



Economic Affairs Interim Committee

62nd Montana Legislature

SENATE MEMBERS

TOM FACEY--Vice Chair
JOE BALYEAT
EDWARD WALKER
JONATHAN WINDY BOY

HOUSE MEMBERS

TOM BERRY--Chair
CHUCK HUNTER
CAROLYN SQUIRES
GORDON VANCE

COMMITTEE STAFF

PAT MURDO, Lead Staff
BART CAMPBELL, Staff Attorney
CLAUDIA (CJ) JOHNSON, Secretary

April 10, 2012

Licensing Concerns For Medical Personnel in Montana

Compiled by Pat Murdo, Legislative Analyst for the Economic Affairs Interim Committee

The Problem:

One of the Economic Affairs Interim Committee's agenda items for April 20 is a brief explanation (to be explored in more depth in June) of some of the licensing concerns that have arisen over licensing medical personnel in Montana. This is an important issue for a state that has many areas considered primary care health professional shortage areas. The concerns recently expressed are twofold:

- There apparently was a computer glitch for printing physician licenses prior to the renewal period for physicians, which ended March 31 for half the physicians currently licensed in the state (the other half are scheduled for renewals next year). As a result, some hospitals were discovering that they could not verify the licenses of many (or any) of the physicians with privileges at the hospital or on staff. The Montana Hospital Association reported complaints and alarms raised by hospitals in Billings, Glendive, Miles City, Sidney, Missoula, Polson, Havre, and Kalispell. The Board of Medical Examiners apparently worked out a solution but it was after numerous phone calls and meetings. The issue was brought directly to the attention of the Board of Medical Examiners during public comment on March 16.
- The Montana Hospital Association and others have talked to the Select Committee on Efficiency in Government about delays in licensing. These delays are related to the verification and approval process specifically with the Board of Medical Examiners and the Board of Psychology. Although the Department of Labor and Industry has streamlined some application approvals to allow staff to move routine licensing forward more quickly, there remain opportunities for delay. The department is reorganizing to allow all license application specialists to be cross-trained so that all staff can work on applications for whatever board and whatever licenses are up for renewals. Delays have happened when application staff have been absent or out of the office. So the new licensing procedure may help after training has taken place. Other opportunities for delay include:
 - ▶ The need to verify license status for medical practitioners licensed in other states. Montana and some 20 other states use a process called VeriDoc, which is for physicians requesting verifications that are to be sent to other state medical boards. Verification of status (including medical malpractice complaints and status of licenses) can cause a delay in licensure for someone already licensed in another state. Although verification is important, Montana apparently requires written proof and does not rely on electronic verification through programs like Montana's licensee lookup system. This is particularly frustrating to small Montana community hospitals that must use locum tenens physicians (those called in for temporary duty). The locum tenens physicians have licenses elsewhere and often operate through companies that make placements in all 50 states. If Montana's verification process takes significant time, a locum tenens waiting to be licensed here can be placed elsewhere more quickly, and then the whole process must start anew with a new locum tenens physician applying for a license here.
 - ▶ Temporary practice permits are allowed under 37-1-305, however, the issuance may still depend on a board member or the entire board personally interviewing an applicant. Even a

board that meets once a month may delay approval to a point where a physician goes elsewhere to practice. Timing is critical for some of the smaller hospitals, especially those hiring locum tenens physicians. Staff often refuse to add to a board agenda even if notified within 3 days of a meeting, so that a completed application might take longer to go before the board for review until it can be placed on the following meeting's agenda.

Possible Solutions:

There may not need to be a legislative "fix" to the problem. However, the delays have apparently arisen in more than one board. Since temporary practice permits and on-line applications are allowed, a board conceivably could introduce mechanisms to speed the process. The following are some approaches.

- ▶ Wyoming last year introduced a new system of licensing to allow an expedited temporary practice permit for physicians who have been continually licensed in good standing for the preceding 3 years and have no professional liability insurance settlements in excess of \$50,000 individually or a combined \$100,000 nor any criminal records, medical conditions that impair an ability to practice safely or other specified situations.

The expedited temporary practice permits are allowed to be issued if, after review by the executive director of the medical board, the applicant meets all the specified criteria and submits a specific Wyoming addendum to a uniform application filed through the Federation of State Medical Boards. The process also requires an application to the Federation Credential Verification Service, starting a process that can take months but is not required to be completed until permanent licensing. Three references also are required for permanent licensing.

According to a staff member at the Wyoming Medical Board, this expedited temporary license can be issued in about 10 days even before verification of license standing elsewhere. Montana requires full verification. Another hangup in Montana for an applicant who has had a driving under the influence conviction even 20 years ago is an in-person interview with the Board. Wyoming may still allow a temporary practice permit in this situation, but not an expedited temporary permit. The temporary permit still may be issued prior to review of the application by the Wyoming Medical Board, which meets only 3 or 4 times a year.

- ▶ Another possible approach is to have an expedited temporary practice permit for applicants who have provided to the Board of Medical Examiners a medical facility's letter of intent to hire, contract, or engage the applicant. Although a letter of intent reportedly would not satisfy medical malpractice insurers without a license to practice, a letter of intent to the Board of Medical Examiners would indicate a reason to act more quickly. This could help particularly those hiring locum tenens physicians who already have done some of the review necessary for contracting with a physician.
- ▶ If another state has an online verification system like Montana's licensee lookup, that electronic verification could be used as a primary source and the Board of Medical Examiners (or other Montana licensing boards) could stop requiring a paper copy to be sent from the other state's licensing board. To make the process even easier, an applicant could provide a copy of the website verifications and then licensing staff could re-verify. There is also the National Practitioner Data Base that can be used to determine if a physician applicant has had problems elsewhere.
- ▶ If the goals for the Business Standards Division as listed in the House Bill 2 Narrative for the 2011 Biennium apply to all professional and occupational licensing boards as well as to the Building Codes Bureau, then the goal is to "license and renew licenses to qualified individuals in a timely and cost-

effective manner" with the objectives of processing 80% of new license applications within 14 days of receipt of a completed application as well as to support and improve online licensing functions for all licensing boards and programs. Two years later, online licensing functions are not up to speed (although a new \$4.65 million system has been authorized), appear not to be trusted by staff or board members, and appear to be not very functional for other consumers of health care licensing information or even the applicant (who must call to learn where an application is in the process).

What to expect

The April 20 Economic Affairs Committee agenda provides about 15 minutes for the Business Standards Division, which handles licensing, to answer some of the following questions about perceived licensing problems at the Board of Medical Examiners. Because there are a lot of questions, and the answers may not be readily available, the issue will also be on the June Economic Affairs Committee agenda.

The following questions were sent to the Business Standards Division on March 22, 2012, with the notation to answer as many as possible at the April 20 meeting, just as they apply to the Board of Medical Examiners (except for the last question). The rest can be answered in June:

- ▶ provide a summary of the physician licensing process (new applications and renewals)
- ▶ provide a list of questions an applicant must answer
- ▶ what is the average time over the past 3 years to process a new application once considered complete?
- ▶ how many applications were delayed in the last year until licensure verification was documented from other states? Is verification done electronically or otherwise (please specify how)? Do other states have licensee lookup systems that can be used to speed the process?
- ▶ what is the number of nonroutine applications? What is the major reason, if any, they are nonroutine?
- ▶ what is the average length of time to process nonroutine applications?
- ▶ what is the average time to process nonroutine applications once they are considered complete?
- ▶ what is the average time over the past 3 years to process a renewal?
- ▶ what is the number and type of new applications and the number of renewals over the past 3 years?
- ▶ what is the number of applications denied over the past 3 years?
- ▶ how many applications have been withdrawn?
- ▶ what is the number of telemedicine applications and the time spent to process them?
- ▶ are all applications reviewed by the board?
- ▶ are all applicants interviewed by the board? If not, which ones?
- ▶ is there a common reason for interviews?
- ▶ what are the main reasons for denial of an application or renewal?
- ▶ are there additional fees beyond licensing fees for an application?
- ▶ what are the allowable methods of fee payment?
- ▶ are there methods of communication with an applicant? (to inform of incomplete application, set up interviews, verify receipt of application? Other?)
- ▶ what are the complications for reciprocity with other states?
- ▶ are there ways an applicant can learn the status of an application during the process?
- ▶ what are the complications of paper versus electronic submissions and processing?
- ▶ what are the other stumbling blocks to a speedier application process?
- ▶ are there short-term and long-term fixes?
- ▶ how much overtime is put in by processors to meet renewal deadlines?
- ▶ have there been additional hires to help process applications?
- ▶ what staff efforts have there been to inform Board members if there are problems?
- ▶ what actions have been taken by the Board of Medical Examiners to address delays in licensure?
- ▶ how does the BOME process compare to other states regarding processing time, communication, use of electronics, reciprocity, implementing expedited licensure processes, and related issues?

- ▶ what benefits will the reorganization provide to the application/renewal process?
- ▶ has the department prorated reorganization costs to all boards? What is that cost?