

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4431-01
Bill No.: SB 733
Subject: Health Care Professionals; Mental Health; Psychologists; Professional
Registration and Licensing
Type: Original
Date: January 3, 2018

Bill Summary: This proposal establishes the Psychology Interjurisdictional Compact.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Professional Registration Administration	\$0	\$0	\$0
State Committee of Psychologists	\$0	\$0	\$0 or Less than \$47,000
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0 or Less than \$47,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§337.100 - 337.165 - Psychology Interjurisdictional Compact

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state the compact will be effective when it is enacted into law in the seventh member state. Currently, three states have enacted the compact and only two states (including Missouri) have legislation pending to enact the compact. It is not anticipated the compact would be enacted during FY19, FY20, or FY21 and, as a result, will have no fiscal impact to the DIFP during these fiscal years.

Once the compact is enacted, the DIFP, Division of Professional Registration would have the following fiscal impact: \$3,000 to \$6,000 annual fee to participate in the compact and revenue of \$200 for each Interjurisdictional Practice Certificate.

Oversight notes that 3 states (AZ, NV, and UT) have enacted the compact and one state (IL) has pending legislation besides Missouri. Oversight assumes the earliest the proposal could be enacted would be FY21 since two states enacted the compact in 2017. However, since the compact will only become effective when the seventh state becomes a member, revenues and costs will be ranged as \$0 or... since it is unknown when the seventh state will become a member.

Oversight notes, based on discussions with DIFP officials, that the original compact fee would be paid from the Professional Registration Administration Fund (#0689) and then the fund would be reimbursed from the State Committee of Psychologists Fund (#0580). It would take 250 Interjurisdictional Practice Certificates to be issued to psychologists from compact member states for the potential income to reach \$50,000 (250 X \$200/certificate). Oversight assumes potential revenues will be less than \$50,000 annually if the compact is adopted by 7 member states and at least some are states that border Missouri.

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation.

Officials from the **Department of Mental Health, the Department of Corrections, the Department of Social Services, the Office of the Governor and the Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
PROFESSIONAL REGISTRATION ADMINISTRATION FUND (#689)			
<u>Transfer-in</u> - from State Committee of Psychologists Fund (#580) (§§337.100 - 337.165)	\$0	\$0	\$0 or \$3,000 to \$6,000
<u>Costs</u> - DIFP (§§337.100 - 337.165) Interstate compact fee	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (\$3,000 to \$6,000)</u>
ESTIMATED NET EFFECT ON THE PROFESSIONAL REGISTRATION ADMINISTRATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
STATE COMMITTEE OF PSYCHOLOGISTS FUND (#580)			
<u>Income</u> - DIFP (§§337.100 - 337.165) Practice certificates issued to compact state practitioners	\$0	\$0	\$0 or Less than \$50,000
<u>Transfer-out</u> - to Professional Registration Administration Fund (#689)(§§337.100 - 337.165) Interstate compact fee	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (\$3,000 to \$6,000)</u>
ESTIMATED NET EFFECT ON THE STATE COMMITTEE OF PSYCHOLOGISTS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0 or Less than \$47,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could impact small business practitioners if they choose to obtain a certificate to practice in a compact member state.

FISCAL DESCRIPTION

This act establishes a new psychology interjurisdictional compact for the practice of telepsychology. The compact does not apply to permanent in-person practice, but regulates the temporary practice of psychology and the day to day practice of telepsychology. Telepsychology is defined in the compact as the provision of psychological services using telecommunication technologies.

Psychologists licensed in a compact state, also known as the home state, are allowed to practice telepsychology into other compact states, referred to as receiving states, where the psychologist is not licensed under an authority to practice interjurisdictional telepsychology. In order to obtain this authority the psychologist must: 1) Meet certain education requirements; 2) Possess a current license to practice psychology from a compact state; 3) Have no history of adverse action against his or her license and no criminal record in violation of Psychology Interjurisdictional Compact Commission rules; 4) Possess a current E. Passport, as defined in the compact; 5) Attest to conformity with standards of practice and competence in telepsychology technology, and knowledge of legal requirements in home and receiving states; and 6) Meet any other criteria as required by the Commission and defined by rule.

The home state maintains authority over the license of the psychologist practicing telepsychology into a receiving state, but the psychologist is subject to the receiving state's scope of practice requirements. The receiving state may limit or revoke a psychologist's authority to practice interjurisdictional telepsychology into the receiving state.

A psychologist may practice in a receiving state under the authority to practice interjurisdictional telepsychology only in performance of the scope of practice for psychology as assigned by a state psychology regulatory authority and when the psychologist initiates patient contact from a home state via telecommunications technologies with a patient in the receiving state and in accordance with rules promulgated by the Commission.

A psychologist licensed in a compact state may also practice temporarily in other compact states where the psychologist is not licensed, referred to in the compact as distant states. In order to obtain temporary authorization to practice a psychologist must: 1) Meet certain education requirements; 2) Possess a current license to practice psychology from a compact state; 3) Have no history of adverse action against his or her license and no criminal record in violation of Commission rules; 4) Possess a current interjurisdictional practice certificate (IPC); 5) Attest to intended areas of practice and work experience; and 6) Meet any other criteria as required by the Commission and defined by rule.

FISCAL DESCRIPTION (continued)

The psychologist practicing under a temporary authorization to practice must practice within the scope of practice as authorized by the distant state. The psychologist is subject to the distant state's laws, and the distant state may limit or revoke the psychologist's temporary authorization to practice in the distant state.

When a home state takes adverse action against a psychologist's license the psychologist's authority to practice interjurisdictional telepsychology or temporary authorization to practice is terminated and his or her E. Passport or IPC is revoked. A compact state must report actions against a licensee to the Commission. When a complaint is filed against a licensee for conduct occurring in a receiving state, the licensee's home state psychology regulatory authority must investigate and take appropriate action as if the conduct had occurred within the home state. In such cases the home state's law shall be used to determine any adverse action against the psychologist's license.

When a psychologist's conduct is reported who is practicing under a temporary authorization practice and such conduct occurred in a distant state, then the distant state's psychology regulatory authority shall investigate and take appropriate action. In these types of cases the distant state's law shall control in determining any adverse action against a psychologist's temporary authorization to practice.

The compact allows compact state psychology regulatory authorities to issue subpoenas and cease and desist orders in order to revoke a psychologist's authority to practice interjurisdictional telepsychology and temporary authorization to practice.

A psychologist may not change his or her home state licensure during any investigation. Once an investigation is completed, the home state shall report the conclusions of the investigation to the Commission and the psychologist may then change his or her home state licensure. All information provided to the Commission by a compact state shall be confidential.

The Commission must develop and maintain a coordinated licensure information system or coordinated database, which contains licensure and disciplinary action information on all psychologists practicing under the compact. Compact states must submit a uniform data set to the coordinated database on all licensees which includes information as provided in the compact such as identifying information and any adverse actions taken against the licensee. Compact states may designate information that may not be shared with the public without express permission from the compact state reporting the information.

The compact creates the Psychology Interjurisdictional Compact Commission. Each compact state's psychology regulatory authority shall appoint one delegate to serve as a commissioner. The delegate will have the authority to act on behalf of the compact state. The Commission must

FISCAL DESCRIPTION (continued)

meet once a year and all meetings are open to the public. The Commission may close a meeting to discuss certain matters as established in the compact. All documents of a closed meeting will remain closed unless a majority of the commissioners vote to release such records or upon court order.

The Commission may collect an annual fee from each compact state to cover the cost of operations. All receipts and disbursements of funds handled by the Commission shall be audited yearly.

The government of each compact state must enforce the compact and take all actions necessary to effectuate the compact's purposes and intent.

The compact provides procedures the Commission is to follow when a compact state defaults in required performance of its obligations or responsibilities under the compact or promulgated rules. A compact state shall only be terminated from the compact after all other means of securing compliance have been exhausted. A compact state may withdraw from the compact by repealing the compact statutes.

The compact shall go into effect after seven states have enacted the compact legislation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Corrections
Department of Social Services
Office of the Governor
Office of State Courts Administrator

Ross Strobe



Acting Director
January 3, 2018