

Fiscal Note



Fiscal Services Division

<u>SF 477</u> – Medical License, Internationally Trained Doctors (LSB1866SV) Staff Contact: Christopher Ubben (515.725.0134) <u>chris.ubben@legis.iowa.gov</u> Fiscal Note Version – New

Description

Senate File 477 directs the Iowa Board of Medicine (the Board) to grant a license to practice medicine and surgery or osteopathic medicine and surgery to an international medical graduate who is a resident of and licensed to practice in one of nine enumerated countries or Hong Kong, and grants authority to the Board to add additional countries through the Administrative Rules process. The Bill states that licenses shall be granted with no additional training or residency requirements except that licenses shall not be granted to an international medical graduate who does not have a federal immigration status allowing the graduate to practice as a physician in the United States.

Senate File 477 also requires the Board to adopt administrative rules to allow international medical programs to apply for accreditation with the Board. The Board is directed to grant an application within 120 days of receiving the application unless the Board finds by clear and compelling evidence that a majority of the international medical program's graduates are not likely to provide medical services that satisfy the State's medical safety, competency, or conduct standards. The Board is also directed to grant accreditation to an international medical program that has granted a medical degree to five international medical graduates who later received permanent licensure to practice under the provisions of the Bill.

The Bill takes effect January 1, 2024.

Background

Under current statute and administrative rule, the Board recognizes the accreditation of medical training programs located in Canada, as described in Section 3 of the Bill. The Board currently relies on the Education Commission for Foreign Medical Graduates to evaluate and accredit international training programs. The Bill would shift those responsibilities to the Board.

The Board is funded entirely through fees charged by its members, without a General Fund appropriation. Additional costs for administering the Board and carrying out the duties assigned to the Board would result in increased fees to licensees.

Assumptions

Senate File 477 requires the creation of a new type of medical practitioner license in the AMANDA licensing system used by the Board.

The Board currently verifies immigration status via application attestation statements. If higher scrutiny is required, additional staff training and access to an immigration verification database will be required.

The Board estimates that approximately 422 individuals will apply for the licensure created by the Bill. Processing these licenses will require an additional 1.0 full-time equivalent (FTE) position. Accrediting international training programs at an estimated rate of 10 programs per

year will require 2.0 additional FTE positions to administer the program and contract with external consultants with expertise in accreditation. Overseeing the implementation of the Program is expected to require approximately 25.0% of the 1.0 FTE position currently attributed to the Board licensing director and 10.0% of the 1.0 FTE position currently assigned to the Board executive director. Because the Board is funded entirely by fee revenue, the Board will need to add the work hours for these FTE positions to the cost of establishing and administering the license when estimating the required license fee.

Fiscal Impact

Updating the AMANDA licensing database to accommodate the new license type created by the Bill would require a one-time vendor cost of approximately \$94,000.

Ongoing FTE position costs include \$50,000 for 1.0 FTE position for a clerk specialist to process the additional licenses, as well as additional supervisory time from the Board's licensure director and the Board's executive director. The 10.0% of the executive director's 1.0 FTE position is estimated to add approximately \$17,000 to the cost of administering the license. The 25.0% of the licensing director's 1.0 FTE position is estimated to add approximately \$28,000 to the cost of administering the license. These supervisory requirements are expected to decrease after the first two years of the license. Approximately \$84,000 would be required for each of the 2.0 FTE positions for the additional compliance officers needed to implement and oversee the new accreditation program for a combined \$168,000 annually. The Board would also need to contract third-party accreditation consultants at an estimated annual cost of \$150,000. **Table 1** shows a complete estimate of approximate costs.

Table 1 — Total Implementation and Administration Costs

| Expense | FY 2024 Estimated Cost | | FY 2025 Estimated Cost | |
|---|---------------------------|---------|---------------------------|---------|
| 0.25 FTE position — Licensing Director | \$ | 28,000 | \$ | 28,000 |
| 0.10 FTE position — Executive Director | | 17,000 | | 17,000 |
| 1.0 FTE position — Clerk Specialist | | 50,000 | | 50,000 |
| 2.0 FTE positions — Compliance Officer | | 168,000 | | 168,000 |
| Accreditation Consultants | | 150,000 | | 150,000 |
| AMANDA Licensing System Update | | 94,000 | | 0 |
| Other Board Costs Attributed to the new License | | 13,000 | | 5,000 |
| Total Costs | \$ | 520,000 | \$ | 418,000 |

The Board estimates that the new license type would require a fee of \$340, and the fee for accreditation would be approximately \$38,000 in FY 2024 and \$27,500 in the following fiscal years after one-time database updates have been implemented.

Sources

Board of Medicine Legislative Services Agency

/s/ Jennifer Acton

March 15, 2023

Doc ID 1370846

The fiscal note for this Bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.