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State Administration and Veterans' Affairs Interim Committee
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Spreadsheet Parameters

The accompanying spreadsheet includes seven licensing boards identified by committee staff and 16 associated license types from FY 2018-2021 and includes for each license type:

- Total number of licenses issued from completed applications
- Number of total licenses issued that were out of state applicants
- Number of licenses denied for all types of applicants (out of state and original by examination)
- Average **calendar** days from application filing to issuance of license
- Number of total applications that must be heard at a regularly scheduled board meeting – i.e., nonroutine (NR) because they involve lack of qualifications or misconduct
- The only license types currently under mutual recognition compacts in this state are Registered Nurses, (enacted prior to the data capture in FY 2018) and Physical Therapists (beginning in FY 2022 after data capture). The physician's "compact" differs in that it only facilitates individual state licensure, it does not issue a compact license granting mutual recognition to practice in multiple states.

Conclusions from Data

1. Over the period examined, an average of 59.6% of total licenses issued arise from out of state applications. Due to current database configurations, the number of license denials, average days to issue a license, and number of nonroutine applications are based on all completed applications received. Notably, physicians have a much higher average of 84% of out of state applications of the total received because of the lack of educational and residency opportunities in this state.

2. Total applications include only compact applicants who are seeking their compact license from Montana as the home state; registered nurses and physical therapists on compact licenses who are temporarily working in Montana are not tracked in this data: Montana would have no reason to know these persons are even in Montana.

3. One and one-half percent (1.5%) of total applications received are required to be reviewed by the board as nonroutine for lack of qualifications or misconduct issues. Only two tenths of a percent (0.02%) of all applications are denied.

4. Over the period examined, the average number of days to license generally declined, even in the face of increasing applications. In the case of psychologists, consistent with efforts by the Division to urge the board to discontinue treating all applications as nonroutine and to discontinue

administering an oral examination, the number of nonroutine applications have been cut in half in the last fiscal year. The average number of days is expected to fall further after the department and board bill passed in 2021 (SB 90) to reduce burdensome and unnecessary license requirements on psychologists applying from other states.

5. The average number of days to issue a license from the date the application is received ranges for each license types approximately two to three weeks. The aggregate average number of days for all license types is 18.95 days. The factors that cause delays are discussed below.

Days to Issue License

1. **DOJ-FBI fingerprint/background check** – This process is dictated by the U.S. and Montana Departments of Justice and impacts four of the seven boards listed on the spreadsheet: Nursing, Behavioral Health, Physical Therapy, and Medical Compact Physicians. Under federal regulations, these applicants must first apply with the Division to sign authorizations for the Division to legally receive and possess the criminal background results. The length of time is controlled by (1) when the applicant presents to a law enforcement agency to capture fingerprints, (2) when the applicant subsequently submits those prints to MDOJ, and (3) how long it takes the FBI and MDOJ to process the results and deliver them to the Division. Depending on the MDOJ/FBI backlog, this process generally takes from between two to six weeks from the time MDOJ receives the fingerprints to the time the Division receives the results. The department would consider legislation to authorize issuance of a temporary license pending the receipt of the DOJ-FBI fingerprint background check (as it now does with license verifications from other states) absent a conflict with compact law.

2. **Applicant engagement and responsiveness** – Most applicants apply early and submit complete information; it is likely that some, for reasons that are either beyond their control or because of personal choice, file their applications late in the process of relocating to Montana or expecting to report for work. The Division encourages and the online system allows for filing an application to start the process and subsequently prompt the applicant for additional information as necessary to allow staff to begin working the application to determine if the applicant meets the standards set by the legislature and board. The Division routinely has applicants who fail to follow up on incomplete applications in a timely manner or abandon the application altogether. These delays are outside of the control of the Division.

3. **Board Review of Nonroutine Application** – Nonroutine applications are applications where staff identify evidence of a failure to meet the qualifications for licensure, which they are required to do within 10 days of receipt of a completed application. Nonroutine applications must be reviewed by the full board. Depending on when the application is received and the nonroutine determination is made, delays of up to 90 days can occur depending on board meeting schedules and demand. The Division attempts to mitigate this type of delay. As shown in the data, the number of nonroutine applications is very small, but can have a significant impact on the average number of days to license.

4. **Testing** – For license types that require board approval or other condition to take the exam after application, delays in registering for, preparing, and taking or retaking the exam on the part of the applicant and sending the results from the exam provider to the board office can delay processing the application and issuing the license. A temporary license is available to applicants awaiting exam, but requires additional maneuvering, e.g., nurses must have a nursing supervisor

designated on the temporary license. However, under current law, fingerprinting is still a prerequisite for the temporary license.

Compact Information

The Division does not believe that failure to join a compact slows down the licensing process in a significant manner.

Non-military compact members who move their residence to Montana are required to make license application and designate Montana as their “home state,” which involves filing an application and the associated fingerprinting and license verification procedures. Individuals who become licensed for the first time and wish to obtain a compact license in Montana must also file an application and undergo fingerprinting.

While the nursing and physical therapy compacts allow military members and their spouses to choose whether to register in the new state or maintain their original home state under the compact license, given that there is only one military base in Montana and we don’t know the number of military members coming into Montana or the number of those that seek a license in this state, the Division’s focus has been to improve license portability for all out of state applicants regardless of their military association. (See description below of website enhancements for military applicants).

Each compact must be evaluated on its individual terms in relation to how variable the state-to-state requirements for licensure are. States may hesitate to join a compact that has very few member states and, because applicants will continue to come from non-member states, it continues to be important to provide an efficient process for license portability.

Department Efforts to Address License Portability

1. **Website Enhancement** – When complete, this project will offer specific presentation space and guidance (FAQs) for active military and military spouses license applicants to encourage early application and customer service assistance to get licensed by reciprocity or by equivalent military experience, as applicable.

2. **Comprehensive Remodel of Application Processes and Software** – Recent programming updates have added a fast-track component to many licenses and will continue to seek out pathways to reduce barriers to licensure, especially for applicants where license portability is a supreme issue such as with active military and their spouses who hold credentials in other states.

3. **Current statute expedites out of state applications** – Montana has the authority under § 37-1-304, MCA, to issue reciprocal licenses from jurisdictions that have substantially equivalent standards at the time of application to Montana without examination. This expedited license process applies to all applicants, including military members and their spouses. The department will continue working with boards to interpret the term “substantially equivalent” broadly and avoid decision making that implicates unreasonable restraint of trade. The Division will continue to leverage the existing statute, including possible division-wide rulemaking, to increase license portability and decrease licensing times, while maintaining the public safety component of our mission.