

Fiscal Note

State of Alaska
2014 Legislative Session

Bill Version: CSSSSB 80(L&C)
Fiscal Note Number: 1
(S) Publish Date: 2/21/14

Identifier: SB080SS-DCCED-CBPL-02-07-14
Title: OUT-OF-STATE PHYSICIAN LICENSE
Sponsor: DYSON
Requester: House Labor & Commerce

Department: Department of Commerce, Community and
Economic Development
Appropriation: Corporations, Business and Professional
Licensing
Allocation: Corporations, Business and Professional
Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates				
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES	FY 2015	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Personal Services	164.2		164.2	164.2	164.2	164.2	164.2
Travel	1.5		6.5	6.5	6.5	6.5	6.5
Services	159.7		124.5	124.5	124.5	124.5	124.5
Commodities	13.0		5.0	5.0	5.0	5.0	5.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	338.4	0.0	300.2	300.2	300.2	300.2	300.2

Fund Source (Operating Only)

1156 Rcpt Svcs	338.4		300.2	300.2	300.2	300.2	300.2
Total	338.4	0.0	300.2	300.2	300.2	300.2	300.2

Positions

Full-time	2.0		2.0	2.0	2.0	2.0	2.0
Part-time							
Temporary							

Change in Revenues	338.4		300.2	300.2	300.2	300.2	300.2
---------------------------	-------	--	-------	-------	-------	-------	-------

Estimated SUPPLEMENTAL (FY2014) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2015) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/15

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Don Habeger, Director Phone: (907)465-2536
Division: Corporations, Business and Professional Licensing Date: 12/16/2013 08:00 AM
Approved By: Jeanne Mungle, Director Date: 02/09/14
Agency: Administrative Services

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA
2014 LEGISLATIVE SESSION

BILL NO. CSSSSB 80(L&C)

Analysis

SB 80 proposes to establish a new license type for out-of-state physicians or podiatrists to be regulated by the State Medical Board. Physicians licensed under this chapter would be permitted to engage in the practice of telemedicine. Telemedicine is medical care and treatment based on data provided solely by the patient while the provider is located outside Alaska.

The addition of this program requires startup expenses to configure the professional licensing database, develop and implement regulations, purchase supplies, and establish program procedures. Ongoing expenses include personal services for license review, processing, and investigation; web site maintenance; legal consultation; hearing and mediation; and indirect expenses for facilities and division management.

Licensing fees for each program are set per AS 08.01.065 so the revenue collected equals the occupation's regulatory costs.

This fiscal note requests one Occupational Licensing Examiner (range 13) to assist in developing and maintaining regulations, procedures, and to examine license applications as they are received. The Medical Board currently has two Licensing Examiners that service 5,600 licensees, 2,800 apiece. With a national pool of licensed physicians and podiatrists from other jurisdictions as potential applicants, the division estimates that the new Licensing Examiner would service a similar number (2,800) of licensees.

The Medical Board's current investigations workload requires two full-time Investigator IIIs. During FY2013 Medical Board investigators handled 165 matters, about 83 apiece. The division anticipates an additional Investigator III (range 18) is necessary as the new caseload is likely to be similar to the existing caseload.

Costs for establishing and maintaining the new license program are based on existing programs of comparable size and consist of the following:

Personal Services: \$72.5 for one full time Occupational Licensing Examiner; \$91.7 for one full time Investigator III.

Travel: \$1.5 each year for the Investigator III to attend one in-state Medical Board meeting, \$5.0 travel for Investigator III for two out-of-state investigations, beginning in the second year.

Services: \$35.2 one time IT costs to incorporate the new licensing program into the professional licensing database; \$20.0 on-going support services (\$10.0 for each position); \$50.9 legal support services for investigations; \$29.1 hearing and mediation services; \$14.5 expert witness' during investigations; \$10.0 advertising and mailings for public notices of regulations, and printing of regulations and forms.

Commodities: \$ 3.0 program supplies; \$10.0 start up costs (\$5.0 per position) and ongoing costs of \$1.0 per position in future years .

Regulations are required so that the department may set fees under AS 08.01.065.

In addition to the above, this program will be charged for existing staff time reallocated to this program and for indirect services. Management and administrative support indirect services are allocated annually to all licensing programs. Although increased authorization is not needed for these services, a share of these costs will be considered as part of the program's total costs during the biennial review of licensing fees.