include physicians who work in Montana in a locum tenens setting, those who practice via telemedicine modalities to provide consultative services that might not otherwise be available to Montana residents, as well as physicians who wish to establish a more permanent instate practice.

- Information about any complaints and/or disciplinary actions by a state medical board will be immediately shared by all states in the interstate compact. The Board of Medical Examiners could then take any necessary action to protect Montana residents.

**WHAT IF A PHYSICIAN LICENSED IN MONTANA HAS A COMPLAINT AGAINST HIM/HER RELATIVE TO A PATIENT IN MONTANA?**

- Even if a physician practices in Montana with a "secondary" license, the Montana Board of Medical Examiners will have full control and authorization for investigation and discipline, if warranted. From the perspective of the Montana citizen, the current complaint process would in no way be lessened.
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**WHAT IS THE FINANCIAL THE FINANCIAL IMPACT?**

- The exact details of the financial obligations are not currently known. There will clearly be some start up, as well as ongoing maintenance costs/membership fees for the interstate commission.

- There would also be costs associated with travel and other obligations for our 2 representatives on the compact commission.

- There would be additional staff demands for physicians who designate MT as their home state. Conversely, we would think that processing a license for a physician applying via the compact would be less than for an independent license application as currently occurs. In order to participate in the interstate compact, we will have to add a criminal background check to our licensure requirements.

- The location of the interstate compact commission is unknown: it could have an ongoing relationship to the FSMB or be established elsewhere. This will be decided by the compact commission.

- It would seems advantageous to become part of the compact early in its development so as to have a "seat at the table" as the financial and other details of establishing the commission are worked out.

**WHO SUPPORTS IT?**

- The Board of Medical Examiners (13 members, including 6 physicians) has discussed the proposed compact over the past year, trying to carefully weigh the pluses and minuses of the proposal. We had a special board meeting this last December about the proposed compact, at which time the board unanimously voted our support.. It is now before you as HB 429.

- It is our understanding the MT Medical Association (also national AMA) and the MT Hospital Association support it. The board is aware of no opposition in Montana..