

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/CS/HB 1145 Foreign-licensed Physicians

**SPONSOR(S):** Health & Human Services Committee, Healthcare Regulation Subcommittee, Snyder and others

**TIED BILLS:**           **IDEN./SIM. BILLS:** SB 956

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Healthcare Regulation Subcommittee	14 Y, 1 N, As CS	Curry	McElroy
2) Health & Human Services Committee	16 Y, 1 N, As CS	Curry	Calamas

### SUMMARY ANALYSIS

The U.S. has a health care provider shortage. This shortage is predicted to continue into the foreseeable future and will likely worsen with the aging and growth of the U.S. population. Florida is not immune to the national problem and is also experiencing a health care provider shortage. Although Florida is the third most populous state in the nation, and has a disproportionately aging population, it ranks 25<sup>th</sup> in physician to population ratio.

Chapter 458, F.S., provides for licensure and regulation of the practice of allopathic medicine by the Florida Board of Medicine (BOM) within the Department of Health (DOH). The chapter imposes requirements for licensure, including education and residency requirements.

Foreign-trained applicants must meet the same requirements as U.S.-trained applicants related to completion of post-secondary education and obtaining a passing score on licensure examinations. Foreign-trained applicants must also complete an approved residency. The BOM limits the approved residencies to those accredited by the Accreditation Council for Graduate Medical Education, College of Family Physicians of Canada or the Royal College of Physicians and Surgeons of Canada. These entities only accredit U.S. and Canadian medical residencies. A foreign-trained physician who did not complete a U.S. or Canadian residency is thus required to complete an additional residency irrespective of how long they have practiced medicine and whether they completed a residency in another country.

CS/CS/HB 1145 creates an alternative to the approved residency requirement for graduates of a foreign medical school. Specifically, a foreign-trained applicant may obtain a license to practice medicine in Florida without completing an approved residency program if the applicant:

- Holds an active, unencumbered license to practice medicine in a foreign country;
- Has actively practiced medicine in the 4 years preceding the date in which the foreign graduate submitted an application to obtain licensure;
- Has completed a residency or substantially similar postgraduate medical training in a country recognized by his or her licensing jurisdiction or has practiced medicine in his or her licensing jurisdiction for at least 5 years; and
- Has an offer for full-time employment as a physician for a health care provider that operates in Florida and maintains employment with the employer, or with another Florida health care provider, for 2 consecutive years after licensure.

The foreign-trained applicant must still meet all other statutory requirements for licensure.

The bill has no fiscal impact on state or local government.

The bill provides an effective date of July 1, 2023.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present Situation

##### Health Care Professional Shortage

The U.S. has a health care provider shortage. For example, as of January 1, 2023, the U.S. Department of Health and Human Services has designated 8,294 Primary Care Health Professional Shortage Areas (HPSAs) (requiring 17,065 additional primary care physicians to eliminate the shortage), 7,313 Dental HPSAs (requiring 11,909 additional dentists to eliminate the shortage), and 6,599 Mental Health HPSAs (requiring 7,957 additional psychiatrists to eliminate the shortage).<sup>1</sup>

This shortage is predicted to continue into the foreseeable future and will likely worsen with the aging and growth of the U.S. population<sup>2</sup> and the expanded access to health care under the Affordable Care Act.<sup>3</sup> Aging populations create a disproportionately higher health care demand due to seniors having a higher per capita consumption of health care services than younger populations.<sup>4</sup> Additionally, as more individuals qualify for health care benefits, there will necessarily be a greater demand for more health care professionals to provide these services.

Florida is not immune to the national problem and is experiencing a health care provider shortage itself. This is evidenced by the fact that for just primary care, dental care and mental health there are 819 federally designated HPSAs within the state.<sup>5</sup> It would take 1,745 primary care, 1,305 dental care, and 535 mental health practitioners to eliminate these shortage areas.<sup>6</sup>

##### *Physician Workforce Data*

The Association of American Medical Colleges Center for Workforce Studies estimates that the U.S. will face a physician shortage of between 37,800 and 124,000 across all specialties by 2034.<sup>7</sup> The projected shortfall for primary care physicians ranges from 17,800 to 48,000 physicians and for non-primary care specialties ranges from 21,000 and 77,100 by 2034.<sup>8</sup>

In 2020, there were 286.5 physicians actively practicing per 100,000 population in the U.S., ranging from a high of 466 in Massachusetts to a low of 196.1 in Idaho.<sup>9</sup> The states with the highest number of physicians per 100,000 population are concentrated in the northeastern states.<sup>10</sup> Regarding primary care physicians, there were 94.4 per 100,000 population.<sup>11</sup>

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<sup>1</sup> U.S. Department of Health and Human Services, Health Resources and Services Administration, *Designated Health Professional Shortage Area Statistics, First Quarter of Fiscal Year 2023 Designated HPSA Quarterly Summary*, (December 31, 2023), <https://data.hrsa.gov/Default/GenerateHPSAQuarterlyReport> (last visited March 27, 2023).

<sup>2</sup> The U.S. population is expected to increase by 79 million people by 2060, and average of 1.8 million people each year between 2017 and 2060. See U.S. Census Bureau, *Demographic Turning Points for the U.S.; Population Projections for 2017 to 2060* (February 2020), available at <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p25-1144.pdf> (last visited March 27, 2023).

<sup>3</sup> Association of American Medical Colleges, *The Complexities of Physician Supply and Demand: Projections from 2019 to 2034*, (June 2021), available at <https://www.aamc.org/media/54681/download> (last visited March 27, 2023).

<sup>4</sup> *Id.*

<sup>5</sup> *Supra* note **Error! Bookmark not defined.**

<sup>6</sup> *Id.* The population aged 65 and older is expected to grow 42.4% between 2019 to 2034. This grow is primarily due to a 74% growth in size of those aged 75 and older.

<sup>7</sup> *Supra* note 3.

<sup>8</sup> *Id.*

<sup>9</sup> These totals include allopathic and osteopathic doctors.

<sup>10</sup> Association of American Medical Colleges, *2021 State Physician Workforce Data Book*, January 2022, pg. 10, available at: [https://store.aamc.org/downloadable/download/sample/sample\\_id/506/](https://store.aamc.org/downloadable/download/sample/sample_id/506/) (last visited on March 27, 2023).

<sup>11</sup> *Id.*

Florida had 273.9 physicians actively providing direct patient care per 100,000 population in 2020. Although Florida is the third most populous state in the nation,<sup>12</sup> it ranks as having the 25<sup>th</sup> highest physician to population ratio.<sup>13</sup> In 2020, Florida had a ratio of 81.5 primary care physicians providing direct patient care per 100,000 population, ranking Florida 30<sup>th</sup> compared to other states.<sup>14</sup>

### Licensure of Physicians in Florida

Chapter 458, F.S., provides for the licensure and regulation of the practice of allopathic medicine by the Florida Board of Medicine within the Department of Health (DOH). The chapter imposes requirements for licensure examination and licensure by endorsement.<sup>15</sup>

#### *Licensure by Examination – U.S.-Trained Applicant*

An individual seeking to be licensed by examination as a physician must meet the following requirements:<sup>16</sup>

- Complete 2 years of post-secondary education which includes, at a minimum, courses in fields such as anatomy, biology, and chemistry prior to entering medical school;
- Graduate from an allopathic medical school recognized and approved by an accrediting agency recognized by the U.S. Office of Education or recognized by an appropriate governmental body of a U.S. territorial jurisdiction;
- Completed at least one year of approved residency training; and
- Obtain a passing score on:
  - The United States Medical Licensing Examination (USMLE);
  - A combination of the USMLE, the examination of the Federation of State Medical Boards of the United States, Inc. (FLEX), or the examination of the National Board of Medical Examiners up to the year 2000; or
  - The Special Purpose Examination of the Federation of State Medical Boards of the United States (SPEX), if the applicant was licensed on the basis of a state board examination, is currently licensed in at least one other jurisdiction of the United States or Canada, and has practiced for a period of at least 10 years.

#### *Licensure by Examination – Foreign-Trained Applicant*

Foreign-trained applicants must meet the same requirements as U.S.-trained applicants related to completion of post-secondary education and obtaining a passing score on the USMLE, FLEX or SPEX, as applicable. Applicants who graduated from an allopathic foreign medical school registered with the World Health Organization and certified pursuant to statute as meeting the standards required to accredit U.S. medical schools, are required to have completed at least one year of an approved residency training.<sup>17</sup> Applicants who graduated from an allopathic foreign medical school that **has not** been certified pursuant to statute must have:

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<sup>12</sup> As of July 1, 2022, the U.S. Census Bureau estimated Florida to have 22,244,823 residents, behind California (39,029,342) and Texas (30,029,572). U.S. Census Bureau, *U.S. Annual Estimates of Resident Population for the United States, Regions, States, District of Columbia and Puerto Rico: April 1, 2020 to July 1, 2022*: available at: <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html> (last visited on March 27, 2023).

<sup>13</sup> *Supra* note 10, at pg. 13.

<sup>14</sup> Association of American Medical Colleges, *2019-2020 Florida Physician Workforce Profile*, available at <https://www.aamc.org/media/58161/download> (last visited March 27, 2023).

<sup>15</sup> An individual who holds an active license to practice medicine in another jurisdiction may seek licensure by endorsement to practice medicine in Florida in lieu of examination. The applicant must meet the same requirements for licensure by examination. To qualify for licensure by endorsement, the applicant must also submit evidence of the licensed active practice of medicine in another jurisdiction for at least 2 of the preceding 4 years, or evidence of successful completion of either a board-approved postgraduate training program within 2 years preceding filing of an application or a board-approved clinical competency examination within the year preceding the filing of an application for licensure. S. 458.313(1)(c), F.S.

<sup>16</sup> S. 458.311(1), F.S.

<sup>17</sup> *Id.*

- An active, valid certificate issued by the Educational Commission for Foreign Medical Graduates (ECFMG);<sup>18</sup>
- Passed the ECFMG's examination; and
- Completed an approved residency or fellowship of at least 2 years in one specialty area.

### *Residency Programs*

A residency, also called graduate medical education, is a training program that medical students and international medical school graduates must complete at a postgraduate hospital. The duration of the program varies in length from three to eight years depending on the specialty.<sup>19</sup> While in a residency program, residents train in a specialty or core program (e.g., general surgery, pediatrics, or internal medicine). The residency placement occurs during the final year of medical school. Residents are matched to a program based on certain criteria including resident preference for a particular specialty, aptitude based on medical school grades and performance in rotations, and available residency positions or slots.<sup>20</sup>

In Florida an approved one-year residency consists of a course of study and training in a single program for a period of at least 12 months by a medical school graduate (resident).<sup>21</sup> The hospital and the program in which the resident is participating must be accredited for the training and teaching of physicians by the Accreditation Council for Graduate Medical Education (ACGME), College of Family Physicians of Canada (CFPC) or the Royal College of Physicians and Surgeons of Canada (RCPSC) and the resident must be assigned an allocated position or slot<sup>22</sup> approved by the ACGME, CFPC or RCPSC.<sup>23</sup>

Similarly, an approved two-year residency in one specialty area consists of two progressive years in a course of study and training as long as each year is accepted by the American Board of Medical Specialties in that specialty for at least twenty-four months by a medical school graduate. The hospital and the program in which the resident is participating must meet the same accreditation and slot assignment requirements as an approved one-year residency.<sup>24</sup>

As noted above, foreign-trained applicants are required to complete a 1-year or 2-year approved residency to become licensed in Florida. The BOM limits the approved residencies to those accredited by the ACGME, CFPC and the RCPSC. These entities only accredit U.S. and Canadian medical residencies. Thus, a foreign-trained physician who did not complete a U.S. or Canadian residency is required to complete an additional residency irrespective of how long they may have practiced medicine and whether they previously completed a residency in another country.

### **Effect of the Bill**

<sup>18</sup> A graduate of a foreign medical school does not need to present an ECFMG certification or pass its exam if the graduate received his or bachelor's degree from an accredited U.S. college or university, studied at a medical school recognized by the World Health Organization, and has completed all but the internship or social service requirements, has passed parts I and II of the National Board Medical Examiners licensing examination or the ECFMG equivalent examination. Section 458.311, F.S.

<sup>19</sup> USMLE Courses, *Residency & Match*, at <https://www.usmle-courses.eu/residency-match/> (last visited March 24, 2023).

<sup>20</sup> OPPGA, *Florida's Graduate Medical Education System*, Report No. 14.08, February 2014 at <https://www.floridahealth.gov/provider-and-partner-resources/community-health-workers/HealthResourcesandAccess/physician-workforce-development-and-recruitment/additional-council-resources/OPPAGAGMERepor14-08February2014.pdf> (last visited March 24, 2023).

<sup>21</sup> 64B8-4.004 F.A.C.

<sup>22</sup> A residency position or slot refers to federally supported residency training slots. These slots are typically funded through Medicare Graduate Medical Education Payments, which cover Medicare's share of the costs of a hospital's approved medical residency program. These costs include direct costs of operating a residency program, such as resident stipends, supervisory physician salaries, and administrative costs. In fiscal year 2020, Medicare paid \$16.2 billion for medical residency training. See Congressional Research Service, *Medicare Graduate Medical Education Payments: An Overview*, September 29, 2022 at <https://crsreports.congress.gov/product/pdf/IF/IF10960#:~:text=Medicare%20GME%20payments%20cover%20Medicare's,physician%20salaries%2C%20and%20adm inistrative%20costs>. (last visited March 24, 2023) and *Id.* note 13.

<sup>23</sup> Rule 64B8-4.004, F.A.C.

<sup>24</sup> *Id.*

The bill creates an alternative to the approved residency licensure requirement for graduates of a foreign medical school. Specifically, a foreign-trained applicant may obtain a license to practice medicine in Florida without completing an approved residency program if the applicant:

- Holds an active, unencumbered license to practice medicine in a foreign country;
- Has actively practiced medicine in the 4 years preceding the date in which the foreign graduate submitted an application to obtain licensure;
- Has completed a residency or substantially similar postgraduate medical training in a country recognized by his or her licensing jurisdiction or has practiced medicine in his or her licensing jurisdiction for at least 5 years; and
- Has an offer for full-time employment as a physician for a health care provider that operates in Florida and maintains employment with the original employer, or with another Florida health care provider, for 2 consecutive years after licensure. The applicant must also notify the board within 5 business days of any change in employer.

The foreign-trained applicant must still meet all other statutory requirements for licensure.

The bill provides an effective date of July 1, 2023.

**B. SECTION DIRECTORY:**

**Section 1:** Amends s. 458.311, F.S., relating to licensure by examination; requirements; fees.

**Section 2:** Provides an effective date of July 1, 2023.

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

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

1. Revenues:

None.

2. Expenditures:

None.

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

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Current law provides DOH with sufficient rulemaking authority to execute the provisions of the bill.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

On April 10, 2023, the Health and Human Services Committee adopted an amendment and reported the bill favorable as a committee substitute. The amendment required foreign-trained physicians seeking licensure, who have not completed an approved residency program, to have an offer for full-time employment as a physician for a health care provider that operates in Florida and to maintain such employment with the original employer, or with another Florida health care provider, for 2 consecutive years following licensure. The amendment also required the foreign-trained physician to notify the board within 5 business days of any change of employer.

This analysis is drafted to the committee substitute as passed by the Health and Human Services Committee.