Unofficial Copy 1996 Regular Session J1 6lr1643

By: Chairman, Environmental Matters Committee (Departmental - Health and Mental

Introduced and read first time: February 2, 1996

Assigned to: Environmental Matters

A BILL ENTITLED

•	4 T T	4 000	
I	AN	ACT	concerning

2 **Board of Physician Quality Assurance**

3	FOR the purpose of updating certain licensing requirements; permitting the Maryland
4	Board of Physician Quality Assurance to share certain investigative material with
5	other states under certain circumstances; requiring health systems to report
6	contracting, employment, or discipline of a physician; authorizing the Board to issue
7	nonpublic advisory opinions under certain circumstances; deleting certain license
8	requirements for osteopathy; restricting practice changes; prohibiting certain acts;
9	authorizing the Board to investigate complaints without written and signed
10	complaints; requiring the Board to establish certain examination requirements in
11	certain regulations; granting the Board discretionary authority to release certain
12	information; and generally relating to the Board of Physician Quality Assurance.

- 13 BY repealing and reenacting, with amendments,
- Article Courts and Judicial Proceedings 14
- 15 Section 10-205(b)

- Annotated Code of Maryland 16
- 17 (1995 Replacement Volume and 1995 Supplement)
- 18 BY repealing and reenacting, with amendments,
- 19 Article - Health Occupations
- Section 14-205(a), 14-310, 14-321, 14-404, 14-405(a), 14-409, 14-411(e)(3) and 20
- (h), 14-413(a), 14-414, and 14-501(a) 21
- 22 Annotated Code of Maryland
- 23 (1994 Replacement Volume and 1995 Supplement)
- 24 BY repealing
- 25 Article - Health Occupations
- 26 Section 14-311 and 14-312
- 27 Annotated Code of Maryland
- (1994 Replacement Volume and 1995 Supplement) 28
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 29
- 30 MARYLAND, That the Laws of Maryland read as follows:

Article - Courts and Judicial Proceedings

\sim	10	-20	. ~
2			

- 3 (b) Records, reports, statements, notes, or information assembled orobtained by
- 4 the State Department of Health and Mental Hygiene, the Maryland Commission to Study
- 5 Problems of Drug Addiction, the Medical and Chirurgical Faculty or its allied medical
- 6 societies, the Maryland Institute for Emergency Medical Services Systems, an in-hospital
- 7 staff committee, or a national organized medical society or research group that are
- 8 declared confidential by § 4-102 of the Health General Article or [§ 14-602] § 14-503
- 9 of the Health Occupations Article, are not admissible in evidence in any proceeding.

10 **Article - Health Occupations**

- 11 14-205.
- 12 (a) (1) In addition to the powers set forth elsewhere in this title, the Board may:
- 13 (i) Adopt rules and regulations to:
- 1. Carry out the provisions of this title; or
- 15 2. Regulate the performance of acupuncture, but only to the 16 extent authorized by § 14-506 of this title;
- 17 (ii) After consulting with the State Board of Pharmacy, adopt rules 18 and regulations regarding the dispensing of prescription drugs by a licensed physician;
- 19 (iii) Subject to the Administrative Procedure Act, deny a license to an
- 20 applicant or refuse to renew or reinstate an applicant's license for any of the reasons that
- 21 are grounds for action under § 14-404 of this title;
- 22 (iv) On receipt of a written and signed complaint, including a referral
- 23 from the Commissioner of Labor and Industry, conduct an unannounced inspection of the
- 24 office of a physician or acupuncturist, other than an office of a physician or acupuncturist
- 25 in a hospital, related institution, freestanding medical facility, or afreestanding birthing
- 26 center, to determine compliance at that office with the Centers for Disease Control's
- 27 guidelines on universal precautions; and
- 28 (v) Contract with others for the purchase of administrative and
- 29 examination services to carry out the provisions of this title.
- 30 (2) The Board on receipt of a [written and signed] complaint ORBY THE
- 31 BOARD'S OWN MOTION may investigate an alleged violation of this title.
- 32 14-310.
- 33 (a) [(1) An applicant who otherwise qualifies for a license under this title is
- 34 entitled to be examined as provided in this section.
- 35 (2) The Board may establish standards for examining qualified medical
- 36 students before they complete the education requirements of this subtitle.
- 37 (3) The Board may establish standards and qualifications for individuals not
- 38 seeking a license to sit for an examination.

2	(b)] The Board shall give examinations to applicants at least once ayear, at the times and places that the Board determines.
	(B) THE BOARD SHALL ACCEPT THE FOLLOWING EXAMINATIONS FOR LICENSURE PROVIDED THE APPLICANT ACHIEVES A PASSING SCORE AS SET BY THE BOARD IN ITS RULES AND REGULATIONS:
6	(1) UNITED STATES MEDICAL LICENSING EXAMINATIONS;
7	(2) THE NATIONAL BOARD OF MEDICAL EXAMINERS EXAMINATION;
8 9	(3) THE NATIONAL BOARD OF EXAMINERS FOR OSTEOPATHIC PHYSICIANS AND SURGEONS EXAMINATIONS;
10	(4) FEDERATION LICENSING (FLEX) EXAMINATION;
11 12	(5) THE BOARD OF MEDICAL EXAMINERS OF ANOTHER STATE OR THE DISTRICT OF COLUMBIA EXAMINATION; OR
13	(6) MEDICAL COUNCIL OF CANADA QUALIFYING EXAMINATION.
14 15	(c) The Board shall notify each qualified applicant of the time and place of examination.
16 17	(d) The Board shall determine the subjects, scope, form, and passingscore for examinations given under this subtitle.
18 19	(E) THE BOARD SHALL ESTABLISH ANY OTHER QUALIFICATIONS FOR EXAMINATIONS OF MEDICAL SCHOOL GRADUATES IN ITS REGULATIONS.
20	[14-311.
21 22	(a) Subject to the provisions of this section, the Board shall waivethe examination requirements of this subtitle for an applicant who:
	(1) Attains on the federation licensing examination or the United States Medical Licensing Examination a passing score as set by the Board underits rules and regulations; or
26	(2) Holds a certificate of proficiency and professional standing of:
27	(i) The National Board of Medical Examiners;
28	(ii) The board of medical examiners of another state; or
29 30	(iii) The National Board of Examiners for Osteopathic Physicians and Surgeons, if the certificate is issued after January 1, 1971.
31	(b) The Board may grant a waiver under this section only if:
32 33	(1) The applicant pays the application fee required by the Board under § 14-309 of this subtitle; and
34	(2) The applicant provides adequate evidence that the applicantmeets the

35 qualifications otherwise required by this title.]

4 1 [14-312. 2 (a) In this section, "approved school of osteopathy" means a school of osteopathy 3 that is approved by the American Osteopathic Association. (b) Subject to the provisions of this section, the Board shall waivethe examination 5 requirements of this subtitle for an applicant who is licensed to practice osteopathy. (c) If the applicant is licensed to practice osteopathy in this State under § 14-321 6 7 of this subtitle, the Board may grant a waiver under this section only if the applicant: 8 (1) Submits the application fee required by the Board under § 14-309 of this 9 subtitle: and 10 (2) Provides adequate evidence that the applicant: 11 (i) Meets the qualifications otherwise required by this title; and 12 (ii) 1. Practiced osteopathy and resided in this State on June 1, 13 1967: 14 2. Graduated in or after 1940 from an approved schoolof 15 osteopathy; or 16 3. Graduated before 1940 from an approved school of 17 osteopathy and completed a refresher education course approved by the Board. 18 (d) If the applicant is licensed as a doctor of osteopathy to practice medicine in another state, the Board may grant a waiver under this section only if: 20 (1) The applicant submits the application fee set by the Board under § 21 14-309 of this subtitle; 22 (2) The applicant provides adequate evidence that the applicant: 23 (i) Meets the qualifications otherwise required by this title; 24 (ii) Graduated after January 1, 1960 from an approved school of 25 osteopathy; and 26 (iii) Became licensed in the other state after passing in that state an 27 examination for the practice of medicine given by the appropriate authority in the other state to graduates of approved medical schools; and 29 (3) The other state waives the examination of licensees of this State to a

32 (a) (1) In this section, the following words have the meanings indicated.

31 14-321.

(2) "Practice osteopathy" means to treat a disease or ailment of the human 33 34 body by manipulation.

30 similar extent as this State waives the examination of individuals licensed in that state.]

35 (3) "Restricted license" means a license issued by the Board topractice 36 osteopathy.

1	[(b) The Board shall issue a restricted license only to an applicantwho:
2	(1) Was licensed to practice osteopathy in this State or in another state on June 30, 1980;
4 5	(2) Is licensed to practice osteopathy in this State or in another state on the date that the application for a restricted license is submitted to the Board;
6 7	(3) Submits an application to the Board on the form that the Board requires;
8	(4) Pays to the Board the restricted license fee set by the Board; and
9	(5) Meets any other requirement set by the Board.]
10 11	[(c)] (B) A restricted license authorizes the license holder to practice osteopathy while the restricted license is effective.
12 13	[(d)] (C) The term and renewal of a restricted license shall be as provided for a license under § 14-316 of this subtitle.
16 17	[(e)] (D) Subject to the requirements of the Administrative Procedure Act, the Board on the affirmative vote of its full authorized membership, may reprimand a restricted license holder, may place any restricted license holder on probation, or suspend or revoke a restricted license for any of the grounds for Board action under § 14-404 of this title.
19	14-404.
	(a) Subject to the hearing provisions of § 14-405 of this subtitle, the Board, on the affirmative vote of a majority of its full authorized membership, may reprimand any licensee, place any licensee on probation, or suspend or revoke a license if the licensee:
23 24	(1) Fraudulently or deceptively obtains or attempts to obtain alicense for the applicant or licensee or for another;
25	(2) Fraudulently or deceptively uses a license;
26 27	(3) Is guilty of immoral or unprofessional conduct in the practice of medicine;
28	(4) Is professionally, physically, or mentally incompetent;
29	(5) Solicits or advertises in violation of § 14-505 of this title;
30	(6) Abandons a patient;
31	(7) Habitually is intoxicated;
32 33	(8) Is addicted to, or habitually abuses, any narcotic or controlled dangerous substance as defined in Article 27 of the Code;
34	(9) Provides professional services:
35	(i) While under the influence of alcohol; or

	(ii) While using any narcotic or controlled dangerous substance, as defined in Article 27 of the Code, or other drug that is in excess of therapeutic amounts or without valid medical indication;
4 5	(10) Promotes the sale of drugs, devices, appliances, or goods to a patient so as to exploit the patient for financial gain;
6 7	(11) Willfully makes or files a false report or record in the practice of medicine;
	(12) Willfully fails to file or record any medical report as required under law willfully impedes or obstructs the filing or recording of the report, or induces another to fail to file or record the report;
11 12	(13) On proper request, fails to provide details of a patient'smedical record to another physician, [or] hospital, OR THE PATIENT;
13 14	(14) Solicits professional patronage through an agent or other person or profits from the acts of a person who is represented as an agent of thephysician;
	(15) Pays or agrees to pay any sum to any person for bringing or referring a patient or accepts or agrees to accept any sum from any person for bringing or referring a patient;
	(16) Agrees with a clinical or bioanalytical laboratory to makepayments to the laboratory for a test or test series for a patient, unless the licensed physician discloses on the bill to the patient or third-party payor:
21	(i) The name of the laboratory;
22	(ii) The amount paid to the laboratory for the test or test series; and
23 24	(iii) The amount of procurement or processing charge of the licensed physician, if any, for each specimen taken;
25	(17) Makes a willful misrepresentation in treatment;
26 27	(18) Practices medicine with an unauthorized person or aids an unauthorized person in the practice of medicine;
28	(19) Grossly overutilizes health care services;
29 30	(20) Offers, undertakes, or agrees to cure or treat disease by a secret method, treatment, or medicine;
33	(21) Is disciplined by a licensing or disciplinary authority or convicted or disciplined by a court of any state or country or disciplined by any branch of the United States uniformed services or the Veterans' Administration for an act that would be grounds for disciplinary action under this section;
	(22) Fails to meet appropriate standards as determined by appropriate peer review for the delivery of quality medical and surgical care performed in an outpatient surgical facility office, hospital, or any other location in this State:

1 2	(23) Willfully submits false statements to collect fees for which services are not provided;
	(24) Was subject to investigation or disciplinary action by a licensing or disciplinary authority or by a court of any state or country for an actthat would be grounds for disciplinary action under this section and the licensee:
6 7	(i) Surrendered the license issued by the state or countryto the state or country; or
8 9	(ii) Allowed the license issued by the state or country to expire or lapse;
10 11	(25) Knowingly fails to report suspected child abuse in violation of \S 5-704 of the Family Law Article;
12 13	(26) Fails to educate a patient being treated for breast cancerof alternative methods of treatment as required by § 20-113 of the Health - General Article;
14 15	(27) Sells, prescribes, gives away, or administers drugs for illegal or illegitimate medical purposes;
16	(28) Fails to comply with the provisions of § 12-102 of this article;
	(29) Refuses, withholds from, denies, or discriminates against an individual with regard to the provision of professional services for which the licensee is licensed and qualified to render because the individual is HIV positive;
20 21	(30) Except as to an association that has remained in continuous existence since July 1, 1963:
22 23	(i) Associates with a pharmacist as a partner or co-owner of a pharmacy for the purpose of operating a pharmacy;
24	(ii) Employs a pharmacist for the purpose of operating a pharmacy; or
25 26	(iii) Contracts with a pharmacist for the purpose of operating a pharmacy;
	(31) Except in an emergency life-threatening situation where it is not feasible or practicable, fails to comply with the Centers for Disease Control's guidelines on universal precautions;
30	(32) Fails to display the notice required under § 14-415 of this title;
31 32	(33) Fails to cooperate IN ANY MANNER with a lawful investigation conducted by the Board; [or]
33 34	[(34) Is in breach of a service obligation resulting from the applicant's or licensee's receipt of State or federal funding for the licensee's medical education]
35 36	(34) INTIMIDATES OR INFLUENCES, OR ATTEMPTS TO INTIMIDATE OR INFLUENCE, BY ANY MEANS, ANY PERSON TO WITHHOLD OR CHANGE TESTIMONY

8 1 IN HEARINGS OR PROCEEDINGS BEFORE THE BOARD OR THOSE OTHERWISE 2 DELEGATED TO THE OFFICE OF ADMINISTRATIVE HEARINGS; (35) HINDERS, PREVENTS, OR DELAYS ANY PERSON FROM MAKING 3 4 INFORMATION AVAILABLE TO THE BOARD IN FURTHERANCE OF ITS 5 INVESTIGATION: (36) FAILS TO COMPLY WITH THE PROVISIONS OF TITLE 1, SUBTITLE 3OF 7 THIS ARTICLE: OR (37) MISREPRESENTS CREDENTIALS FOR THE PURPOSE OF TESTIFYING 8 9 OR RENDERING AN EXPERT OPINION. 10 (b) (1) On the filing of certified docket entries with the Board by the Office of 11 the Attorney General, the Board shall order the suspension of a licenseif the licensee is 12 convicted of or pleads guilty or nolo contendere with respect to a crime involving moral 13 turpitude, whether or not any appeal or other proceeding is pending to have the 14 conviction or plea set aside. 15 (2) After completion of the appellate process if the convictionhas not been 16 reversed or the plea has not been set aside with respect to a crime involving moral 17 turpitude, the Board shall order the revocation of a license on the certification by the 18 Office of the Attorney General. 19 (C) ON AN AFFIRMATIVE VOTE OF THE MAJORITY OF ITS FULL AUTHORIZED 20 MEMBERSHIP THE BOARD MAY ISSUE ADVISORY OPINIONS WHEN: (1) THE BOARD HAS DETERMINED THAT THE LICENSEE SHOULD 22 MODIFY OR ELIMINATE CERTAIN PRACTICES AND THAT CONTINUATION OF THE 23 ACTIVITIES THAT LED TO THE INFORMATION BEING SUBMITTED TO THE BOARD 24 MAY RESULT IN ACTION AGAINST THE LICENSEE'S LICENSE; BUT

(2) THE BOARD DETERMINES THAT THERE IS NOT SUFFICIENT

26 EVIDENCE TO REPRIMAND THE LICENSEE, PLACE THE LICENSEE ON PROBATION, OR

(a) Except as otherwise provided in the Administrative Procedure Act, before the

(a) Except as provided in [subsections (b) and (c)] SUBSECTION (B) of this

(1) The terms and conditions of the order of suspension or revocation;

30 Board takes any action under § 14-404(A) of this subtitle or § 14-303 or § 14-305 of this 31 title, it shall give the individual against whom the action is contemplated an opportunity

35 section, the Board may reinstate the license of an individual whose license has been

(2) An order of reinstatement issued by the Board; or

(3) A final judgment in any proceeding for review.

36 suspended or revoked under this title only in accordance with:

25

29

34

37

38

39

28 14-405.

33 14-409.

27 SUSPEND OR REVOKE THE LICENSE.

32 for a hearing before a hearing officer.

3	(b) An individual whose license has been suspended or revoked under this title and who seeks reinstatement shall meet the continuing medical education requirements established for the renewal of licenses as if the individual were licensed during the period of suspension or revocation.
7	[(c) (1) If an order of suspension or revocation is based on § 14-404(b) of this subtitle, and the conviction or plea subsequently is overturned at any stage of an appeal or other postconviction proceeding, the suspension or revocation ends when the conviction or plea is overturned.
9	(2) After the appellate process is completed:
10 11	(i) The clerk of the court issuing the final disposition of the case shall notify the Board of that disposition; and
14	(ii) If the conviction or plea is upheld after completion of the appellate process, the Board may not take any further action against the physician unless it gives the physician an opportunity for another hearing, to be held within 60 days after the Board receives notice of the completion of the appellate process.]
16	14-411.
19 20 21 22	(E) (3) The Board shall, after formal action is taken pursuant to § 14-406 of this subtitle, notify those hospitals, health maintenance organizations, or health care facilities where the physician has privileges, has a provider contract with a health maintenance organization, or is employed of its formal action within 10 days after the action is taken and [shall] MAY provide the hospital, health maintenance organization, or health care facility with periodic reports as to enforcement or monitoring of a formal disciplinary order against a physician [within 10 days after receipt of those reports].
24 25	(h) The Board may disclose any information contained in a record to a licensing or disciplinary authority of another state if:
26 27	(1) The licensing or disciplinary authority of another state that regulates licensed physicians in that state requests the information in writing; and
28 29	(2) [The disclosure of any information is limited to the pendency of an allegation of a ground for disciplinary or other action by the Board until:
30	(i) The Board has passed an order under § 14-406 of this subtitle; or
33 34 35	(ii) A licensed physician on whom the information is requested authorizes a disclosure as to the facts of an allegation or the results of an investigation before the Board.] THAT STATE'S LICENSING OR DISCIPLINARY BOARD RELEASES ANY INFORMATION CONTAINED IN THE RECORD TO OTHER LICENSING OR DISCIPLINARY BOARDS UPON WRITTEN REQUEST. 14-413.
37 38	(a) (1) Every 6 months, each hospital and related institution shall file with the Board a report that:

	(i) Contains the name of each licensed physician OR INDIVIDUAL IN A POST GRADUATE TRAINING PROGRAM who, during the 6 months preceding the report:
4	1. Is employed by the hospital or related institution;
5	2. Has privileges with the hospital or related institution; [and]
6 7	3. Has applied for privileges with the hospital or related institution; and
8 9	4. HAS SERVED IN A POST GRADUATE TRAINING PROGRAM; AND
10 11	(ii) States whether, as to each licensed physician, during the 6 months preceding the report:
14 15	1. The hospital or related institution denied the application of a physician for staff privileges or limited, reduced, otherwise changed, or terminated the staff privileges of a physician, or the physician resigned whether or not under formal accusation, if the denial, limitation, reduction, change, termination, or resignation is for reasons that might be grounds for disciplinary action under § 14-404 ofthis subtitle;
19	2. The hospital or related institution took any disciplinary action against a salaried, licensed physician without staff privileges,including termination of employment, suspension, or probation, for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle;
23	3. The hospital or related institution took any disciplinary action against an individual in a postgraduate medical training program, including removal from the training program, suspension, or probation for reasonsthat might be grounds for disciplinary action under § 14-404 of this subtitle;
27	4. A licensed physician or an individual in a postgraduate training program voluntarily resigned from the staff, employ, or training program of the hospital or related institution for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; or
31	5. The hospital or related institution placed any other restrictions or conditions on any of the licensed physicians as listed in items 1. through 4. of this subparagraph for any reasons that might be grounds for disciplinary action under § 14-404 of this subtitle.
33	(2) The hospital or related institution shall:
34 35	(i) Submit the report within 10 days of any action described in paragraph (1)(ii) of this subsection; and
36 37	(ii) State in the report the reasons for its action or thenature of the formal accusation pending when the physician resigned.
38 39	(3) The Board may extend the reporting time under this subsection for good cause shown.

	(4) The minutes or notes taken in the course of determining thedenial, limitation, reduction, or termination of the staff privileges of any physician in a hospital or related institution are not subject to review or discovery by any person.
4	14-414.
5 6	(a) (1) Every 6 months, each alternative health system as defined in § 14-501 of this title shall file with the Board a report that:
7 8	(i) Contains the name of each licensed physician who, during the 6 months preceding the report:
9	1. Is employed by the alternative health system;
10	2. Is under contract with the alternative health system; and
11 12	3. Has completed a formal application process to become under contract with the alternative health system; and
13 14	(ii) States whether, as to each licensed physician, during the 6 months preceding the report:
17 18 19	1. The alternative health system denied the formal application of a physician to contract with the alternative health system or limited, reduced, otherwise changed, or terminated the contract of a physician, or the physician resigned whether or not under formal accusation, if the denial, limitation, reduction, change, termination, or resignation is for reasons that might be grounds for disciplinary action under § 14-404 of this subtitle; or
	2. The alternative health system placed any other restrictions or conditions on any licensed physician for any reasons that might be grounds for disciplinary action under § 14-404 of this subtitle.
	(2) [The] IF THE ALTERNATIVE HEALTH SYSTEM TAKES ANY ACTION DESCRIBED IN PARAGRAPH (1)(II) OF THIS SUBSECTION, THE alternative health system shall:
27 28	(i) Submit the report within 10 days of any action described in paragraph (1)(ii) of this subsection; and
29 30	(ii) State in the report the reasons for its action or thenature of the formal accusation pending when the physician resigned.
31 32	(3) The Board may extend the reporting time under this subsection for good cause shown.
	(4) The minutes or notes taken in the course of determining thedenial, limitation, reduction, or termination of the employment contract of anyphysician in an alternative health system are not subject to review or discovery by anyperson.
36 37	(b) (1) Each court shall report to the Board each conviction of or entry of a plea of guilty or nolo contendere by a physician for any crime involving moral turpitude.

1 2	(2) The court shall submit the report within 10 days of the conviction or entry of the plea.
3	(c) The Board may enforce this section by subpoena.
	(d) Any person shall have the immunity from liability described under § 5-392(d) of the Courts and Judicial Proceedings Article for giving any of the information required by this section.
	(e) A report made under this section is not subject to subpoena or discovery in any civil action other than a proceeding arising out of a hearing and decision of the Board under this title.
10 11	(f) Failure to report pursuant to the requirements of this section shall result in imposition of a civil penalty of up to [\$5,000]\$10,000 by a circuit court of this State.
12	14-501.
13	(a) (1) In this section the following words have the meanings indicated.
14 15	(2) (i) "Alternative health care system" means a system of health care delivery other than a hospital or related institution.
16 17	(ii) "Alternative health care system" includes BUT IS NOT LIMITED TO:
18	1. A health maintenance organization;
19	2. A preferred provider organization;
20	3. An independent practice association; or
	4. A community health center that is a nonprofit, freestanding ambulatory health care provider governed by a voluntary board of directors and that provides primary health care services to the medically indigent.
24	(3) "Medical review committee" means a committee or board that:
25 26	(i) Is within one of the categories described in subsection (b) of this section; and
27 28	(ii) Performs any of the functions listed in subsection (c) of this section.
29 30	(4) (i) "Provider of health care" means any person who is licensed by law to provide health care to individuals.
33	(ii) "Provider of health care" does not include any nursing institution that is conducted by and for those who rely on treatment by spiritual means through prayer alone in accordance with the tenets and practices of a recognized church or religious denomination.
35 36	(5) "The Maryland Institute for Emergency Medical Services Systems" means the State agency described in § 13-1D-03 of the Education Article.

- 1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 2 October 1, 1996.