

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 27** SLS 202ES 73

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: September 30, 2020 12:23 PM	Author: PEACOCK
Dept./Agy.: LDH	Analyst: Shawn Hotstream
Subject: Enacts the Interstate Medical Licensure Compact	

HEALTH CARE

OR SG EX See Note

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Provides relative to the practice of medicine. (2/3 - CA7s2.1(A)) (7/1/21) (Item #45)

Proposed law creates the Interstate Medical Licensure Compact (IMLC) and authorizes Louisiana to join the multistate compact for physicians to obtain multistate license privileges to practice in participating states. Proposed law provides for the powers, duties, and responsibilities of the compact. Proposed law requires the medical boards in the participating states to regulate the physicians in their respective states. Proposed law creates the IMLC Commission and grants participating states two voting representatives on the commission. Proposed law provides for powers, duties, financial authority, organization, and rulemaking authority of the commission.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law may result in an indeterminable increase in SGR expenditures of the Louisiana State Board of Medical Examiners (LSBME), as the interstate commission may levy and collect an annual assessment (to be determined through rulemaking) from each member state to cover administrative and operational expenses of the commission and staff. In addition, each compact state will have two state board representatives selected to the commission, and any travel expenses of the representatives is anticipated to be nominal. Information provided by the LSBME indicates an anticipated assessment exposure of approximately \$150,000 annually, although there has been no recent assessment for current compact participants. In speaking with the executive director of the Compact, the LFO was informed that member states have never been charged an annual assessment, although the Compact's bylaws allow one. The executive director reports the compact holds one annual meeting and reimburses commissioners for regular and customary travel costs. In addition, the LSBME projects an additional licensing analyst will be required at a cost of \$49,000 (\$35,000 salary and \$14,000 related benefits), and IT contract costs of \$21,000 related to changes to the online licensure system.

NOTE: The Compact currently has 29 member states, plus Washington, D.C. and the Territory of Guam. Proposed law will bring Louisiana directly into compact membership pending administrative rule promulgation.

REVENUE EXPLANATION

Revenues are anticipated to increase as a result of this measure. The interstate commission collects any state fees charged for renewal of a license and distributes 100% of the regular fees to the member board (if the physician designates Louisiana as its principal residence) plus an additional fee of \$300 charged to physicians seeking multistate licensure. These fees would accrue to the LSBME.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Christopher A. Keaton
Legislative Fiscal Officer