

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1093 CS Physicians
SPONSOR(S): Altman and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1410

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Health Care Regulation Committee	8 Y, 0 N, w/CS	Hamrick	Mitchell
2) Health Care Appropriations Committee	14 Y, 0 N, w/CS	Money	Massengale
3) Health & Families Council		Hamrick	Moore
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

House Bill 1093 CS requires the Division of Health Access and Tobacco within the Department of Health to monitor, evaluate and report on the supply, distribution and specialty of allopathic and osteopathic physicians in Florida. The bill requires the division to use data that is available from public and private sources.

The bill provides an option for physicians seeking licensure to:

- Submit their core credentials to the Federation Credentials Verifications Services of the Federation of State Medical Boards and submit their Physician Information Profile originating from the Federation to the Department of Health or
- Submit their core credentials directly to the Department of Health.

The federation verifies the submitted information and certifies it as a life-long primary source document from which a physician profile may be created and sent to employers, hospitals and the Board of Medicine, which then may evaluate an individual's eligibility for licensure.

The bill also requires the Division of Health Access and Tobacco within the Department of Health to analyze the supply and distribution of Florida-licensed dentists in Medicaid Services Areas one and two of the Agency of Health Care Administration.

The bill provides an appropriation of one full-time equivalent position, salary rate of 36,245, and \$161,148 from the Medical Quality Assurance Trust Fund for the first year and \$110,771 each succeeding year.

The bill takes effect on October 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provides limited government—The bill requires the Division of Health Access and Tobacco to monitor, evaluate and report on the supply and demand of physicians in the state. The bill also requires the Division of Health Access and Tobacco within the Department of Health to analyze the supply and distribution of Florida-licensed dentists in Medicaid Services Areas one and two of the Agency of Health Care Administration. The bill provides an option to physicians to submit their core credentialing information to specified entities.

B. EFFECT OF PROPOSED CHANGES:

The bill requires the Division of Health Access and Tobacco within the Department of Health to monitor, evaluate and report on the supply and distribution of physicians in the state. The division is required to develop a strategy to track and analyze, on an ongoing basis, the distribution of licensed physicians by specialty and geographic location. The division must use public and private resources for available data. A report must be submitted to the Governor, the President of the Senate, and the Speaker of the House each year starting March 1, 2008.

The bill adds a requirement to the licensure by endorsement and licensure by examination provisions, which require physicians who are seeking licensure to submit their core credentials to either the Federation Credentials Verification Services of the Federation of State Medical Boards or the Department of Health. If they opt to send their credentials to the federation, they must submit a copy of the Physician Information Profile created by the federation to the Department of Health.

The bill requires the Division of Health Access and Tobacco within the Department of Health to analyze the supply and distribution of Florida-licensed dentists in Medicaid Services Areas one and two of the Agency of Health Care Administration, and a preliminary report shall be submitted on March 1, 2007 with the final report due March 1, 2008.

The bill provides an appropriation from the Medical Quality Assurance Trust Fund to the Department of Health to implement the provisions of this bill for Fiscal Year 2006-2007.

PRESENT SITUATION

Physician Workforce Data

Recently, the Council on Graduate Medical Education, a national advisory organization that makes recommendations on the adequacy of the supply and distribution of physicians, predicted that the demand for physicians, nationally, would significantly outpace the supply. In Florida, the costs of medical malpractice insurance, the recent adoption of a constitutional amendment that prohibits licensure or continued licensure of physicians who have committed three or more incidents of medical malpractice, and other variables have affected the number of students applying to medical schools in Florida. The number of allopathic and osteopathic physicians applying for licensure and practicing in Florida has also been impacted.

The statewide collection of physician data and its analysis is fragmented in Florida and under the purview of different agencies. Currently, there is no centralized physician workforce database that is available to provide objective statewide information on physician practice and manpower needs.

Under s. 408.05, F.S., the State Center for Health Statistics within the Agency for Health Care Administration (AHCA) must collect data on health resources, including physicians, dentists, nurses,

and other health care professionals. The Division of Health Access and Tobacco within DOH administers several programs that relate to physician access. The Florida Medicaid program in AHCA has claims data for physicians participating in the Medicaid program. Although several entities collect information on Florida physicians, there is no centralized responsibility for statewide collection and analysis of health workforce data, including physician data.

2003 Surgeon General Report on America's Oral Health

According to the Surgeon General's Report, oral diseases are progressive and cumulative and become more complex over time. Health disparities exist across the population groups at all ages.¹ Health disparities are commonly associated with populations whose access to health care services is comprised by poverty, limited education or language skills, geographic isolation, age, gender, disability, or an existing medical problem. While Medicaid, State Children's Health Insurance Programs (SCHIP), and private organizations have expanded outreach efforts to identify and enroll eligible persons and simplify the enrollment process, they have not completely closed the gap. Some 25 million Americans live in dental care shortage areas, as defined by Health Professional Shortage Area criteria (HPSA).²

A geographic area will be designated as having a dental professional shortage if the following three criteria are met:

- The area is a rational area for the delivery of dental services.
- One of the following conditions prevails in the area:
 - The area has a population to full-time-equivalent dentist ratio of at least 5,000:1, or
 - The area has a population to full-time-equivalent dentist ratio of less than 5,000:1 but greater than 4,000:1 and has unusually high needs for dental services or insufficient capacity of existing dental providers.
- Dental professionals in contiguous areas are over utilized, excessively distant, or inaccessible to the population of the area under consideration.

Over 108 million children and adults lack dental insurance, which is over 2.5 times the number of individuals who lack medical insurance.³ Uninsured children are 2.5 times less likely than insured children to receive dental care.⁴

The report also states that Medicaid is not able to fill the gap in dental care for poor children. Less than one in five Medicaid-covered children received a single dental visit during a year-long study. Programs such as the State Children's Health Insurance Program (SCHIP) may increase the number of insured children; many still are left without effective dental coverage.

Further, the report provides that for every adult 19 years or older who has medical insurance coverage; there are three adults who lack dental insurance. Less than two thirds of adults report having visited a dentist in the past 12 months.

¹ U.S. Department of Health and Human Services. A National Call to Action to Promote Oral Health. Rockville, MD: U.S. Department of Health and Human Services, Public Health Service, Centers for Disease Control and Prevention, and the National Institutes of Health, National Institute of Dental and Craniofacial Research. NIH Publication No. 03-5303, May 2003.

² See 42 USC 216 sec. 332 and 42 USC 254e

³ Ibid.

⁴ Ibid.

Dental Workforce Data and Medicaid

Currently, there are 10,728 actively licensed dentists and 191 dentists who have received a retired license in Florida. Currently, the Department of Health does not track whether dentists practice full or part-time. The COMPAS data system, which is utilized by the Department of Health, tracks address of licensed dentists in Florida. Licensed dentists are required to keep the Board of Dentistry informed of their address changes. According to data provided by the Department of Health the following numbers of licensed dentists are located in Medicaid areas one and two, which is primarily the panhandle area from Pensacola to Tallahassee:

COUNTY/ SERVICE AREA	# OF CLEAR, ACTIVE, LICENSED DENTISTS	# OF CLEAR, INACTIVE LICENSED DENTISTS	# OF RETIRED DENTISTS
Bay	69	1	1
Calhoun	4		
Escambia	146		2
Franklin	2		
Gadsden	10		1
Gulf	4		
Holmes	3		
Jackson	14		
Jefferson	2		
Leon	109	1	2
Liberty	1		
Madison	2		
Okaloosa	94		
Santa Rosa	35		
Taylor	2		
Wakulla	3		
Walton	15		
Washington	6		

According to the Agency for Health Care Administration (AHCA), there are 6,059 Medicaid enrolled dental providers in Florida. This number includes providers in Georgia and Alabama who may treat Florida Medicaid recipients. According to AHCA, there are 387 Medicaid enrolled dental providers in Medicaid areas one and two.

As of April 2006, AHCA estimated there were 1.2 million children eligible for Medicaid dental services. The children's dental program provides full dental services for all Medicaid eligible children less than 21 years of age. The adult dental program provides emergencies and dentures or denture related emergencies.

Current Statutory Licensure Requirements

Chapter 458, F.S., governs the practice of allopathic medicine. Currently, an applicant seeking licensure to practice medicine in Florida must submit specified information regarding education, training and discipline to the Board of Medicine, and must submit an application fee not to exceed \$500. The bill amends language into s. 458.311, F.S., that relates to licensure by examination and s. 458.313, F.S., that relates to licensure by endorsement. Both of these sections provide a pathway to licensure.

Credentialing Process by the Board of Medicine

As part of the initial licensure process, the staff of the Board of Medicine verifies an applicant's core credentials. The core credentials include medical education, all postgraduate medical training, national licensure examination history, Educational Commission for Foreign Medical Graduates (ECFMG) certification, any current staff privileges, and any physician licenses held in other states, disciplinary history, and medical malpractice claims. Primary source verification of a physician licensure applicant's

credentials can be a laborious process, which results in substantial delay in a board's evaluation of an applicant's credentials.

The Florida Board of Medicine encourages, but does not require, licensure applicants to use the Federation Credentials Verification Service (FCVS) to have the applicant's core credentials verified. A one-time fee of approximately \$275 is assessed by the federation for this service. Additional fees or surcharges may be assessed depending upon what additional information is needed.

Federation Credentials Verification Service offered by the Federation of State Medical Boards

Federation Credentials Verification Service (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. The FCVS acts as a repository of information for physicians and establishes a confidential, lifetime professional portfolio with FCVS which can be forwarded, at the physician's request, to any state medical board that has established an agreement with FCVS, hospital, health care or any other entity. FCVS obtains primary source verification of medical education, postgraduate training, examination history, board action history, board certification and identity.

This service is designed to lighten the workload of credentialing staff and reduce duplication of effort by gathering, verifying and permanently storing the physician's and/or physician assistant's credentials in a central repository at the federation.

Currently, 38 states *accept* a physician's credentials that are verified by the federation, including Florida. Nine states currently *require* verification by the federation.

Hospital Credentialing and Federation Credentials Verification Service

Currently, hospitals are not required to recognize the Federation Credentials Verification Service (FCVS). According to information received from the FCVS, limited numbers of hospitals have accepted credentialing from the federation. Since 2001, only 69 medical groups or health care facilities in the state accepted FCVS physician profiles. In comparison, (as of 2005) there were 264 licensed hospitals in the state.

Hospitals and other health care entities are required to meet certain accreditation standards that are set by such entities as the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), and the National Committee for Quality Assurance (NCQA) and they are ultimately responsible for the accuracy of employee's credentials. For this reason, a physician could submit their credentials to the FCVS and still be responsible for submitting the identical information to a hospital.

C. SECTION DIRECTORY:

Section 1. Creates s. 381.0304, F.S., requiring the Division of Health Access and Tobacco within the Department of Health to monitor, evaluate, and report on the supply and distribution of allopathic and osteopathic physicians in the state, the report shall be submitted annually starting on March 1, 2008.

Section 2. Amends s. 458.311, F.S., providing an option for submitting core credentials for licensure by examination.

Section 3. Amends s. 458.313, F.S., providing an option for submitting core credentials for licensure by endorsement.

Sections 4 through 6 amend ss. 458.316, 458.3165, and 458.317, F.S., conforming cross-references.

Section 7. Requires that the Division of Health Access and Tobacco within the Department of Health shall analyze the supply and distribution of Florida-licensed dentists in Medicaid Services Areas one and two of the Agency of Health Care Administration, and a preliminary report shall be submitted on March 1, 2007 with the final report due March 1, 2008.

Section 8. Provides an appropriation.

Section 9. Provides that the bill will take effect on October 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

According to the Department of Health the fiscal impact reflects costs for compiling and evaluating reports of physician licensure data by specialty and location.

1. Revenues:

No dedicated source of revenue.

2. Expenditures:

<u>Estimated Expenditures</u>	<u>1st Year</u>	<u>2nd Year</u> (Annualized/Recurr.)
Salaries		
1 FTE Research Associate (no lapse, base + 10% w/28% fringe) – DHAT	\$50,340	\$50,340
1 part time OPS Admin. Support staff at 25 hours/week @\$10.00 hour – DHAT	\$13,995	\$13,995
1 part time OPS Operations Management Consultant at 25 hours/week @\$17.00 hour -to support desk audit functions – DHAT	\$23,791	\$23,791
Expense		
DOH Professional Package 1 FTE with limited travel and 1 OPS – DHAT	\$23,479	\$16,793
DOH Support Staff Package – DHAT	\$7,986	\$5,195
GIS Mapping Software – DHAT	\$10,000	
HR Services (1FTE and 2 part-time OPS) – DHAT	\$657	\$657
OCO		
Standard OCO professional packages for 1 FTE and 1 OPS – DHAT	\$3,800	0
Standard OCO package for 1 support staff – DHAT	\$2,100	0
Other		
Software costs (MQA)	\$25,000	0
Total Estimated Expenditures	\$161,148	\$110,771

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Physicians may opt to incur the cost of having their core credentials verified by the Federation of State Medical Boards (FSMB). A one-time fee is assessed for this service of approximately \$275. Additional fees may be assessed to collect such items as examination transcripts and Educational Commission for Foreign Medical Graduates (ECFMG) Program certification.⁵ Physicians, who complete the verification process conducted by the federation, establish a life-long file of their credentials, which can be easily accessed throughout their career by potential employers, state licensure, hospital privileges, and professional memberships. This may also be beneficial for foreign trained physicians who may have difficulty accessing or gathering core credentialing information from the medical school they attended in another country.

D. FISCAL COMMENTS:

According to the Department of Health, the cost to implement the provisions of the bill will be \$161,148 for the first year and \$110,771 each succeeding year.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

3. Other:

None.

B. RULE-MAKING AUTHORITY:

No additional rulemaking authority is required to implement the provisions of this bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to the Department of Health, current data sources, particularly the department's MQA licensure data, are not sufficient to prepare a report on the geographic distribution of physicians by specialty. To prepare an annual report to meet the needs of the Graduate Medical Education Committee and the Community Hospital Education Council, the collection of data on physicians in the DOH licensing process must be expanded.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On March 22, 2006, the Health Care Regulation Committee adopted four amendments offered by the bill's sponsor. The Committee Substitute differs from the original bill as filed in that it:

- Removes s. 458.347(7)(b), F.S., which was re-enacted to incorporate the language requiring physicians to submit their core credentials to the Federation Credentials Verification Services. This section was included in the bill as a technicality to ensure that the amendment to s. 458.311(1)(g), F.S., dealing with the credentialing by the federation was applied.

⁵ The Educational Commission for Foreign Medical Graduates (ECFMG) assesses whether international medical graduates met minimum standards of eligibility to include the verification of education. In order for international medical graduates to receive licensure to practice medicine in Florida, applicants must have ECFMG certification.

- Specifies that workforce data will be collected on allopathic physicians licensed under chapter 458, F.S., and osteopathic physicians licensed under chapter 459, F.S.
- Moves the workforce data reporting date from January 1 to March 1.
- Removes the requirement that physicians must submit their core credentials to the Federation Credentials Verification Services of the Federation of State Medical Boards and makes it optional. A physician may submit their core credentials to the Federation or the Department of Health. If they opt to submit the information to the federation, they must submit to the department the Physician Information Profile that is created by the federation.

The bill, as amended, was reported favorably as a committee substitute.

On April 11, 2006, the Health Care Appropriations Committee adopted one amendment offered by the bill's sponsor. The amendment:

- Requires that the Division of Health Access and Tobacco within the Department of Health analyze the supply and distribution of Florida-licensed dentists in Medicaid Services Areas one and two of the Agency of Health Care Administration, and a preliminary report shall be submitted on March 1, 2007 with the final report due March 1, 2008.
- Provides an appropriation of one full-time equivalent position, salary rate of 36,245, and \$161,148 from the Medical Quality Assurance Trust Fund for the first year and \$110,771 each succeeding year.

This analysis is drafted to the committee substitute.