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	10 Y, 0 N, w/CS	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 division is also required to track and analyze specific data on medical education and its relationship to the physician workforce in Florida. The bill requires the division to use data that is available from public and private sources.

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 to conduct the physician workforce report. In the absence of information from the Department of Health regarding the fiscal impact of the report on the supply and distribution of Florida-licensed dentists, the impact was determined insignificant. Subsequently, the Department of Health has determined that another $75,000 from the Medical Quality Assurance Trust Fund for FY 2006-2007 and $75,000 for FY 2007-2008 will be required. According to the Department of Health staff, there will not be an additional fiscal impact to conduct the medical education workforce report.

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, and medical education as it related to the physician workforce in Florida. The division is also required to analyze the supply and distribution of licensed dentists in certain Medicaid Services Areas.

B. EFFECT OF PROPOSED CHANGES:

The bill requires the Division of Health Access and Tobacco within the Department of Health (or "division") 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 is also required to develop a strategy to track and analyze medical education such that they report on the:

- Relationship of undergraduate and graduate medical education to the state's physician workforce;
- Number of medical students and medical residents in the state;
- Number of medical students and medical residents who are considered in-state residents;
- Number of medical students in the state who are placed in Florida-based residency programs; and
- Number of physicians who complete their residency and continue to practice in Florida.

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 requires the division 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 division is required to determine whether dentists are retired or working full-time and recommend strategies to improve a broader distribution of dentists in Medicaid areas one and two if a shortage or misdistribution is determined to exist. 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 the Department of Health 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.

Medical Education and Residency Programs

Medical school is the beginning of a physician's education and provides the general competencies for a graduate to enter a medical residency program. A residency is the second phase of formal education after medical school that can last up to six years or more depending upon the specialty or subspecialty.

Florida ranks 37th nationally in the number of medical school students (both allopathic and osteopathic) per 100,000 state population.[1] Florida has a low number of medical residency positions per 100,000 state population and ranks 46th in the nation.[2] Florida also has the oldest physician workforce in the nation.[3] Twenty-six percent of Florida's doctors are over the age of 65, compared to the national average of 18 percent.[4]

Currently, there are 298 allopathic and osteopathic residency programs that have over 3,200 resident physicians in training at any given point of time.[5] According to the Council for Education Policy, Research and Improvement (CEPRI), Florida currently imports the vast majority (approximately 80 percent) of all its physicians from other states and countries.[6] International Medical Graduates (IMGs) account for 35 percent of Florida's physician workforce.[7]

The Center for Health Workforce Studies and the Council on Graduate Medical Education (COGME), are recommending that existing medical schools increase their enrollment by 15 percent by 2015 to contend with the current and/or projected physician shortage. It is estimated that in order to reach the national ratio of allopathic and medical school students per state population, Florida would need to increase its capacity by 2,700 students.[8]

Research has shown that the location of a physician's practice correlates more closely to the geographic location of the residency, rather than to the medical school from which the physician graduated.[9] A recent nationwide analysis by the National Conference of State Legislatures (NCSL) found that 47 percent of individuals that complete an allopathic medical residency program stay in the same state that they completed their graduate medical education training.[10] CEPRI has projected that 60.5 percent of allopathic medical residency students remain and practice in the state.

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[1] Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004.
[2] Florida Department of Health. Annual Report on Graduate Medical Education in Florida. January 2006.
[3] Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004.
[4] Ibid.
[5] Florida Department of Health. Annual Report on Graduate Medical Education in Florida. January 2006.
[6] Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004.
[7] Ibid.
[8] Ibid.
[9] Ibid.
[10] Ibid.

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.[11] 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 (HPSA) criteria.[12] As of 2001, Florida has thirteen counties and multiple geographic areas and special populations designated by the federal government as a HPSA.[13] Approximately, 14 percent of Floridians live in a HPSA.[14]

A geographic area is designated as having a dental professional shortage if the following three criteria are met:[15]

- 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.[16] Less than two thirds of adults report having visited a dentist in the past 12 months. Uninsured children are 2.5 times less likely than insured children to receive dental care.[17]

The Surgeon General's 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.

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. According to data provided by the Department of Health the following numbers of licensed

[11] 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.
[12] See 42 USC 216 sec. 332 and 42 USC 254e.
[13] The Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004.
[14] Ibid.
[15] See 42 USC 216 sec. 332 and 42 USC 254e.
[16] Ibid.
[17] Ibid.

dentists are located in Medicaid areas one and two, which encompasses 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 for dental emergencies and dentures or denture related emergencies.

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 and medical education in the state, the report shall be submitted annually starting on March 1, 2008.
Section 2. 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 3. Provides an appropriation.
Section 4. 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:

Estimated Expenditures	1st Year	2nd Year (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:

None.

D. FISCAL COMMENTS:

According to the Department of Health (DOH), the cost to implement the physician workforce report will be $161,148 for the first year and $110,771 each succeeding year.

In the absence of information from the Department of Health regarding the fiscal impact of the report on the supply and distribution of Florida-licensed dentists, the impact was determined insignificant. Subsequently, the Department of Health has determined that another $75,000 from the Medical Quality Assurance Trust Fund for FY 2006-2007 and $75,000 for FY 2007-2008 will be required. According to the Department of Health staff, there will not be an additional fiscal impact to conduct the medical education workforce report.

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 (DOH), 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 bill was reported favorably as a committee substitute. 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.

- 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.

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.

On April 20, 2006, the Health and Families Council adopted two amendments. The council substitute differs from the committee substitute in that it:

- Removes the language and associated cross-references that provide *specific* statutory authority allowing physicians to submit their credentials to the Federation Credentials Verification Service of the Federation of State Medical Boards *or* submit their core credentials to the Department of Health.

- Adds language that will require the Division of Health Access and Tobacco to develop a strategy to track and analyze specific data on medical education and its relationship to the physician workforce in Florida.

The bill, as amended, was reported favorably as a council substitute. This analysis is drafted to the council substitute.