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Office of the Secretary of State**

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February 7, 2023

**To: Hon. Lori Houghton, Chair
House Health Committee on Health Care**

**From: S. Lauren Hibbert, Deputy Secretary of State
Lauren Layman, General Counsel, Office of Professional Regulation**

Re: H.77 – An act relating to Vermont’s adoption of the Physical Therapy License Compact

Dear Committee,

Thank you for the opportunity to testify about the Physical Therapy Compact.

Occupational Compacts Overview

Compacts are an agreement or contract between states. Most compacts have the concept of a “home state.” This is the state where the licensee lives, votes, etc. After someone has a compact license in their home state they are either immediately authorized to practice in all other compact states or they have to ask the compact commission for the authority to practice in another state. This can sometimes be accompanied by an additional fee. If a licensee moves to a new state then they have to apply for a new compact licensee in their new home state.

Compacts are effective tools in occupational licensure. They:

- Solve mobility challenges to having a license because they allow someone to practice in a state that they don’t live in or immediately when they move to a new state.
- Enable telehealth across state lines when both states are members of the compact.

Compacts almost always have a revenue impact because it removes the requirement for an out-of-state practitioner to get a Vermont license. This is a relevant factor when you are a small state where people can easily travel across state lines to work.

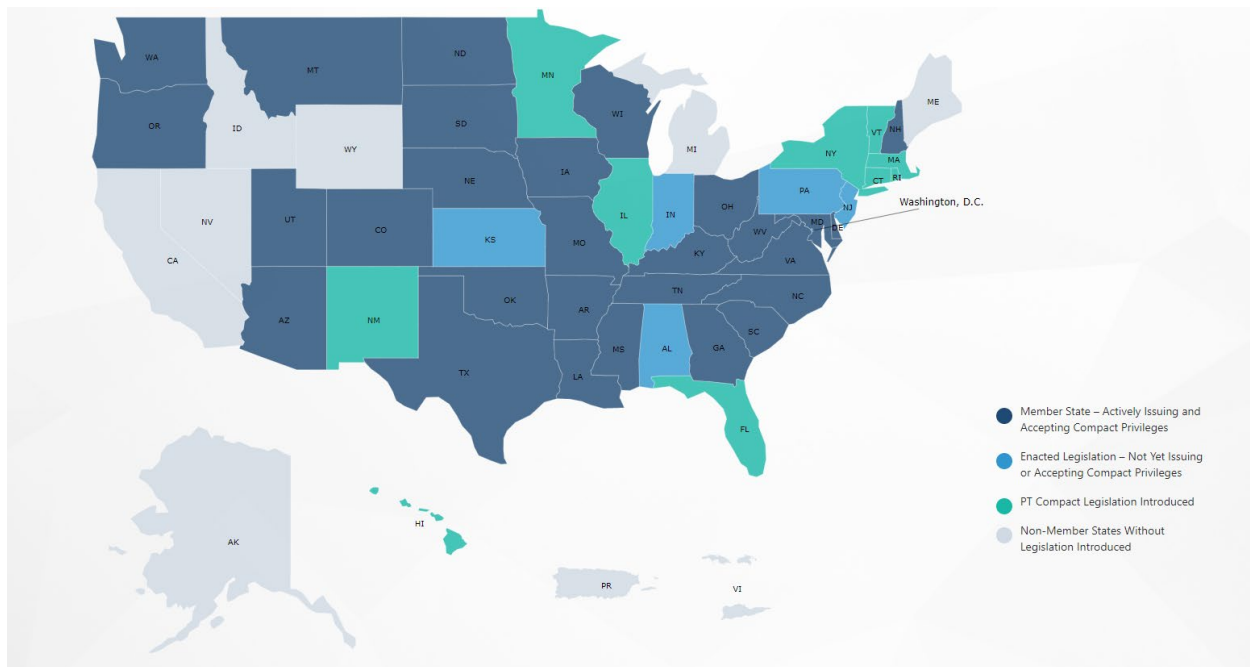
Compacts also affect the enforcement process. Vermont retains jurisdiction over everyone who is practicing in Vermont – physically or via telehealth. This means that under a compact we could be investigating and prosecuting a person who is not a Vermont licensee. Post-Dobbs OPR has also been focused on any provision in a compact that mandates reciprocal discipline. We do not want to be forced

to discipline a Vermont licensee because they provided an abortion or gender-affirming care in another state.

Physical Therapy Compact

1. Background

- The PT compact is an established compact. Its Compact Commission has been meeting for a while, has adopted initial administrative rules, and is currently offering privileges to practice to licensees from member states.
 - 33 states, including New Hampshire, have adopted the physical therapy compact.



2. Features

- The PT compact work in a very similar way by offering licensees with a home state license an opportunity to obtain a “privilege to practice” in other compact member states.
- Requirements for Compact States
 - To qualify as a compact state, a state must meet the following requirements:
 - Share data with the Compact Commission;
 - Have a mechanism in place for receiving and investigating complaints about licensees;
 - Adopt a criminal history background check process for compact license applicants, including the collection of fingerprints or other biometric-based information for collecting criminal history information from the FBI;
 - The enacting legislation for this compact authorizes the state to obtain biometric-based information from PT license applicants and to submit that data to the FBI.

- OPR requests the addition of the authority to conduct background checks be added to Title/ 3. This authorization needs to be expressly added in 3 V.S.A. §123(j)(1).
 - Share investigatory and discipline data with the Compact Commission; and
 - Give the effect of state law to all rules adopted by the Compact Commission.
 - Member states may collect a portion of the fee for offering compact licensees the privilege to practice in the member state.
 - Applicants
 - An applicant would need to obtain a “home state” license in a compact member state.
 - Once the home-state license is obtained, the licensee may obtain a “privilege to practice” in other compact member states by notifying the Compact Commission about which state the licensee wishes to work in and paying a fee (part of which would go to the state and part of which would stay with the Compact).
 - The applicant will also need to have had an unrestricted license for the previous two years and complete the jurisprudence examination in the privilege state.

3. Impacts

- Benefits
 - Mobility is a key benefit of this compact. For PTs, licensing requirements in all states are so similar that requiring a licensee to resubmit an application in each new state of practice is close to redundant. The compact reduces this barrier.
 - Continuing competency requirements are greatly reduced when a licensee can hold one home state license (and complete the continuing competency for that license) and practice in more than one state. Requiring licensees to hold a license in multiple states to practice in multiple states results in licensees needing to complete various levels and types of continuing competency in each state.
- Potential Benefits
 - As with other compacts, it is not clear whether licensees will flow into the state or flow out. The potential to improve access is there but the increased mobility facilitated by the compact may result in professionals moving to other compact states.
 - Vermont is able to charge a fee for the privilege to practice in Vermont under the compact. This will likely not offset the entire cost of the compact, but will be helpful.
- Concerns
 - OPR does not have many concerns with the PT compact. The funding could be a challenge and OPR will need time to implement the compact.