Report to
The Vermont Legislature

Report on Physician Licensure Process
2024 Report to the Legislature

In Accordance with Act 4 of 2023, Section 6

Submitted to:	**House Committee on Health Care** **Senate Committee on Health and Welfare**
Submitted by:	**Vermont Board of Medical Practice**
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Introduction

This report is submitted in accordance with Section 6 of Act 4 of 2023, which provides:

> On or before January 15, 2024, the Board of Medical Practice shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding options for streamlining and modernizing the physician licensure process, such as:
>
> (1) alternatives to requiring an original birth certificate as a method of proving identification;
>
> (2) the status of obtaining fingerprint-supported background checks and being able to serve as the State of Principal Licensure for purposes of participation in the Interstate Medical Licensure Compact;
>
> (3) offering provisional licenses pending full document verification; and
>
> (4) allowing Board of Medical Practice staff to approve uncomplicated license applications.

The Board of Medical Practice regulates physicians (MD), physician assistants (PA), podiatrists (DPM), anesthesiologist assistants (AA), and radiologist assistants (RA). In addition, the Board licenses and oversees practice by MDs and DPMs engaged in residency programs in Vermont; participants in residency programs hold what are known as limited training licenses, or "LTLs." Recent growth in the total number of medical professionals licensed has grown rapidly, from 4,391 in 2017 to 6,813 as of December 2023, which is a 55% increase over six years.

The Board is composed of 17 members. Nine are MDs, six are public members, one is a PA, and one is a DPM. The Board employs six full-time staff members and recently received approval for an additional position, which is under recruitment.

The Board of Medical Practice convened an *ad hoc* committee to conduct a thorough review of all aspects of the licensing process. Several meetings were held over the course of the summer with both staff members and six members of the Board regularly participating. The members arrived at several recommendations that were presented to the full Board of Medical Practice at the November and December meetings, where the Board adopted the recommendations.

In addition to preparing for this report, the review was conducted as a necessary step in work toward issuance of a request for proposals from bidders interested in working with the Board to update the online system used for both licensing and investigation operations. All who apply to be licensed by the Board to practice medicine or to renew a license do so through the online system; the process for licensing is reflected in the questions and instructions built into the system. The system is also used to manage complaints and investigations and serves as the official record for investigations.

Since the passage of the Interstate Medical Licensure Compact (IMLC) in 2018, many licenses issued to physicians are now issued through the IMLC. The law, which authorizes issuance of physician licenses through the Compact, became effective in 2020. In 2022, 40 percent of physician licenses issued by the Board were to MDs who applied through the IMLC rather than applying directly to the Board. The Compact offers a quick and easy way to obtain licenses in other states for physicians who qualify and who practice in one of the 41 states and territories that have joined the IMLC. Major holdouts are New York, Massachusetts, California, and Florida, however the IMLC legislation has been introduced in New York, Massachusetts, and Florida.

Report on Medical Licensing Process Review

Before turning to a broader summary of the Board's review of the licensing process, answers to the items of interest listed in Act 4 are first addressed.

(1) Identification of Applicants

The Board approved a recommendation from the ad hoc Committee to adopt the process used by the Federation of State Medical Boards (FSMB) in its Federation Credential Verification Service (FCVS) process, which will eliminate the requirement for a birth certificate. That change will require a change to the Board's Rules, which currently specify that a certified birth certificate or copy of a naturalization certificate must be provided to establish identity.

(2) Criminal History Checks and Full Implementation of the IMLC

The delay in implementation of the process to allow Vermont physicians to obtain licenses in other jurisdictions using the Interstate Medical Licensure Compact results from an inconsistent interpretation of federal law within the Federal Bureau of Investigation (FBI). A physician who has been convicted of a crime may not use the Compact process to obtain licenses in other jurisdictions.[1] Accordingly, the IMLC Rules specify that when a physician uses the IMLC to obtain a license in another state, their home state must obtain a federal criminal background check to verify that there are no

[1] To join the IMLC a state enacts the uniform IMLC statute, which is in Vermont law at 26 V.S.A. §§ 1420-1420x.

convictions. IMLC Rule 5.5(2)(b)(11). In most FBI regions, medical boards have been approved to receive those reports and thus are able to verify an absence of criminal convictions. Within the region that includes Vermont, such approvals were granted at one time. However, since Vermont passed the IMLC law and the Board sought approval, this FBI region declines to approve medical boards as authorized recipients of criminal history reports.

The FSMB and IMLC have led collective action by the affected states to resolve this problem. On March 1, 2023, HR 1310 was introduced in Congress; a bipartisan group of 22 Representatives signed as cosponsors. Known as the SHARE Act, the bill offers a concise amendment of the section of the U.S. Code that has been inconsistently interpreted. That change will make clear that release of the criminal history reports is permitted under the law. Until the bill is enacted, or until the FBI region changes its position on this issue, Vermont MDs will not be able to use the IMLC to obtain licenses in other states.

(3) Provisional Licenses

The Board was also asked to address in this report the concept of issuing "provisional licenses." That is understood to refer to a practice authorized for the Vermont Office of Professional Regulation (OPR) in a 2020 amendment to 26 V.S.A. § 130, which authorizes OPR to issue licenses to applicants whose applications are complete, except for two forms of documentation – criminal background checks and verification of licensure from other states.

The Board does not require criminal background checks of applicants for a Vermont license. (Although, as discussed just above, the Board is working on getting the ability to obtain criminal history reports for the purpose of facilitating applications by Vermont physicians to become licensed elsewhere using the IMLC.) Thus, that part of the provisional licensing proposal is irrelevant to the Board's licensing process. That leaves only the issue of delays in obtaining verifications of licensure from other states.

The Board declined to be included when the provisional licensure section was added for OPR because staff had not observed a problem with other states' medical boards promptly forwarding license verifications. That continues to be the case, but more significantly, the Board plans implementation of changes that will altogether eliminate collection of license verifications from other states. Those changes will be discussed in detail in a later section. Bottom line, it would serve no purpose to amend the laws that pertain to the Board to include a provisional licensing process like the one added to the OPR law.

(4) Final Approval and Issuance of Licenses

> The last issue on the Act 4 list was issuance of "uncomplicated" licenses. For as long as anyone associated with the Board can recall, it has been the practice of the Board to have members vote on lists of licenses at the monthly meeting. Many of those licensed are applicants who do not have any adverse history or other matters that trigger review by the members of the Licensing Committee. In other words, the applications of those applicants are reviewed by staff and found not to present any matters that might cause the Board to decline an application. However, those applicants have not been immediately issued licenses by staff once that determination was made. Their applications have been held until the next Board meeting, which occurs on the first Wednesday of the month, or until the "midmonth meeting," which typically occurs two weeks later. Licenses were issued only after a list of approved applicants was read out in a Board meeting and voted on by members.

The ad hoc Committee recommended that the Board end that practice and the recommendation was approved by vote of the full Board. As a result, once the change is implemented, license applications that are found by staff to meet the licensing requirements, with no matters that require discretionary review by the Licensing Committee, will be issued over the course of the month rather than waiting for the twice-per-month approval by the Board. The Licensing Committee will continue to review applications that present issues that might possibly cause members to decline to license the applicant. However, once approved by the Licensing Committee, those applicants will likewise not need to be approved by the Board. As noted by members during discussion, the reading of names does not enhance public safety. It was also noted that the Board carries out its licensing duty by establishing standards for licensing in rules and by member review in the Licensing Committee process of the applications that present matters that require exercise of discretion.

Process Changes Identified During Review

In addition to the changes already mentioned while addressing the issues specified in Act 4, the Board's review resulted in many changes to the licensing process that have either already been implemented or that are planned to be implemented. Some of the changes will require amendments to the Board's administrative rules. Some changes will not occur until interim improvements to the existing IT system occur. Still more changes will be implemented once a major revision of the IT system is complete. The Board has been working for months to obtain approval to go forward with a project to update the system. So far, that project has progressed through the approval stage, and it is anticipated that an RFP will be issued in early 2024.

References

A significant change approved by the Board during its review revises the requirements for written references. MD and DPM applicants have long been required to have three individuals submit a reference directly to the Board using a form. PA, AA, and RA applicants are required to have two references submitted on their behalf. While references are collected for all applicants,

the references are seen by a Board member only when an application needs to be reviewed by the Licensing Committee.

At their December meeting the Board approved the elimination of the requirement for all applicants to have reference forms submitted on their behalf. The new standard will call for applicants to provide the name and contact information for references (the number depending on the profession being applied for). The change will require revision of the Board's Rules. As envisioned, the revised requirement will allow the Licensing Committee to seek information from references when it is felt that the additional information is necessary, while reducing the burden of collecting reference forms, many of which were not actually considered in the process.

This will benefit multiple parties. Applicants will no longer be required to send reference forms out and follow up when they are not submitted. Busy health professionals will benefit by receiving fewer requests to complete reference forms. The Board and staff will benefit by not having to receive and process the submitted forms. Finally, because a missing reference form is frequently the last item delaying a license, this should reduce the time it takes for a license to be issued for some applicants.

Additionally, the Board approved changing the Board rules to make it clear that applicants may use an osteopathic physician (DO) as a reference. The distinctions between MDs and DOs are fading and it is more and more common for DOs to work with and supervise MDs. That change will make it easier for applicants to identify appropriate references. Those changes will require amendments to the Board rules.

Policy on Submitting Documents

During the review, the staff and Board considered the policies regarding how documentation is submitted. At one time in the past, all documentation had been submitted in hard copy. Over the years, the Board had begun to accept some documents electronically by email or fax, but some documents still needed to be submitted in hard copy. The practices of the Board regarding document submission were revised early in the review process. The Board now accepts all forms of documentation in electronic format. Applicants may scan and email, scan and upload, fax, or submit hard copy, if desired. The Board does not require original signature on documents. The policies and practices are guided by legal standards for electronic signatures. These changes are already in place, making the process faster and easier.

Use of Federation Credentials Verification Service

The Board voted to begin the process of implementing a requirement for applicants to use the Federation Credentials Verification Service (FCVS). The change will not be immediately adopted, but will need to go through the rulemaking process, which will provide an opportunity for public input. Most people have never heard of FCVS, so first some background about the program.

FCVS is an FSMB division that offers physicians the opportunity to create a portfolio of documentation that is required to become licensed and credentialed to practice medicine. FCVS is accredited by the National Committee for Quality Assurance (NCQA) and recognized as meeting the Joint Commission's standards for "primary source verification," which means that parties receiving the documentation through FCVS may rely on it the same as if obtained directly from the party that issued the document. Documentation from FCVS is accepted for medical licensure, hospital credentialling, employment, and other purposes relating to the practice of medicine. All U.S. state and territory medical boards accept documentation from FCVS; 14 states and the Virgin Islands now require the use of FCVS when applying for a license. If this change is approved through the rulemaking process, Vermont will become the 15th state. Many of the states that require use of FCVS are in the northeast; Maine, Massachusetts, New Hampshire, New York, and Rhode Island all require physician applicants to use FCVS.

The documents that comprise the FCVS portfolio fall into two categories – those that do not change (e.g., documentation of completed medical education and medical licensing examination history) and those that may change (e.g., verification of other state licenses). FCVS is very convenient for users because they need only submit a request to FCVS to forward their portfolio of documentation to the board where they will be applying. FCVS updates the items that are subject to change and quickly forwards the portfolio of all documentation to the requested board on behalf of the applicant.

The only downside for the applicant is that there is a charge for use of FCVS. The cost to establish the portfolio and have it sent to a board is $395 for physicians, $170 for physician assistants; thereafter it is $99 for a physician or $65 for a physician assistant to have it updated and sent to additional recipients. Several factors led the Board to conclude that the benefits far outweigh concerns about the cost to users of the service.

- A substantial number of applicants use FCVS, and that number is growing. Many applicants are from the northeast, where most states require its use. Also, many applicants practice telemedicine and have obtained licenses in many states; physicians who obtain licenses in many states tend to use FCVS. The fact is that for many who apply to the Board, they have already decided to use FCVS.

- For those who have not opted to use FCVS before applying for a Vermont license, they will find that the costs of using FCVS will be offset by future savings. Those who use FCVS will save on documentation fees each time they apply for an additional license, hospital privileges, or employment.

- Use of FCVS is much more efficient because in the single packet of documentation from FCVS, a board receives up to ten different types of documentation that would otherwise be received in many different communications via email or USPS.[2] FCVS is forwarded electronically, so Board

[2] Some categories of documentation may represent dozens of document submissions, e.g., many physicians are licensed in many states, so there can be dozens of separate license verifications for one application.

staff will not have to scan and upload the documents to the applicants' files. The single transaction of receiving the FCVS portfolio will replace many, many separate steps that now must be completed when an applicant does not use FCVS.

- In addition to the convenience of not needing to request documentation from multiple sources each time they apply for a license, privileges, or employment, users will benefit from not having to monitor the status of their applications to the Board. Applicants have the ability to monitor the status of each required item using the Board's online licensing system, nonetheless it is common for many applicants to contact the Board several times to inquire about the status of different items. With FCVS the documentation will all arrive at once soon after the request is submitted. Moreover, applicants will find that their applications will become complete sooner.

FCVS is available to only physicians and physician assistants, so podiatrists, anesthesiologist assistants, and radiologist assistants will not be able to benefit from using FCVS.

Verification of Other State Licenses

As noted above when addressing the question of provisional licensing for applicants who are missing documentation of other state licenses, the changes planned by the Board render provisional licensing irrelevant. Assuming that the plan to implement a requirement to use FCVS is implemented as a result of rulemaking, verifications for MDs and PAs will all arrive simultaneously with all the other documentation supplied through FCVS.[3] Even if FCVS does not become mandatory, the Board's plans to update the IT system include linking the system to accredited information hubs, such as FCVS, that will not only obviate the need for applicants to request license verifications from all jurisdictions where they have held a license, but will also prepopulate the application form, reducing the time and effort required to apply.

Revision of the Board's IT System

Last but not least, the Board is well on the way toward a significant update of its online system for licensing. The current system was put into use in 2011. While it continues to be effective and reliable, there is room for improvement and the State of Vermont contracting rules require the Board to put out a bid for services. Since 2011, there have been advances in technology and trusted organizations have created certified data exchanges that hold some of the information used in the licensing process.

[3] The combined total number of podiatrists, anesthesiologist assistants, and radiologist assistants is about 50, as compared to about 6,000 total for MDs and PAs. Also, the Board has not observed problems with verifying their licenses. That may be because they tend not to have licenses in multiple jurisdictions and seem to move around less. In sum, although the services delivered by members of these professions are important and they are highly valued members of Vermont's healthcare workforce, the small numbers of licensees involved and the lack of an issue verifying their licenses mean they are not a factor in a discussion about provisional licenses.

Conclusion

The Board appreciates the interest in the process for licensing physicians. The staff and members are excited about the changes to the licensing process identified during this review and looking forward to having an up-to-date system that will offer further improvements for the Board's staff and licensees alike.