Medical Licensing Compacts—A New Approach in Health Care

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The cost of health care in the United States has grown an average of 2.4 percent faster than the gross domestic product since 1970; it now represents 18 percent of the total GDP, according to the Kaiser Family Foundation.

One challenge contributing significantly to these costs is access to health care in hard-to-serve locations.

Problems accessing care is especially common in rural areas. According to the American Academy of Family Physicians, 21 percent of the U.S. population lives in rural areas, but only 11 percent of medical specialists practice in those areas. This results in a significant segment of the population that is frequently underserved.

One possible solution is a series of medical licensing compacts intended to reduce existing barriers to the process of gaining licensure in multiple states.

“In an increasingly global world, interstate licensing agreements provide a means to ensure access to high quality care, while promoting continuity between patients and health care providers,” said Mark Lane, vice president of the Federation of State Boards of Physical Therapy.

Such agreements would allow providers across several medical fields to better use rapidly improving technology to service hard-to-reach areas through telehealth.

Licensing compacts also provide a mechanism to ensure state regulatory agencies maintain their licensing and disciplinary authority, while simultaneously providing a framework to share information and processes essential to licensing and regulation across a variety of medical professions.

“Compacts provide a vehicle for states to work cooperatively, while also protecting individual state licensing boards,” said Dia Gainor, executive director of the National Association of State EMS Officials.

With more than 215 interstate compacts in existence today and each state belonging to an average of 25 compacts, there is considerable legal and historical precedence for the development and use of the tool. Several existing compacts deal specifically with licensing issues. Compacts such as the Driver’s License Compact [3] and the Nurse Licensure Compact [4] provide precedence for member
states to honor licenses issued in another member state.

Several different organizations have begun exploring the use of interstate compacts to promote license portability to ensure access to high quality health care.

“We’re delighted so many different organizations are considering the licensing compacts and look forward to seeing how this process unfolds,” Gainor said.

Ongoing Medical Licensing Compact Work

CSG, through its National Center for Interstate Compacts, is providing technical assistance to each of the following projects:

**EMS Licensure Compact**

CSG has been working with Gainor and other staff from the National Association of State EMS Officials to explore a multi-state EMS licensure compact. It is becoming more common for EMS personnel to cross state lines to provide services in a state in which they are not technically licensed and do not have legal recognition. Drafting for this is well underway. Compact language should be ready for legislative consideration by 2015.

**Medical Licensing Compact**

CSG is working with The Federation of State Medical Boards to assess the feasibility of a medical licensing compact. Several factors—including changing demographics, the need for better and faster access to medical care in rural and underserved areas, the passage of the Affordable Care Act and the rise of telehealth—have created unprecedented demand for health care services. Former Wyoming Gov. Jim Geringer initially proposed the concept, which memberships of CSG and The Federation of State Medical Boards have supported through resolutions. Compact drafting is now underway.

**Federation of the State Boards of Physical Therapists**

Building on the EMS and medical licensure projects, the Federation of State Boards of Physical Therapy also has begun exploring a license portability compact for physical therapists. The physical therapy board’s membership recently passed a resolution endorsing the exploration of a compact and an initial advisory committee is set to meet in the first quarter in 2014.

**Association of State and Provincial Psychology Boards**

The Association of State and Provincial Psychology Boards will convene an initial advisory committee meeting in early 2014 to begin exploration of a compact. The primary aim likely will be to promote the increase use of telepsychology.

**CSG Resources**

- [The National Center for Interstate Compacts](#5)

**Other Resources**

- [The Kaiser Family Foundation](#6)
- [The American Academy of Family Physicians](#7)
- [Health IT Now](#8)