#### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: **CS/HB 877** Physician Workforce Assessment and Development **SPONSOR(S):** Homan and others TIED BILLS: **IDEN./SIM. BILLS:** ANALYST STAFF DIRECTOR REFERENCE ACTION 

 1) Committee on Health Quality
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 Lowell

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### SUMMARY ANALYSIS

CS/HB 877 creates the Office of Physician Workforce Assessment and Development within the Department of Health. The office is directed to use existing programs in the department to assess Florida's current and future physician workforce needs and develop strategies to addresses those needs. The bill requires the department to report annually on each of the office's activities.

The bill requires the department to develop a survey to be used for the collection of physician workforce data. The survey must be distributed to all allopathic and osteopathic physicians with each licensure renewal application. Completion of the survey by a physician is voluntary.

The bill provides that the act will take effect contingent upon a specific appropriation in the General Appropriations Act for Fiscal Year 2007-2008.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government – this bill creates a new office within the department to assess Florida's current and future physician workforce needs.

#### B. EFFECT OF PROPOSED CHANGES:

#### Present Situation

### Physician Workforce Data Collection

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 ("department") administers several programs that relate to physician access. The Florida Medicaid program in AHCA has claims data for physicians participating in the Medicaid program.

During Fiscal Year 2006-07, the department began collection of physician workforce data through a voluntary response survey. The survey was included in the licensure renewal application package for allopathic physicians. As of February 22, 2007, the department has received 22,547 completed surveys. Osteopathic physicians will receive the survey in their licensure renewal application packages this fall.

#### Medical Education and Residency Programs

Florida ranks 37th nationally in the number of medical school students (both allopathic and osteopathic) per 100,000 state population.<sup>1</sup> Florida has a low number of medical residency positions per 100,000 state population and ranks 41st in the nation.<sup>2</sup> Twenty-six percent of Florida's doctors are over the age of 65.<sup>3</sup>

The Center for Health Workforce Studies and the Council on Graduate Medical Education (COGME) recommend that existing medical schools increase their enrollment by 15 percent by 2015 to contend with the current and 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.<sup>4</sup>

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.<sup>5</sup> 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.<sup>6</sup> CEPRI has projected that 60.5 percent of allopathic medical residency students remain and practice in the state of residency training.

<sup>6</sup> Id.

<sup>&</sup>lt;sup>1</sup> Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004. <sup>2</sup> Florida Department of Health. Annual Report on Graduate Medical Education in Florida. January 2007.

 $<sup>^{3}</sup>$  Id.

<sup>&</sup>lt;sup>4</sup> Council for Education Policy, Research and Improvement (CEPRI). Medical Education Needs Analysis. November 2004. <sup>5</sup> *Id*.

## Effect of Proposed Changes

The bill creates the Office of Physician Workforce Assessment and Development ("office") within the department. The office is directed to use existing programs in the department and other state agencies to assess Florida's current and future physician workforce needs and develop strategies to addresses those needs.

The bill directs the department to maintain a database of physician workforce data and directs the office to:

- Develop a model of the current and future physician workforce, including demographic factors;
- Develop strategies to address retention of Florida medical school graduates for practice in the state;
- Develop best-practice programs for recruitment of K-12, college, and university students into medical school programs;
- Pursue strategies that target state and federal funding for graduate medical education positions and residency positions towards identified workforce needs areas;
- Target physician recruitment and retention towards identified workforce needs areas;
- Monitor the availability of critical physician services which include obstetric care, radiological services and physician specialty services for hospital emergency departments and trauma centers, or other services as determined by the department; and
- Coordinate stakeholders' efforts to develop strategies and recommendations regarding the assessment and development of Florida's physician workforce needs.

The bill requires the department to report annually on each of the office's activities. The report must include recommendations for ensuring an adequate supply of physicians, and an assessment of the implementation of recommendations included in previous reports. The report is due to the Governor, President of the Senate and Speaker of the House on November 1 of each year.

The bill requires the department to develop a physician workforce survey instrument to be used to collect physician workforce data. The survey must be distributed to all allopathic and osteopathic physicians with each licensure renewal application. Completion of the survey by a physician is voluntary.

C. SECTION DIRECTORY:

Section 1. Creates s. 381.4018, F.S., to establish the Office of Physician Workforce Assessment within the Department of Health and specifies duties of the office.

Section 2. Provides that the act will only take effect contingent upon a specific appropriation in the General Appropriations Act for Fiscal Year 2007-2008.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill provides that the act will take effect contingent upon a specific appropriation in the General Appropriations Act for Fiscal Year 2007-2008.

Depending on the analysis of the physician workforce data, in the future, there may be a request for additional funding to provide Graduate Medical Education (GME) enhancements.

# III. COMMENTS

- A. CONSTITUTIONAL ISSUES:
  - 1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill provides rule-making to the department to implement provisions in the bill.

- C. DRAFTING ISSUES OR OTHER COMMENTS:
  - None.

# D. STATEMENT OF THE SPONSOR

"A similar bill by Rep Altman and Homan (HB 1093) was passed out of the House last session but the appropriation got a line-item veto by Gov Bush. The Department of Health began collecting the data anyway with the 2006 physician license renewals and now we have data from 50% of the physicians, but no resources to analyze it. The other 50% of the physicians are coming up for renewal at the end of 2007, and once collected we want to have someone coordinate the data transfer to and analysis by the physician workforce stakeholders.( including, but not limited to: DOH, DOE, AHCA, CMS, medical schools, residency programs, hospitals, specialty societies, and insurance companies)

The Office of Physician Workforce Assessment and Development is set up to be a data collection and clearing house to get information of the physician workforce to the stakeholders to use in making strategic plans to assure accessibility to health care to all Floridians in the near and distant future."

# **IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**

On March 13, 2007, the Health Quality Committee adopted one amendment to the bill. The amendment corrects a drafting error by replacing "Office" with "Division" in order to correctly reference the Division of Medical Quality Assurance.

The bill was reported favorably with one amendment.

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On April 10, 2007, the Healthcare Council adopted two amendments to the bill. A strike-all amendment was adopted that makes several changes to the bill. Specifically, the strike-all:

- Requires the department to survey allopathic and osteopathic physicians regarding workforce issues as part of the licensure renewal process. Physicians may complete the survey on a voluntary basis.
- Requires the Office of Physician Workforce Assessment and Development to report annually to the Governor and Legislature on physician workforce issues.
- Requires the Office of Physician Workforce Assessment and Development to monitor and evaluate the availability of critical physician services which include obstetric care, radiological services and physician specialty services for hospital emergency departments and trauma centers.

An amendment was adopted to make the act effective contingent upon a specific appropriation in the General Appropriations Act for Fiscal Year 2007-2008.

The bill was reported favorably with a Council Substitute. The analysis is drafted to the Council Substitute.