

STORAGE NAME: h0053.hcr

DATE: February 3, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
HEALTH CARE STANDARDS & REGULATORY REFORM
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

BILL #: HB 53

RELATING TO: Physicians/Limited Licensure

SPONSOR(S): Representative Warner

STATUTE(S) AFFECTED: Sections 458.317 and 459.0075, Florida Statutes

COMPANION BILL(S): SB 144(I)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) HEALTH CARE STANDARDS & REGULATORY REFORM

(2)

(3)

(4)

(5)

I. SUMMARY:

HB 53 deletes the requirement that medical physicians and osteopathic physicians must be retired or planning to retire to obtain a limited license.

A recipient of a limited license may practice only in the employ of public institutions or agencies which meet the requirements of s. 501(c)(3) of the Internal Revenue Code and which provides professional liability coverage for acts of omissions of the limited licensee. The services are to be provided to the indigent, underserved, or critical need populations of the state.

The bill will have minimal fiscal impact on the state, and no fiscal impact on local government or the private sector.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Section 455.214, F.S., provides that a recipient of a limited license may practice only in the employ of public institutions or agencies which meet the requirements of s. 501(c)(3) of the Internal Revenue Code and which provides professional liability coverage for acts of omissions of the limited licensee. The services are to be provided to the indigent, underserved, or critical need populations of the state. The current definition is very limited and does not cover a number of non-profit agencies.

Limited licenses are issued to medical physicians pursuant to s. 458.317, F.S. Currently, to receive a limited license without supervision, the applicant must be retired, or planning to retire, and have actively practiced medicine within the prior three years. The recipient of a limited license must work only in certain public institutions or nonprofit organizations as defined in s. 501(c)(3) of the Internal Revenue Code. If a physician with a limited license is working for free, the fees provided for in this section are waived.

The Agency for Health Care Administration (AHCA) reports that the Board of Medicine receives many calls each year from physicians and/or their proposed employers requesting the Board of Medicine to waive the requirement that a person be fully retired to qualify for a limited license. Many of the physicians who spend the winter in Florida are willing to provide medical services free of charge to indigent patients, but most are not fully retired.

Limited licenses are issued to osteopathic physicians pursuant to s. 459.0075, F.S. To receive a limited license without supervision, the applicant must be retired and have actively practiced medicine within the prior three years. The recipient of a limited license must work only in certain public institutions or nonprofit organizations as defined in s. 501(c)(3) of the Internal Revenue Code. If a physician with a limited license is working for free, the fees provided for in this section are waived.

B. EFFECT OF PROPOSED CHANGES:

The bill deletes the requirement in s. 458.317, F.S., that applicants must be retired or intend to retire. This would allow a licensed physician in another state who is not retired to obtain a limited license as a medical physician.

Conforms s. 459.0075, F.S., on limited licenses to the change in 458.317, F.S. It deletes the requirement that applicants must be retired, and allows the issuance of a limited license for the practice of osteopathic medicine.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

None.

(2) what is the cost of such responsibility at the new level/agency?

None.

(3) how is the new agency accountable to the people governed?

Not Applicable.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No. The Department of Health says the bill will have minimal, if any, fiscal impact on fees for limited licenses.

- e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

Not Applicable.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Not Applicable.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Not Applicable.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

Not Applicable.

(2) Who makes the decisions?

Not Applicable.

(3) Are private alternatives permitted?

Not Applicable.

(4) Are families required to participate in a program?

Not Applicable.

(5) Are families penalized for not participating in a program?

Not Applicable.

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

Not Applicable.

(2) service providers?

Not Applicable.

(3) government employees/agencies?

Not Applicable.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Amends s. 458.317, F.S., to delete the requirement that an applicant must be retired or planning to retire to obtain a limited license.

Section 2. Amends s. 459.0075, F.S., to delete the requirement that an applicant for an osteopathic limited license must be retired to obtain such license.

Section 3. Provides an effective date of October 1, 1997.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

See Fiscal Comments.

2. Recurring Effects:

See Fiscal Comments.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

Donated medical services may impact local expenditures for indigent health care.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

The potential exists for increasing the number of physicians available to provide medical services to the indigent, underserved, or critical need populations of the state. According to the Department of Health, the current number of applications for a limited license averages about 45 per year. They anticipate the number will increase to approximately 112 with passage of this bill.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

Per the Department of Health, Division of Medical Quality Assurance, this bill would generate minimum, if any, additional revenues (license fees) because there will be no fees if the licensee works for free. However, they are requesting a half-time position (FTE) at a pay grade 15 (PRS I) to process limited license applications. Office set-up costs for 1997-98 will be \$11,468 and salary costs of \$13,237, for a total first year cost of \$24,739. Annual costs for 1998-99 will be \$13,669.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

This bill will allow more applicants to qualify for limited licenses to work in specified areas. The department anticipates the number of applicants will increase from the current yearly average of 45 to approximately 112. However, it does not expand the agencies that qualify for their services. The bill provides that a limited licensee can only work for certain governmental entities or agencies that meet the provisions of s. 501(c)(3) of the Internal Revenue Code. The services are to be provided to the indigent, underserved, or critical need populations of the state.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

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VII. SIGNATURES:

COMMITTEE ON HEALTH CARE STANDARDS & REGULATORY REFORM:

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