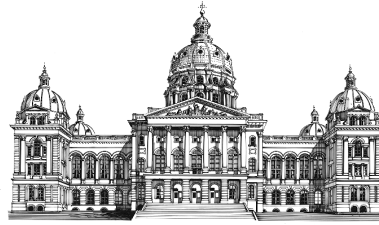

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Interstate Compact on Nurse Licensure

ISSUE

This *Issue Review* discusses the impact of Iowa's involvement in the interstate compact on nurse licensure.

AFFECTED AGENCIES

Department of Public Health

CODE AUTHORITY

Section 147.12-147.28, Chapter 152, Chapter 272C, Code of Iowa

BACKGROUND

The creation of multistate health care delivery systems and telecommunications networks have brought to the forefront the need for a nurse to be licensed in more than one state with a minimum of barriers and time delay. For many years, a single state-issued license has been adequate for the practice of nursing. A nurse who moved to another state or interacted with clients across a state border was granted endorsement and for a fee, was issued a new license and authorized to practice under the nurse practice act of that state.

On December 15, 1997, the National Council of State Boards of Nursing approved the Interstate Compact on Nurse Licensure. It is an agreement among states designed to reduce duplicative licensure requirements, enhance information sharing, and establish mechanisms for disciplinary actions associated with interstate nursing.

CURRENT SITUATION

Interstate Compact

An interstate compact is an agreement between two or more states entered into for the purpose of addressing a problem that transcends state lines. Compacts are created when two or more states enact identical statutes establishing and defining the compact and its role. On March 14, 1998, Utah became the first state to adopt the interstate compact on licensure. When a second state adopts the identical statute, the compact is formed. The result is the

creation of both a state law and an enforceable contract with all other states that adopt the compact.

Under the interstate compact on nurse licensure, a nurse who is licensed in a party state may practice nursing in all other party states without having to obtain a license in each state. The nurse only receives one license, from the state in which he/she resides. Every other party state, by operation of the interstate compact, grants the nurse a multistate licensure privilege to practice in their state. A nurse may be licensed in only one party state at a time.

The interstate compact creates an effective and coordinated system of discipline, which: 1) protects the authority of each individual state to revoke the licensure privilege of any nurse that renders unsafe nursing services within that state; 2) requires that nurses adhere to the practice laws of the patient's home state; 3) creates a mechanism for states to share information about investigations and disciplinary actions taken by other party states; and 4) ensures that all party states will give the same priority to complaints about nurses who render services to patients in a party state as they would if those services were rendered to in-state residents.

Coordinated Licensure Information System

The interstate compact creates a Coordinated Licensure Information System which will consist of a centralized database of licensure and discipline information. This will facilitate the access to and exchange of information by party states and will increase a state's ability to monitor, track, and discipline unsafe nurses.

The Coordinated Licensure Information System will provide party states with a current history of every nurse. It will assist all states in tracking unsafe providers and monitoring patterns of behavior. With the centralized database and greater exchange of information of disciplinary actions between the states, it will be more difficult for nurses to avoid discipline.

Under the interstate compact, all adverse actions are reported to the Coordinated Licensure Information System. The administrator of the Coordinated Licensure Information System will notify the home state of any administrative, civil, equitable, or criminal actions imposed by remote states. In addition, all party states will have access to the database of information regarding the licensure and disciplinary history of all nurses.

Nursing in Iowa and surrounding states

Iowa is surrounded by six states: Minnesota, Wisconsin, Illinois, Missouri, Nebraska, and South Dakota. Kansas, while not bordering, influences practice in southwestern Iowa. In all four corners of the state, there are major metropolitan communities with multi-state health delivery networks. Mayo Clinic in Minnesota has numerous patients that receive follow-up care within Iowa. Iowa also has three major telecommunications systems, which facilitate delivery of care remotely, including across state borders.

The Iowa Board of Nursing does not track the number of out-of-state licenses held by Iowa nurses. However, according to the Iowa Nurses Association, approximately 5,000 Iowa nurses have multiple state licenses.

ALTERNATIVES

- **Do Nothing** - Iowa would become a non-party state. Iowa nurses would continue to apply for and receive licenses in exactly the same way they have always done. Iowa nurses would be required to obtain a license in each state where they wish to practice. Nurses in party states who wish to practice in Iowa would be required to obtain an Iowa license.
- **Pass Enabling Legislation** - In order to join the interstate compact on nurse licensure, the compact that has already been adopted would need to be enacted into Iowa law. Enabling legislation would need to be introduced and adopted which reproduces the compact in its entirety and makes any necessary conforming amendments to Iowa's nurse practice act (such legislation has been prefiled by the Board of Nursing).

The compact would supercede any provisions that are in direct conflict with the compact. However, all provisions that are not addressed by the compact, or that are not in direct conflict, will continue to be in full force and operation. For example, the practice of nursing would continue to be defined by Iowa's Nurse Practice Act.

BUDGET IMPACT

The Iowa Board of Nursing is part of the Iowa Department of Public Health and receives an annual General Fund appropriation based on fee revenue. For FY 1999, the appropriation is \$1.1 million and estimated Nursing Board fee revenues to the General Fund are \$1.2 million.

If Iowa were to become a party state, there would likely be fiscal effects. These would include: 1) the loss of fee revenue from non-Iowa residents currently licensed in Iowa, and 2) the loss of fee revenue associated with conversion to the Coordinated Licensure Information System.

1. According to the Iowa Board of Nursing, 12.5% of all Iowa license renewals, or 6,000, are issued to non-Iowa residents. If these people do not require Iowa licenses, fee revenues would be reduced by \$130,000 per year (based on a multi-year license.)

About half of Iowa's new licenses come from surrounding states. If an Iowa license is not required, there would be an initial loss of \$39,000 per year.

2. A central data base Coordinated Licensure Information System is necessary to facilitate multi-state licensure and is being developed by the National Council of State Boards of Nursing, Inc. The current licensure verification process generates approximately \$24,000 per year in fees. With a central data-base, verification fees would not be generated.

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