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House of Representatives commonwealth of pennsylvania harrisburg

June 11, 2002

COMMITTEES

PROFESSIONAL LICENSURE, MAJORITY CHAIRMAN LIQUOR CONTROL FIREFIGHTERS' CAUCUS, COCHAIRMAN EMERITUS

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John R. McGinley, Jr., Chairman Independent Regulatory Review Commission 14th Floor, Harristown 2 333 Market Street Harrisburg, PA 17101

Dear Chairman McGinley:

I am writing to inform you that the House Professional Licensure Committee held a meeting on June 11, 2002.

The committee voted to approve Regulation 16A-602, State Board of Vehicle Manufacturers, Dealers and Salespersons.

In addition, the committee voted to disapprove Regulation 16A-4913, State Board of Medicine; and Regulation 16A-5311, State Board of Osteopathic Medicine.

Please feel free to contact my office if any questions should arise.

Sincerely,

Mario J. Civera, Chairman House Professional Licensure Committee

MJC/sms

Enclosures

cc: Edward J. Cernic, Jr., Chairperson State Board of Vehicle Manufacturers, Dealers and Salespersons Charles D. Hummer, Jr., M.D., Chairperson State Board of Medicine Daniel D. Dowd, Jr., D.O., Chairperson State Board of Osteopathic Medicine The Honorable C. Michael Weaver Acting Secretary of the Commonwealth

Regulation 16A-4913

State Board of Medicine

PROPOSAL: Regulation 16A-4913 amends 49 PA Code, Chapter 16, regulations of the State Board of Medicine. The amendment increases the biennial license renewal fee from \$125 to \$360.

The proposed Rulemaking was omitted and Regulation 16A-4913 was delivered to the Professional Licensure Committee on May 22, 2002 as an Order of Final Rulemaking. The Professional Licensure Committee has until June 11, 2002 to approve or disapprove the regulation.

<u>ANALYSIS</u>: Section 6(a) of the Medical Practice Act of 1985, 63 P.S. Sec. 422.6(a), requires the Board to increase fees by regulation if the revenues raised by fees, fines and civil penalties are not sufficient to meet expenditures over a two-year period. The Board anticipates a significant increase in operational costs due to the passage of Act 13 of 2002, known as the Medical Care Availability and Reduction of Error Act.

Act 13 amended the Medical Practice Act to dramatically expand the investigation and disciplinary duties of the Board. Most significantly, the Board now has the authority to initiate disciplinary action against a licensee for a single act of negligence, where previously the Board could only discipline licensees for multiple acts of negligence or a single act of gross negligence. The Board states that additional resources will be required in order to fulfill its additional obligations under the amended Act, and estimates that implementation of the Act will result in \$5,379,031 in increased costs per year between the Board and the State Board of Osteopathic Medicine. Without a fee increase, the Board projects a deficit of \$6,690,824.05 by the end of fiscal year 2003-2004.

<u>RECOMMENDATIONS</u>: It is recommended that the Professional Licensure Committee approve the regulation.

House of Representatives Professional Licensure Committee June 5, 2002