

## Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** HB2073

**House of Origin**     Introduced     Substitute     Engrossed

**Second House**     In Committee     Substitute     Enrolled

2. **Patron:** Murphy

3. **Committee:** Health, Welfare and Institutions

4. **Title:** Interstate Medical Licensure Compact.

5. **Summary:** Creates the Interstate Medical Licensure Compact to create a process for expedited issuance of a license to practice medicine in the Commonwealth for qualifying physicians to enhance the portability of medical licenses while protecting patient safety. The bill establishes requirements for coordination of information systems among member states and procedures for investigation and discipline of physicians alleged to have engaged in unprofessional conduct. The bill creates the Interstate Medical Licensure Compact Commission to administer the compact.

6. **Budget Amendment Necessary:** Yes, item 301.

7. **Fiscal Impact Estimates:**

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2024	220,500	3	09223
2025	220,500	3	09223
2026	220,500	3	09223
2027	220,500	3	09223
2028	220,500	3	09223
2029	220,500	3	09223
2030	220,500	3	09223

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2024	220,500	09223
2025	220,500	09223
2026	220,500	09223
2027	220,500	09223
2028	220,500	09223
2029	220,500	09223
2030	220,500	09223

**8. Fiscal Implications:** The provisions of this bill would have a fiscal impact for the creation of the Interstate Medical Licensure Compact and the issuance of expedited licenses. The expedited licensure process includes the issuance of a letter of qualification for licensure. The amount of data needed to obtain and subsequently review a letter qualification would be greater than what is required on the Board of Medicine's traditional pathway to licensure.

A letter of qualification would require obtaining and reviewing both static documents and dynamic documents. For the static documents, Board staff would need to access the initial application, some of which could be more than 50 years old and on microfiche or microfilm. Dynamic documents would need to be obtained from other state and federal agencies. The Board has stated that gathering the data and formulating the letter would increase their current workload and would require 10 to 20 hours of staff time per letter.

The Virginia Board licenses almost 50,000 physicians, and Virginia is the State of Principal License for an estimated 26,000 physicians. Assuming the process could be accomplished in 10 hours, based on an assumed two percent of Virginia physicians requesting Letters of Qualification, or approximately 500, providing this documentation would require three additional FTE's to accomplish at a cost of \$73,500 each (including fringe benefits). These positions would be necessary for the creation of files, the entering of data, and the maintenance of records. The Board's current licensing specialists cannot absorb this additional workload on top of managing 21 professions and 24 license types.

The bill provides that a member state issuing an expedited license authorizing the practice of medicine in that state may impose a fee for a license issued or renewed through the Compact. The Interstate Commission shall collect any renewal fees charged for the renewal of a license and distribute the fees to the applicable member board, which will be used to support the positions.

**9. Specific Agency or Political Subdivisions Affected:** Department of Health Professions.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.