

**HB**

**237**

<TARGET><BILL>HB 237</BILL><SUBJECT>HB  
237</SUBJECT><COMM>HFIN29</COMM></TARGET>



ALASKA STATE HOSPITAL &  
NURSING HOME ASSOCIATION

March 31, 2016

Representative Paul Seaton  
State Capitol, Room 102  
Juneau, AK 99801

Dear Representative Seaton,

The Alaska State Hospital and Nursing Home Association (ASHNHA) represents more than 65 hospitals, nursing homes, and other health care organizations who employ over 10,000 Alaskans. Our diverse association unites every small rural hospital, large hospital system, and nursing home in the state around common goals. For over 60 years, ASHNHA members have worked to improve health care in Alaska.

ASHNHA is writing in support of HB 237 to enact the Interstate Medical Licensure Compact. We believe HB 237 will ease administrative burdens for physicians interested in holding a license to practice medicine in multiple states, while allowing states to maintain control over medical licensure, discipline and patient protection.

According to the director of the Alaska Division of Corporations, Business and Professional Licensing, over the last year the average processing time for a medical license in Alaska has been between 16 and 18 weeks. This is an increase over the length of time from previous years. Our members have expressed concerns about the time it takes for a physician to be licensed in Alaska. Care to patients is impacted if a new physician must sit idle waiting for weeks or months for a license to be processed.

The Interstate Medical Licensure Compact has been enacted in 12 states most of which are rural sparsely populated states like Alaska. Another 14 states have introduced legislation. We believe this legislation offers a new, voluntary expedited pathway to licensure for qualified physicians who wish to practice in multiple states, increasing access to health care for patients in underserved or rural areas. We are glad legislation is being considered in Alaska.

We appreciate your work as the sponsor of this legislation. Please share our support with the House Finance Committee as they consider HB237. Please let us know if there is anything else we can do to support this legislation moving forward.

Sincerely,



Becky Hulberg

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**From:** Lynette Bergh  
**Sent:** Monday, April 04, 2016 5:57 PM  
**To:** Helen Phillips  
**Cc:** Jane Pierson  
**Subject:** FW: HB 237

-----Original Message-----

**From:** Gayle [mailto:gayle@msfm.net]  
**Sent:** Monday, April 04, 2016 3:38 PM  
**To:** Rep. Steve Thompson <Rep.Steve.Thompson@akleg.gov>  
**Subject:** HB 237

Dear Representative Thompson:

As a physician and life long Alaskan I am strongly urging you to vote against HB 237, Interstate Compact. This bill has many serious and concerning aspects from a medical and general point of view.

A significant concern is that the Compact will supersede state law. Rules made by the minimally accountable "Interstate Commission" will have the force and effect of law. What entity will be able to countermand rules and regulations instated by the IC?

Is the House certain that there are NO conflicts of interest regarding the Compact and entities promoting the Compact?

Provisions, in the Compact, relating to disciplinary and investigative activities are concerning for possible application to non-Compact licensees as the Compact language does not restrict these broadened powers to only Compact licensees.

Current Board certification is required for Compact participation. How is this going to impact Alaskan physicians who have either "grandfathered" into their board status or, for whatever reason, chose NOT to Board certify? (GASP! Not board certified? There are many Alaskan docs who are not boarded but are none-the-less excellent physicians)

This Compact is not necessary for the practice of telemedicine, although the supporters of the Compact would like us to believe just that. Besides, do we really want a physician from an urban setting in the lower 48 handling issues in our villages or rural communities? There will be a significant disparity in understanding the unique needs of our Alaskan communities.

Why does Alaska need to rush to participate in the Interstate Compact when many other states (La, VT, VA, OK, OH, MO, WA, MI, DE, TX, CA, NM) are either rejecting or delaying implementation?

Obamacare has been, and continues to be, an abysmal failure and a real enemy to the Physician- Patient relationship. Many people have seen their health insurance costs increase dramatically despite promises otherwise.

Physicians are already drowning in a morass of paperwork and more has been heaped upon us.

I urge you to vote against this bill.

I urge you to look at medical cost sharing entities and see how these organizations can be used to work FOR Alaskans and to reduce overall health costs, both individually and governmentally.

Thanks much for your time and service for our community and state.

S. Gayle Hornberger, D.O.  
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# Alaska State Legislature

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## REPRESENTATIVE PAUL SEATON Rep.Paul.Seaton@akleg.gov

### Sponsor Statement

#### HB 237

House Bill 237 will make Alaska a party to the Interstate Medical Licensure Compact. Alaska will greatly reduce the current delay in licensure and ensure greater access to medical providers across the state by joining with other compact states to create an expedited license for qualified physicians.

Under this compact, physicians verify their eligibility for an expedited license through their state of primary licensure. If they meet the compact requirements, including a fingerprint background check and verification of all primary documents and education, their primary state will notify the Interstate Commission that they are eligible. To practice medicine in another compact state the physician will register through the interstate commission, who will verify to the selected states that the physician is eligible for licensure. They must pay all applicable licensure fees to any state in which they wish to be licensed. Compact states must issue licenses to any physician eligible through the interstate commission. However, individual states retain the flexibility to issue a temporary license while they require the physician to get any additional continuing education certifications or other documents normally required by the state's medical board which were not already required by the compact. Any physician receiving an expedited license to practice in the state will be governed by the state's medical practice laws just like a physician who is only licensed in Alaska.

Using a central depository like the Interstate Commission will eliminate the need for duplicate verification of documents, reduce delays in the licensure process, and increase Alaskan's access to healthcare while maintaining individual state licensure fees and medical practice laws. Twelve states have joined the compact, and eleven have introduced legislation.

# Alaska State Legislature

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## REPRESENTATIVE PAUL SEATON

Rep.Paul.Seaton@akleg.gov

### HB 237 Sectional Analysis Version: 29-LS1100\A

*Please note that a sectional analysis of a bill or resolution should not be considered an authoritative interpretation of the measure itself.  
The legislation is the best statement of its contents.*

**Section 1-** Amends AS 08.64.101, duties of the state medical board, to include implementation of the Interstate Medical Licensure Compact.

**Section 2-** Adds to AS 08.64.190 to require physician applying for an expedited license under this compact to submit the fingerprints and fees necessary for a criminal background check. Statute does not currently require physicians licensed in Alaska to have a background check.

**Section 3-** Requires the medical board to waive licensure requirements if a physician is eligible for expedited licensure under the Interstate Medical Compact.

**Section 4-** Authorizes the Department of Commerce, Community, and Economic Development to set fees for the issuance or renewal of expedited licenses.

**Section 5-** Clarifies in AS 08.64.370 the exceptions to licensure requirements under chapter 08.64.

**Section 6-** Amends the definition of the "practice of medicine" or "practice of osteopathy" to allow for the definition under the Interstate Medical Licensure Compact.

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### Section 7 Article 5

#### Interstate Medical Licensure Compact

**Section 08.64.500-** Enacts and enters Alaska into the Interstate Medical Licensure Compact as created in the following sections.

**Section 08.64.510-** States that the purpose of the compact is to provide a streamlined licensure process that enhances portability while complementing existing state license authority. Maintains the jurisdiction of individual state medical boards.

**Section 08.64.520-** Defines terms to be used throughout the compact, including definitions of "expedited license" and "physician" for the purpose of qualification for an interstate expedited license.

*The following sections describe application, issuance, and renewal of expedited licenses under the compact.*

**Section 08.64.530-** Declares that a physician must meet the eligibility requirements defined in 08.64.520(11) to receive an expedited license. Allows that a physician that does not meet these requirements may obtain an individual state license if all state laws and requirements are met.

**Section 08.64.540-** Directs a physician to designate a compact member state as the state of principal licensure to register for an expedited license and defines what qualifies as a principal state of licensure.

**Section 08.64.550-** Outlines how a physician shall apply for an expedited compact licensure through an application with medical board of the physician's state of principal license. The board shall evaluate the physician's eligibility under the compact, including through primary source verification and criminal background checks. If determined eligible, the physician shall then register with the Interstate Commission, select states of licensure, and pay any necessary fees to each selected member state before receiving licenses in those states. A physician must follow all applicable laws and regulations of the issuing state.

**Section 08.64.560-** Allows compact member states to impose a fee for expedited licensure and authorizes the Interstate Commission to develop rules regarding these fees.

**Section 08.64.570-** Describes how a qualified physician may seek renewal of an expedited license through the Interstate Commission. States that the physician shall comply with any continuing education requirements of any member state where they seek a renewed license, and that member states may charge renewal fees through the Interstate Commission.

*The following sections describe the interaction of member states involving physician information and in the case of disciplinary action*

**Section 08.64.580-** Establishes a database of all physicians licensed through the Interstate Commission and describes what information compact member states must report.

**Section 08.64.590-** Outlines how compact member boards may participate in joint investigations.

**Section 08.64.600-** States that any disciplinary action taken by one member board may be acted upon or imposed by other member states, that if a license is revoked by the state of principal license all other member state licenses are automatically revoked, and that if the license is revoked by a state that is not the principal state of license all other licenses are automatically suspended for 90 days for investigation by each member board.

*The following sections outline the creation, powers, operations and rules of the Interstate Medical Licensure Commission*

**Section 08.64.610-** Creates the Interstate Medical Licensure Compact Commission to administer the Interstate Medical Licensure Compact and describes the voting members and meeting procedures of the commission. Each member state shall have two voting representatives.

**Section 08.64.620-** Describes the powers and duties of the Interstate Commission.

**Section 08.64.630-** Authorizes the Interstate Commission to levy an assessment against member states to cover its costs and requires certain financial restrictions of the commission.

**Section 08.64.640-** Sets out the organization and operation of the Interstate Commission including the adoption of bylaws, the election of officers, and the immunity and liability of commission directors and employees.

**Section 08.64.650-** States that the Interstate Commission shall promulgate reasonable rules for the administration of the compact and describes a petition against a commission rule.

**Section 08.64.660-** Declares that all branches of a state government shall enforce the Compact and maintains that the Compact shall not override existing state authority to regulate medicine.

**Section 08.64.670-** Provides guidelines for how the Interstate Commission may take legal action to enforce the provisions and the rules of the Compact.

**Section 08.64.670-** Outlines procedures of the Interstate Commission should a member state default in its obligations under the Compact.

**Section 08.64.690-** Allows the Interstate Commission to promulgate rules for dispute mediation and resolution at the request of a member state or states.

*The following sections relate to the effective date, withdrawal proceedings, and other construction questions relating to the Compact.*

**Section 08.64.700-** Declares that the Compact shall be effective and binding on member states once enacted by no less than seven states, that nonmember states shall be invited to participate as a non-voting member, and that a proposed amendment to the Compact shall not become binding unless enacted by unanimous consent of the members states.

**Section 08.64.710-** Provides that a member state may withdraw from the Compact one year after the effective date of a statute repealing the Compact in that state.

**Section 08.64.720-** States that the Compact and the Interstate Commission shall dissolve if the Compact membership is reduced to one member state.

**Section 08.64.730-** Allows that the provisions of the Compact are severable, should any one provision be deemed unenforceable.

**Section 08.64.740-** Details the interaction between the Compact and other laws of member states, including that laws in conflict with the Compact are supersede to the extent of the conflict and that Compact provisions that are in conflict with a state constitution shall be ineffective to the extent of the conflict.

**Section 08.64.750-** Allows the state medical board to designate a compact administer to facilitate that administration of the Compact across state departments and agencies.

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**Section 8-** Amends existing Alaska statute AS 12.62.400 to allow the Department of Public Safety to submit fingerprints to the Federal Bureau of Investigation to obtain a national criminal background check for physicians applying for expedited licensure.

# LEGISLATIVE RESEARCH SERVICES

29<sup>th</sup> Alaska Legislature  
LRS Report 16.061  
October 16, 2015



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## State Medical Licensing Timeframes

Tim Spengler, Legislative Analyst

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*You asked for information about Alaska medical licensing timeframes. Specifically, you wished to know the average wait time for Alaska medical license applicants and how this compares to other states. Additionally, you wished to know if an online application would expedite the process.*

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Briefly, over the last year the average processing time for a medical license in Alaska has been between 16 and 18 weeks, according to the director of the Alaska Division of Corporations, Business and Professional Licensing, within the Department of Commerce, Community, and Economic Development. Prior to last year, the typical average timeframe in Alaska was 12 to 14 weeks; the increase was the result of an unexpected influx of applications last year. According to our review, the application process in most states takes around 12 weeks but can fluctuate significantly. Factors that can lengthen the process for physicians attempting to become licensed in any state include applying during the busy season for medical boards (typically from March through September); a professional history that is lengthy or difficult to verify; and an applicant with a history of malpractice claims, professional disciplinary action, convictions, etc.

Some states offer both paper and online applications for medical applications while others offer only one or the other. Alaska offers an online process for those *renewing* licenses, but not for new applications. Efforts are in the works to increase the online options in the state. In general, the process of obtaining a medical license is a rigorous and challenging process in any state. According to our review, however, while each state has its own licensing requirements, none of them appear to be markedly more cumbersome or onerous than the others.<sup>1</sup> The application to practice medicine in Alaska includes standard threshold qualifications for licensure including graduation from an accredited medical school; successful completion of post-graduate training in accredited programs in recognized hospitals; two years of postgraduate training; and no suspensions or revocations of a medical license in another jurisdiction. The 28-page application can be viewed at <https://www.commerce.alaska.gov/web/portals/5/pub/med4105.pdf>.<sup>2</sup>

Below we list the questions (bulleted) that we put to the Alaska Division of Corporations, Business and Professional Licensing, along with the responses we received (indented) from division director, Janey Hovenden.<sup>3</sup> In a few instances we include additional information that may be of interest to you.

- The Alaska medical license application packet indicates that the average processing time for a medical license is eight to twelve weeks. Is this estimate still accurate?<sup>4</sup>

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<sup>1</sup> We did find one site ([comphealth.com](http://comphealth.com)) that lists the following ten states as the most difficult in which to be licensed as a physician: Arkansas, California, Florida, Louisiana, Massachusetts, Mississippi, New Jersey, Pennsylvania, South Dakota, and Texas. The entity did not explain its methodology in listing these states ([www.comphealth.com/resources/wp-content/uploads/2014/02/LOC336\\_GuideMedLic\\_rw\\_v3.pdf](http://www.comphealth.com/resources/wp-content/uploads/2014/02/LOC336_GuideMedLic_rw_v3.pdf)). Another medically-oriented website, WolfPacc, lists California and Texas as the toughest states in which to get licensed as a physician (<http://wolfpacc.com/news/california-texas-toughest-states-medical-licensing>); this distinction is based upon a number of factors including strict rules on time lapses between completing certain trainings and filing for licensure. Nowhere in our review was Alaska's medical licensing requirements noted as being especially difficult (or easy).

<sup>2</sup> More licensing information can be accessed at the Alaska State Medical Board website at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/StateMedicalBoard.aspx>.

<sup>3</sup> Ms. Hovenden can be reached at (907) 465-2538.

<sup>4</sup> It appears that obtaining a medical license in Alaska is more time-consuming than obtaining many other professional licenses in the state. Given the demands and consequential nature of the profession, this is perhaps not unexpected. Since each profession has unique licensing requirements, comparisons are not likely to be helpful.

The average processing time from start to finish is approximately 12-14 weeks. In the past year, that timeframe has increased to 16-18 weeks due to an unexpected influx of applications, particularly from telemedicine companies. The timeframe for license review and processing is mostly dependent on the amount of time it takes other agencies—such as hospitals and other licensing jurisdictions—to provide required documents to our office. Typically, the actual hands-on time for our staff to process payment, review files, correspond with the applicant, and issue a temporary physician license is less than two weeks.

- When applications take longer than twelve weeks what is the typical reason? Incomplete applications? Contacting other organizations? Staff shortage?<sup>5</sup>

Complete applications never take this long. A delay of this magnitude is always due to missing elements of an application. However, staff shortages and increased volume have exacerbated the delay. The division does not have adequate staffing levels to provide updates to the current volume of applicants more than once a month. While this update is a courtesy, the number of requirements for medical licensure that must be submitted from outside sources—such as hospitals and other licensing jurisdictions—necessitates alerting applicants to missing documents so they may follow up with these other agencies.

- It is my understanding that Alaska has a paper application system only. Has the state considered moving to an online process (or an online option) and would you anticipate such a change would speed up processing time?

The division has offered online renewal to certain programs (including medical) for years and is expanding online renewal to all programs this fall. The division is exploring options to allow certain license types to submit part of their application online.

- Has Alaska considered implementing the Federation of State Medical Boards' (FSMB) Uniform Application (UA)? Is the UA something that you believe would improve the medical licensing process and, if so, what are the roadblocks to implementing this application?

The board is in the process of implementing the FSMB uniform application process; we expect it to be in place by the end of the year.

The Uniform Application for Physician State Licensure (UA) is an integral part of the FSMB's License Portability Project. It was developed by a workgroup of medical board representatives to standardize, simplify, and streamline the licensure application process. A physician using the UA can send the same core licensure application to more than one state medical board instead of entering the same data in multiple applications. Licensure and examination information already residing in the FSMB system will pre-fill those pages of the UA. Core application information includes a chronology of activities from medical school graduation to the present and all malpractice claims.<sup>6</sup>

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<sup>5</sup> The State Medical Board Frequently asked questions page also includes the following, "Application processing time depends to a large extent on the response time from other organizations. Time required also depends upon our workload and the volume of applications being processed. Because the length of processing time for your application may vary considerably, we urge you to be patient until our processing is complete and the permit is issued. If there are any "Yes" responses or if adverse information is received, it will typically take longer to gather and evaluate additional data. If the application is referred to the Investigations Unit for investigation of a particular issue, processing time is extended by the time required to complete an investigation. Since investigations must be prioritized, it may take longer to complete the file." (<https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/StateMedicalBoard/FrequentlyAskedQuestions.aspx>)

<sup>6</sup> Information from the FSMB's overview of the UA <http://www.fsmb.org/licensure/uniform-application/overview>.

- I understand Alaska accepts the FSMB's Federation Credentials Verification System (FCVS). Do many Alaska applicants utilize the FCVS and does this expedite the licensing process? If so, does it speed up the process significantly or slightly?

We do not have statistics regarding the number of applicants who utilize the FCVS. Staff offered an anecdotal estimate of approximately 30 percent. If the applicant already has an FCVS profile in place then it may speed up the process significantly. If they are establishing their initial FCVS profile then it may speed the process only slightly.

The FCVS was established in September 1996, to provide a centralized, uniform process for state medical boards to obtain a verified, primary-source record of a physician's core medical credentials.<sup>7</sup> This service is designed to lighten the workload of credentialing staff and reduce duplication of efforts by gathering, verifying and permanently storing the physician's and/or physician assistant's credentials in a central repository. The FCVS obtains primary-source verification of medical education, postgraduate training, examination history, board action history, board certification and identity. This repository of information allows a physician and/or physician assistant to establish a confidential, lifetime professional portfolio with FCVS which can be forwarded, at the applicant's request, to any state medical and osteopathic board that has established an agreement with FCVS, or a hospital, health care or other entity.

- What can the legislature do (statutorily or otherwise) to help the division streamline the medical licensing process?

The board is considering participation in the Interstate Licensing Compact, which would significantly speed the licensing process for applicants that are licensed in other compact states and have completely clean records. Participation in the compact would require statutory authority. The division is undergoing a review of general processes and encouraging boards to review their statutes and regulations for outdated, outmoded, and redundant requirements. It may be useful for this type of review to be integrated into the sunset audit process.<sup>8</sup>

The Interstate Medical Licensure Compact establishes a voluntary pathway that will significantly streamline the licensing process for physicians seeking to practice medicine in Compact states, while maintaining the state regulatory oversight and protections necessary for patient safety. The final model Interstate Medical Licensure Compact legislation was released in September 2014. Since then, 19 state legislatures have introduced the Compact legislation and around ten have enacted it, while nearly 30 state medical and osteopathic boards have publicly expressed support for the Compact. The Compact has been endorsed by a broad coalition of health care stakeholders, including the American Medical Association (AMA). More information about the Interstate Medical Licensure Compact is available at <http://licenseportability.org/>.

We hope this is helpful. If you have questions or need additional information, please let us know.

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<sup>7</sup> We gathered this information on the FCVS from the Federation of State Medical Boards at <http://www.fsmb.org/licensure/fcvs/overview>.

<sup>8</sup> Ms. Hovenden also relates that the division is fully receipt-supported and receives no general funds. It continues to need the expenditure authority to hire the human resources and implement the technology required to keep up with the service levels expected by customers. These expenses would be fully recovered through license fees.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND  
PROFESSIONAL LICENSING

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January 13, 2015

The Honorable Paul Seaton  
Alaska House of Representatives  
270 W. Pioneer Avenue, Suite B  
Homer, AK 99603

Representative Seaton,

Thank you for the letter to the Alaska State Medical Board and Alaskan Healthcare Providers concerning your examination of the Interstate Medical Licensure Compact created by the Federation of State Medical Boards to streamline licensure in Alaska.

The Board has expressed interest in participating in the Interstate Medical Licensure Compact and has seen the model language for the compact which is what is being enacted in the other compact states. There are 12 states now participating with another 12 that have introduced legislation.

Things to keep in mind as participation in the compact are considered:

- It is our belief that the Alaska language must be the same as other states and Alaska will not be able to have different provisions and still participate;
- The Compact Commission has set standards to equal the most stringent even though they may exceed some requirements in some states. That would not preclude applicants from applying in our state if they are unable to meet the higher compact standards, but do meet the "normal" Alaska standards.
- In Alaska, as in all other states, the practice of medicine does occur where the patient is located. This is not inconsistent with telemedicine authority.

Please look forward to a response from Dr. Miller, Chair of the Alaska State Medical Board in the near future and thank you for your interest and examination of the Interstate Medical Licensure Compact as a possible fit for Alaska.

Sincerely,

A handwritten signature in black ink, appearing to read "Janey Hovenden".

Janey Hovenden, Director

cc: Alaska State Medical Board  
Alaska State Medical Association  
Alaska Academy of Family Physicians  
Alaska Academy of Physicians Assistants

# FAQ

Frequently Asked Questions about the Interstate Medical Licensure Compact

## **What is the Interstate Medical Licensure Compact?**

The Interstate Medical Licensure Compact would create a new pathway to expedite the licensing of physicians seeking to practice medicine in multiple states. The proposal could increase access to health care for individuals in underserved or rural areas and allow patients to more easily consult medical experts through the use of telemedicine technologies. The Compact would make it easier for physicians to obtain licenses to practice in multiple states and would strengthen public protection because it would help states share investigative and disciplinary information that they cannot share now.

## **What is driving the need for an Interstate Compact?**

Among the issues driving the need for a Compact are physician shortages, the expected influx of millions of new patients into the health care system as a result of the Affordable Care Act, and the growing need to increase access to health care for individuals in underserved or rural areas through the use of telemedicine. Proponents of telemedicine have often cited the time-consuming state-by-state licensure process for multiple-license holders as a key barrier to overcome in order for telemedicine to continue to grow and thrive. The Compact would make it easier and faster for physicians to obtain a license to practice in multiple states, thus helping extend the impact and availability of their care at a time when demand is expected to grow significantly.

## **Who is eligible to seek licensure through the Compact process?**

Initial surveys estimate that nearly 80% of the physician population licensed in the United States would be eligible for expedited licensure.

## **To be eligible for expedited licensure, physicians must:**

- Possess a full and unrestricted license to practice medicine in a Compact state

- Possess specialty certification or be in possession of a time unlimited specialty certificate
- Have no discipline on any state medical license
- Have no discipline related to controlled substances
- Not be under investigation by any licensing or law enforcement agency
- Have passed the USMLE or COMLEX within 3 attempts
- Have successfully completed a graduate medical education (GME) program
- Physicians who are ineligible for the expedited licensure process facilitated by the Compact would still be able to seek additional licenses in those states where they desire to practice, using traditional licensure processes.

### **How would the Compact be administered?**

An Interstate Commission would provide oversight and administration of the proposed Compact, create and enforce rules governing the processes outlined in the Compact, and promote interstate cooperation, ultimately ensuring that the Compact continues to facilitate safe and expedient access to care and physician licensure. Each state participating in the Compact would have two representatives to the Commission.

### **Would physicians eligible for the Compact receive a single license to practice in multiple states?**

No. Each license to practice medicine would be issued by a state medical board and physicians would need to be licensed in the state where the patient is located. A license obtained through the expedited procedure would provide the same licensing currently provided for physicians by state medical boards: the only difference is that the process of obtaining a license would be significantly streamlined.

### **How many states are required to join the Compact for it to begin operating?**

A minimum of seven states must enact the Interstate Medical Licensure Compact for it to be launched.

### **How would a physician apply for expedited licensure through the Compact?**

An eligible physician would designate a member state as the state of principal licensure and select the other member states in which a medical license is desired. The state of principal licensure would verify the physician's eligibility and provide credential information to the Interstate Commission. The Interstate Commission would then collect applicable fees and transmit the physician's information and licensure fees to the additional states. Upon receipt in the additional states, the physician would be granted a license.

## **What state can serve as the state of principal licensure?**

The physician must possess a full and unrestricted license to practice medicine in the state of principal licensure, and the state must be (1) the state of primary residence for the physician, or (2) the state where at least 25% of the practice of medicine occurs, or (3) the location of the physician's employer, or (4) if no state qualifies, the state designated as state of residence for purpose of federal income tax.

## **How long would it take for physicians to be licensed in other states?**

The Compact would substantially reduce the time it takes to receive multiple licenses. As soon as eligibility is verified and fees are transferred, additionally selected states would issue a full and unrestricted license to the physician.

## **How much would additional licenses cost?**

State licensure fees will continue to vary from state to state, but it is anticipated that state medical boards may choose to charge a reduced fee for a license obtained through the Compact.

## **Does the Interstate Compact change a state's Medical Practice Act?**

The Interstate Compact creates another pathway for licensure, but does not otherwise change a state's existing Medical Practice Act. A physician applying for expedited licensure through the Compact would be granted the same full and unrestricted license to practice medicine as he/she would receive if applying through the current state licensure processes.

## **What would happen to a license if a physician is disciplined in a Compact state?**

Any disciplinary action on a license issued by a member state may be subject to discipline by other member states. Other member states that have issued a license to the physician may impose the same or lesser sanctions on that license or pursue separate disciplinary action based on the respective Medical Practice Act.

## **How would a state become a member of the Interstate Medical Licensure Compact?**

Interstate compacts are formal agreements between states that have the characteristics of both statutory law and contractual agreement. In order for a state to join the Interstate Medical Licensure Compact, state legislatures must enact the Compact into state law.

## **Would the Interstate Medical Licensure Compact usurp state authority to regulate medicine?**

Facilitating expedited medical licensure through the Interstate Medical Licensure Compact ensures that states would retain their Constitutionally-mandated role in regulating the practice of medicine and protecting patient welfare. The Compact represents the efforts of the states to develop a dynamic, self-regulatory system of expedited licensure over which the member states can maintain control through a coordinated legislative and administrative process.

## **How would the Commission be funded? How much would it cost?**

Under the terms of the proposed Compact, the Commission may assess processing fees for expedited licensure, ultimately off-setting any burden on the member states. Additionally, the Compact Commission is enabled to seek grants and secure outside funding, through private grants, or federal appropriations in support of license portability.

## **Where can I learn more about the Interstate Compact?**

Please call (202) 463-4000 or visit [www.licenseportability.org](http://www.licenseportability.org).





AMERICAN OSTEOPATHIC ASSOCIATION

TREATING OUR FAMILY AND YOURS



March 15, 2016

The Honorable Paul Seaton  
Chairman  
House Health and Social Services Committee  
State Capitol Room 102  
Juneau, AK 99801

Dear Chairman Seaton:

**The American Osteopathic Association (AOA) and the Alaska Osteopathic Medical Association (AKOMA) are writing in support of HB 237.** This bill enacts the Interstate Medical Licensure Compact. The AOA and AKOMA believe that this bill would ease administrative burdens for physicians interested in holding a license to practice medicine in multiple states, while allowing states to maintain control over medical licensure, discipline and patient protection.

The AOA represents more than 123,000 osteopathic physicians (DOs) and osteopathic medical students, promotes public health, encourages scientific research, serves as the primary certifying body for DOs, is the accrediting agency for osteopathic medical schools, and has federal authority to accredit hospitals and other health care facilities. More information on DOs/osteopathic medicine can be found at [www.osteopathic.org](http://www.osteopathic.org). AKOMA is a professional organization that represents over 200 DOs providing patient care in Alaska.

The AOA supports the intent of the Interstate Medical Licensure Compact, as it will allow states to continue to govern activities within their borders, while encouraging states to work together to ease the burdens of holding a license in multiple states. Physician interest in holding licenses in multiple states has grown with the increasing use of telemedicine nationally. This use of technology is one way to improve patient access to care, and potentially address physician workforce shortage issues.

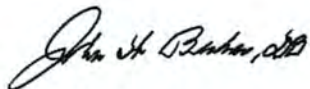
**We support HB 237 and appreciate your leadership on this important piece of legislation.** Should you need any additional information, please feel free to contact Nick Schilligo, MS, Associate Vice President, State Government Affairs at [nschilligo@osteopathic.org](mailto:nschilligo@osteopathic.org) or (800) 621-1773, ext. 8185.

The Honorable Paul Seaton

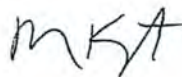
March 15, 2016

Page 2

Sincerely,



John Becher, DO  
President, AOA



Nancy Kragt, DO  
President, AKOMA

CC: Boyd R. Buser, DO, AOA President-elect  
Joseph Giaimo, DO, Chair, AOA Department of Governmental Affairs  
Michael Murphy, DO, Chair, AOA Bureau of State Government Affairs  
Adrienne White-Faines, MPA, AOA Chief Executive Officer  
Ray Quintero, Senior Vice President, AOA Public Policy  
Nicholas Schilligo, MS, Associate Vice President, AOA State Government Affairs  
Krystal White, MBA, Affiliate Executive, AKOMA

Dear Senator Hoffman,

My name is Aaron Kusano and I am a lifelong Alaskan, product of the Alaska WWAMI medical school program and soon (I hope) to be new addition to the Alaska physician community. I write to you regarding the Alaska medical licensing procedure in order to highlight several areas in dire need of change so that eager physicians, like me, can be licensed in a safe and efficient manner and start to care individuals across our state. Our current system is actually a deterrent to many new graduates. In the face of a practicing physician shortage, we are creating hurdles that will keep physicians from coming to Alaska.

I began my application process for an Alaska medical license in the first week of March 2015, nearly six months ago. Built in inefficiencies and redundancies have created lengthy delays and to this day I still await licensing and cannot care for patients. Having been through the licensing process in California and Washington and researched each of the 50 US Medical Boards websites, I hope to provide some insight and practical suggestions for improvement.

1. Alaska requires a Post Graduate Verification Form to be filled out by hospital programs to verify completion of internship and residency. In addition to this, there is a redundant request that a notarized copy of certificate/diploma is required.
  - a. I have had several delays as an embossed original copy was not acceptable. Graduate medical education hospitals are not like universities where they have staff, resources or experience to have all documents notarized and thus embossed hospital seal is a standard. This was not acceptable to the Board.
  - b. Additional delays have been experienced by other individuals because of this certificate/diploma requirement. A physician, who already had approved verification paperwork, met further delays because of the need to translate his "foreign language diploma"... the diploma is from Harvard and in Latin.
  - c. In lieu of a notarized copy of the certificate/diploma, a letter is requested to the Board stating dates of enrollment, indication of good standing and if any disciplinary action was taken. This is exactly the same information contained on the Post Graduate Verification form.

SOLUTION 1: Only one other state (Indiana) has this same redundant requirement for notarized copy of diploma as all others rely on a simple post graduate verification form which is completed by program officials and suffices to prove completion of post graduate training. The redundant requirement of needing notarized copies of postgraduate certificates/diplomas should be removed.

2. The Alaska medical licensing process does not respond to any inquiries regarding status of an individual's application and provides no means of an online status check. In addition to this, updates as to missing documents or further information needed are given only on a once per month basis. Individual inquiries by email or phone for status update are not answered.
  - a. This builds in excessive delays as an applicant cannot know in a timely manner if a document was received or if they need to provide additional documentation. If a document is missing, it means one more month to hear if it has been received. If that document needs further information, there is yet another month built in delay. This quickly compounds creating excessive delays.

SOLUTION 2: Thirty-seven state medical boards offer means by which applicants can check on the status of their application, most of them through an online status check. This minimizes the delays, reduces the work-time spent by the medical board staff answering phone calls/responding to emails and allows the applicant to be proactive in making sure all documentation has been received other than waiting one month in between updates. Alaska should use an online status check at a minimum, and as you will see below, should consider moving towards an online application system now that there is a centralized application option.

3. Items 1 and 2 above may be addressed by adjusting documentation requirements and moving towards an online application which is currently being used by 26 US Medical Boards.
  - a. Online applications allow for reduction in paper clutter and inherent delays in snail mail.
  - b. These can integrate application status updates as mentioned in item 2
  - c. Alaska already uses the Federation Credentials Verification Service (FCVS), a means by which the Federation of State Medical Boards (FSMB) serves as a central repository of credential verification. The FSMB also offers a centralized Uniform Application (<http://www.fsmb.org/licensure/uniform-application/>) which is a centralized application service for medical licensing, currently in use by 19 states.

I am honored by the opportunity to return and practice in Alaska and when presented with the opportunity last spring, withdrew from a clinical fellowship at Stanford in order to return to my home which has given me so much. I know that recent graduates like me, facing uncertain start dates and with other predictable options in the lower 48, may not have the same resolve and patience. With our practicing physician shortage, ultimately our patients are affected most.

I hope that this has been informational and urge you to speak with your colleagues about our medical licensing process and ways that we can improve. I am always available to answer any further questions, brainstorm or on my own time conduct any fact finding projects that may be helpful.

Thank you for your time.

Sincerely,

Aaron

Aaron S. Kusano, MD, SM

Alaska WWAMI E'04

From: Alliance for Natural Health USA [<mailto:office@anh-usa.org>]  
Sent: Thursday, February 11, 2016 7:54 PM  
To: Rep. Paul Seaton <[Rep.Paul.Seaton@akleg.gov](mailto:Rep.Paul.Seaton@akleg.gov)>  
Subject: Please Vote NO on HB237/HB238

Feb 11, 2016

State Representative Paul Seaton  
State Capitol, Room 102  
120 Fourth Street  
Juneau, AK 99801-1182

Dear State Representative Seaton,

Last year, the Federation of State Medical Boards (FSMB) released model legislation for the creation of an interstate medical licensing compact. It would allow physicians to apply for an expedited license in one state without going through a formal application procedure.

HB237/HB238 is a dangerous proposal, and as your constituent, I'm asking you to reject it.

The FSMB -- a private trade association that sets standards which are often followed by state medical boards -- has no public funding, transparency, or accountability, yet it wields a tremendous amount of power over the practice of medicine in all fifty states. This group's proposed legislation would cede state licensing power to an unaccountable Interstate Commission controlled behind the scenes by FSMB.

The legislation would have states give away their autonomy and authority to grant licenses to physicians. If an applicant is deemed "compact eligible" by any other compact state, all member states must grant licensure based on that eligibility. There is no discretion to look at moral character, malpractice history, training irregularities, or other requirements. There is also no opportunity for a state to disagree with another state's interpretation of the compact requirements or their determination that a particular applicant meets those requirements.

In other words, contrary to FSMB's claim elsewhere, the interstate compact clearly takes power away from the states and gives it to FSMB.

Moreover, it would effectively force many physicians to participate in a burdensome and costly recertification process. It would require physicians seeking a license through the compact to participate in a credentialing process overseen by one of twenty-four approved medical specialty boards of the American Board of Medical Specialties (ABMS).

While ABMS argues that its recertification process maintains high standards, many physicians see this as little more than a money-making endeavor for ABMS -- in fact, the chair of ABMS makes \$1,000 a day.

Worse, these certifications are often used as a requirement for hospital employment.

Please reject HB237/HB238 and all similar legislation proposed by the Federation of State Medical Boards!

Sincerely,

Ms. Maureen Powers  
PO Box 2826  
Homer, AK 99603-2826  
(907) 235-1464  
[circlesofrainbows@yahoo.com](mailto:circlesofrainbows@yahoo.com)



AMERICAN OSTEOPATHIC ASSOCIATION

TREATING OUR FAMILY AND YOURS



March 29, 2016

The Honorable Steve Thompson  
Co-Chairman  
House Finance Committee  
State Capitol Room 515  
Juneau, AK 99801

Dear Chairman Thompson:

**The American Osteopathic Association (AOA) and the Alaska Osteopathic Medical Association (AKOMA) are writing in support of HB 237.** This bill enacts the Interstate Medical Licensure Compact. The AOA and AKOMA believe that this legislation would ease administrative burdens for physicians interested in holding a license to practice medicine in multiple states, while allowing Alaska to maintain control over medical licensure, discipline and patient protection.

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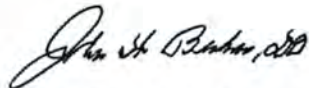
**We support HB 237 and ask that you vote this bill out of committee.** Should you need any additional information, please feel free to contact Nick Schilligo, MS, Associate Vice President, State Government Affairs at [nschilligo@osteopathic.org](mailto:nschilligo@osteopathic.org) or (800) 621-1773, ext. 8185.

The Honorable Steve Thompson

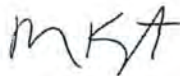
March 29, 2016

Page 2

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Nicholas Schilligo, MS, Associate Vice President, AOA State Government Affairs  
Krystal White, MBA, Affiliate Executive, AKOMA



THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

STATE MEDICAL BOARD

550 West Seventh Avenue, Suite 1500  
Anchorage, Alaska 99501-3567  
Main: 907.269.8163  
Fax: 907.269.8196

February 25, 2016

The Honorable Paul Seaton  
State House of Representatives  
Alaska State Capitol  
Juneau, Alaska 99801

Representative Seaton:

The Alaska State Medical Board has reviewed House Bill (HB) 237, which proposes to authorize the State Medical Board to participate in the Interstate Medical Licensure Compact. They also reviewed correspondence from the sponsor of the bill, the Sponsor statement, and information about the Compact.

The Board agrees with the sponsor that participation in the Compact would be in the best interest of the state; the Board supports the bill and appreciates his efforts.

Sincerely,

Grant Roderer, MD  
Board President  
Alaska State Medical Board

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version:	HB 237
Fiscal Note Number:	2
(H) Publish Date:	3/23/2016

Identifier: HB237-HHSS DCCED-CBPL-03-21-16  
 Title: INTERSTATE MEDICAL LICENSURE COMPACT  
 Sponsor: SEATON  
 Requester: (H) Health & Social Services

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)

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>					
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	***	***	***	***	***	***

**Fund Source (Operating Only)**

None								
<b>Total</b>	***	***	***	***	***	***	***	***

**Positions**

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>	***	***		***	***	***	***
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**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2017) 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? 07/01/17

**Why this fiscal note differs from previous version:**

The HHSS Committee revives the original indeterminate note submitted by the department on January 22, 2016.

Prepared By: Representative Seaton  
House Health and Social Services Committee

Phone: (907)465-2689  
 Date: 03/21/2016

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

## Analysis

HB237 authorizes the State Medical Board to implement the Interstate Medical Licensure Compact (Compact), to collect fees and fingerprint background checks required to issue an expedited license under the provisions of the Compact, and to participate in the Interstate Commission for administration of the Compact.

The Interstate Commission provides oversight and administration of the Compact, creates and enforces rules governing the processes outlined in the Compact, and promotes interstate cooperation, ensuring that the Compact facilitates safe and expedient access to care and physician licensure. Each state participating in the Compact will have two representatives to the Commission.

This legislation authorizes the Department of Public Safety to obtain a national criminal history record check for physicians applying for an expedited license under the Compact.

In addition, it implements the entire membership language required for the State Medical Board to participate as a member of the Compact. This establishes the purpose of the Compact, definitions, eligibility requirements, the role and responsibility of the Interstate Commission to administer the compact.

The Compact expedites the licensing of physicians seeking to practice medicine in multiple states. The Compact provides a process for physicians to obtain licenses to practice in multiple states, as long as those states are members of the Compact.

The state of principal licensure verifies the physician's eligibility and provides credential information to the Interstate Commission. The Interstate Commission then collects applicable fees and transmits the physician's information and licensure fees to the additional states. Upon receipt in the additional states, the physician is granted a license.

Adequate data is not available to determine the fiscal impact of this legislation at this time. Further analysis is needed to determine impact on investigation costs, and licensing examination and compact costs. It is anticipated that additional staff will be needed to implement this legislation.

Professional licensing programs within the Division of Corporations, Business and Professional Licensing are funded by Receipt Supported Services, fund source 1156 Rcpt Svcs (DGF). Licensing fees for each occupation are set per AS 08.01.065 so the total amount of revenue collected approximately equals the occupation's actual regulatory costs.