2025 SENATE WORKFORCE DEVELOPMENT SB 2108

2025 SENATE STANDING COMMITTEE MINUTES

Workforce Development Committee

Fort Lincoln Room, State Capitol

SB 2108 1/9/2025

Relating to the physician assistant licensure compact

2:21 p.m. Chairman Wobbema called the meeting to order.

Members Present: Chairman Wobbema, Vice-Chairman Axtman, Senator Boschee, Senator Larson, Senator Powers.

Discussion Topics:

- Cost-related concerns
- Withdrawal of bill
- Licensing of physicians
- 2:22 p.m. Senator Jeff Barta, testified in opposition.
- 2:26 p.m. Sandra DePountis, Executive Director of North Dakota Board of Medicine, testified in neutral and submitted testimony #28227.
- 2:33 p.m. Jay Metzger, Legislative Committee Chair, ND Academy of Physician Assistants, testified in Neutral #28235.
- 2:34 p.m. Chairman Wobbema closed the hearing.
- 2:34 p.m. Senator Larson moved a Do Not Pass.
- 3:34 p.m. Senator Axtman seconded the motion.

Senators	Vote
Senator Mike Wobbema	Υ
Senator Michelle Axtman	Υ
Senator Josh Boschee	Υ
Senator Diane Larson	Υ
Senator Michelle Powers	Υ

- 2:35 p.m. Motion passed 5-0-0.
- 2:35 p.m. Senator Wobbema will carry the bill.
- 2:36 p.m. Chairman Wobbema closed the meeting.

Additional written testimony:

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Michelle Richart, Midwest Regional Liaison, US Department of Defense, submitted testimony in favor of #28085

Andrew Ficek, Committee Clerk

REPORT OF STANDING COMMITTEE SB 2108 (25.0594.01000)

Module ID: s_stcomrep_01_025

Carrier: Wobbema

Workforce Development Committee (Sen. Wobbema, Chairman) recommends DO NOT PASS (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2108 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

1500 DEFENSE PENTAGON WASHINGTON, D.C. 20301-1500

January 9, 2025

Chairman Mike Wobbema Chair, Senate Workforce Development Committee

Remarks of
Michelle Richart
Midwest Regional Liaison
United States Department of Defense-State Liaison Office

Support of: SB2108- Physician Assistant Licensure Compact

Testimony

The Department of Defense is grateful for the opportunity to support policy changes proposed in North Dakota SB2108 regarding the Physician Assistant Licensure Compact, a measure to reduce barriers to physician assistants and employment in North Dakota.

My name is Michelle Richart and I am the Midwest Regional Liaison for the Defense-State Liaison Office, operating under the direction of Under Secretary of Defense for Personnel and Readiness. We represent the Department and work with state leaders across the country who are concerned for troops and their families' welfare by harmonizing state and federal law and regulation on policy problems of national significance. These are identified by the Office of the Secretary of Defense, the Military Departments, and the National Guard Bureau as areas where states can play a crucial role. I am also a licensed professional and military spouse residing in North Dakota.

The Department of Defense has advocated for improved licensure and career portability for military Service members and their spouses for several years. Military spouses are disproportionately affected by state-specific professional licensing requirements that can cause delays and gaps in employment, with thirty-six percent requiring a state license to practice in their professions and an annual cross-state relocation rate more than ten times higher than their civilian counterparts. Accordingly, military spouses experience unemployment and underemployment at significantly higher rates than their civilian peers.

State policies enacting interstate licensure compacts, such as the Physician Assistant Licensure Compact, relieve one of the many stressors of frequent military moves by enabling military spouses to transfer their licenses more quickly across state lines and obtain employment as soon as they relocate to a new state. These policies facilitate greater career sustainability for military spouses, improving their families' financial security and overall resilience.

Interstate licensure compacts benefit not only military spouses, but also apply to all eligible professionals to include active-duty Service members, members of the reserve components, veterans, and civilians. By continuing to enact these beneficial policies, North Dakota can

expand the opportunity to increase its workforce available to serve the local community while continuing in its great tradition of providing an extraordinary degree of support to our military families as they move into and out of the state.

In closing, the Department of Defense is very appreciative of North Dakota's ongoing commitment and efforts to support members of the military and their families who sacrifice much in service to our country. Thank you to the committee providing me the opportunity to provide comments in support of this policy proposal.

Please feel free to contact me with any questions you might have.

Very Respectfully,

MICHELLE RICHART

Midwest Regional Liaison Defense-State Liaison Office

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SENATE WORKFORCE DEVELOPMENT COMMITTEE JANUARY 9, 2025

TESTIMONY OF NORTH DAKOTA BOARD OF MEDICINE SENATE BILL NO. 2108

Chair Wobbema, members of the Committee, I'm Sandra DePountis, Executive Director of the North Dakota Board of Medicine, appearing on behalf of the Board to provide information on Senate Bill 2108 which implements the PA Licensure Compact into North Dakota.

The Board recognizes the benefits of licensure compacts. The Interstate Medical Licensure Compact (IMLC) was implemented in North Dakota in 2019 and since then, more than 3,000 licenses through the compact have been issued and over 60% of physician licensure each year occurs through the compact.

When the PA Compact was being drafted, comments were requested. Board staff was present at several roundtable discussion as the PA Compact was drafted in which questions were raised on why the model of the PA Compact was not utilizing the same model as the IMLC Compact – as there are big differences between the two – the biggest being that the PA Compact provides a "privilege to practice" in another state – not a license. Despite concerns being raised, the PA Compact moved forward with model legislation for a "privilege" versus "licensure" model – and the implications of such are still unknown. For example, PA's must enroll in the Prescription Drug Monitoring Program and obtain and DEA license to prescribe in North Dakota. In contacting the PDMP, it was unclear at this time whether this "privilege" would suffice for registration, whether this would require legislation changes, and how the DEA would respond.

Mission Statement

Because the PA Compact is not yet operational, there are several unknowns as to the potential impacts of the Compact on the State of North Dakota. One of the biggest unknowns centers around allowable fees and costs associated with the Compact. The Compact requires a PA to obtain a license in a member state. The licensing state is the "qualifying state." The PA can then use that qualifying license to obtain a practice "privilege" in all other compact states.

Section 4(B) contains an unresolved question that appears to exempt PAs from having to renew their "privilege" or pay renewal fees in states granting a privilege to practice – and instead only allows the qualifying state that issues a license the ability to obtain renewal fees and require renewal applications be submitted. We have asked for clarification on this issue but have not received a definitive answer. Under the language, it appears that once a privilege is provided in a state, it is for an indefinite amount of time, and that state cannot require a renewal application or obtain a renewal fee unless the license in the qualifying state expires. If the PA continually renews their license in the qualifying state, and it never expires, then the other states can't charge a renewal fee for the privilege to practice. The state would still be responsible for all the services that come along with maintaining the privilege to practice including utilizing its resources and database to maintain the "privilege" and investigate complaints. Without the collection of renewal fees, the cost associated with implementing the PA Compact would pass onto current PAs or those not obtaining a privilege to offset the cost. If this cost cannot be covered by the PA fees, they would then need to be passed onto the other professions under jurisdiction of the Board.

In addition, the Compact in section 7(E)(3) includes broad language that allows the PA Compact Commission to levy and collect annual assessments in North Dakota as well as fees to compact privilege holders. Compact costs include staffing, database development, technology creation to share information between states, etc. The PA Compact is not yet operational, and it is unclear what costs may be assessed to the State. This unknown cost

could be demanded yearly from the Board, which the Board would be required to pay without recourse.

Finally, Section 3(A)(2) requires the Board to participate in the PA Compact's Data System. This will require the Board to spend funds upgrading its IT system to comport with the Compact Commission's system. We do not know at this time what this will require so we are unable to obtain an estimate from our database developer on cost.

With no renewal revenue and unknown expenses that would be placed on the Board, the Board cannot adequately identify a fiscal effect at this time.

Another concern with the PA Compact – is the ability to independently verify the PA before they are authorized to practice in the State of North Dakota. Section 3(A)(8) requires a participating state to grant a privilege to the holder of a qualifying license - taking away the ability of the Board to perform its own verification over the individual. North Dakota law only allows PAs to practice at specific locations: (1) at a licensed health care facility, (2) at a facility with a credentialing and privileging system, or (3) at a physician owned facility or practice – all of which must be done under collaboration with "the appropriate member of the health care team." A limited exception to is granted for PAs who wish to practice independently in a rural, underserved area in North Dakota, which must be approved by the full Board. The practice of medicine occurs where the patient is located, and if the patient is in North Dakota, the PA must practice under North Dakota law. The Board has seen an increase in PAs wanting to practice telemedicine in North Dakota under laws of another state that allow practice outside of these parameters. Before issuing the license, we inquire how the PA will be practicing within North Dakota – with some not in compliance with North Dakota law. We are able to catch these issues before granting a license as it is part of our vetting process. However, if a "privilege" must automatically be issued to PAs, the Board loses its ability to verify the PAs practice is in compliance with North Dakota law. To put the onus on the Board to enforce this AFTER a

privilege is issued, will require additional administrative and potentially investigatory resources and costs be expended.

Finally, Section (3)(A)(5) requires background checks to be obtained within a time frame established by Commission rule. While the Board is quick and efficient in licensing applicants, the background check process is reliant on state and federal actors that the Board has no authority or control over. While every attempt would be made by the Board to meet any deadline set by Commission rule, it is not something the Board would be able to commit to.

There are other portions of the PA Compact that require additional legal analysis and review. The Compact places several requirements upon the State of North Dakota that, to the Board's understanding, do not comply with North Dakota law. This includes providing immunity and indemnification for commission staff and agreeing to jurisdiction, dispute resolution, and attorney fee provisions the State typically does not agree to. The Compact may need more review from the Office of Attorney General and Risk Management to fully understand the potential legal ramifications at odds with North Dakota law.

If this Compact does move forward, there are additional legislative changes that would be required. The Medical Practice Act in North Dakota Century Code chapter 43-17 only recognizes a "license" to practice – so language would need to be update throughout 43-17 to recognize a "privilege" to practice and requiring the privilege be subject to all laws and rules required of a license (i.e. 43-17-01 definitions to "licensee" and "physician assistant" will need to include privilege; 43-17-02.1(1) – physician assistant scope of practice for licensees and privilege holders, 43-17-02.2 – prohibiting certain individuals from using the title of PA without proper license will now also need to include privilege). The Board would also request updating N.D.C.C. 43-17-46 to allow the Board to obtain additional information after a privilege is provided, as allowed under the IMLC compact. Finally, Section 3(B) allows states to charge a fee for granting the initial compact privilege but a law must specifically grant the Board the ability

to assess such fee. We would be happy to work with Legislative Council on these updates if the Compact moves forward.

The PA Compact is not scheduled to be up and running for at least a year and a half. When the IMLC Compact was first brought forward, the North Dakota legislature waited until it was operational before joining, allowing some time for the unknowns to be answered. With all the unknowns of the above, the Board would recommend the same cautious approach to see how the PA Compact is implemented and to work out legal ramifications.

Thank you for your time and attention and I would be happy to answer any questions.





SB 2108

Testimony of Jay Metzger, PA-C

North Dakota Academy of Physician Assistants

January 9th, 2025

Chairman Wobbema, Senate Workforce Development Committee members, the North Dakota Academy of PAs would like to offer neutral testimony on SB 2108, the Physician Assistant (PA) Compact bill.

We express our general support for the PA Compact while also raising concerns about specific details noted by the ND Board of Medicine. The NDAPA was also ready to submit the PA Compact model legislation this session, but after careful consideration, we decided it was best to wait until the Compact is operational (likely sometime in 2026). Once that happens, we will better understand the intricacies that need to be addressed in submitting a bill for consideration in the 2027 Session. This will result in only a short delay for PAs to apply for the Compact.

The PA Compact represents a significant step toward improving mobility and flexibility for PAs, especially in an increasingly interconnected healthcare

environment. The Compact can address critical workforce shortages, particularly in rural and underserved areas by allowing PAs to practice across state lines with a single interstate privilege. It will also simplify the process for PAs to move between states, reducing administrative burdens and delays that can impede patient care, especially with our military PAs.

We currently have a very efficient licensing system for PAs in ND that usually only takes a week or two, so if this bill does not go forward during this session, a short wait will not set anyone back significantly. If the bill progresses, we will collaborate with the sponsors, the ND Board of Medicine, and other stakeholders to ensure everything is as accurate as possible.

In conclusion, while we support the overarching goals of the PA Compact, we urge the Committee to consider the critical details to ensure its successful implementation.

Thank you for your time, and please let me know if you have any questions.

Jay R. Metzger, PA-C

North Dakota Academy of Physician Assistants

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