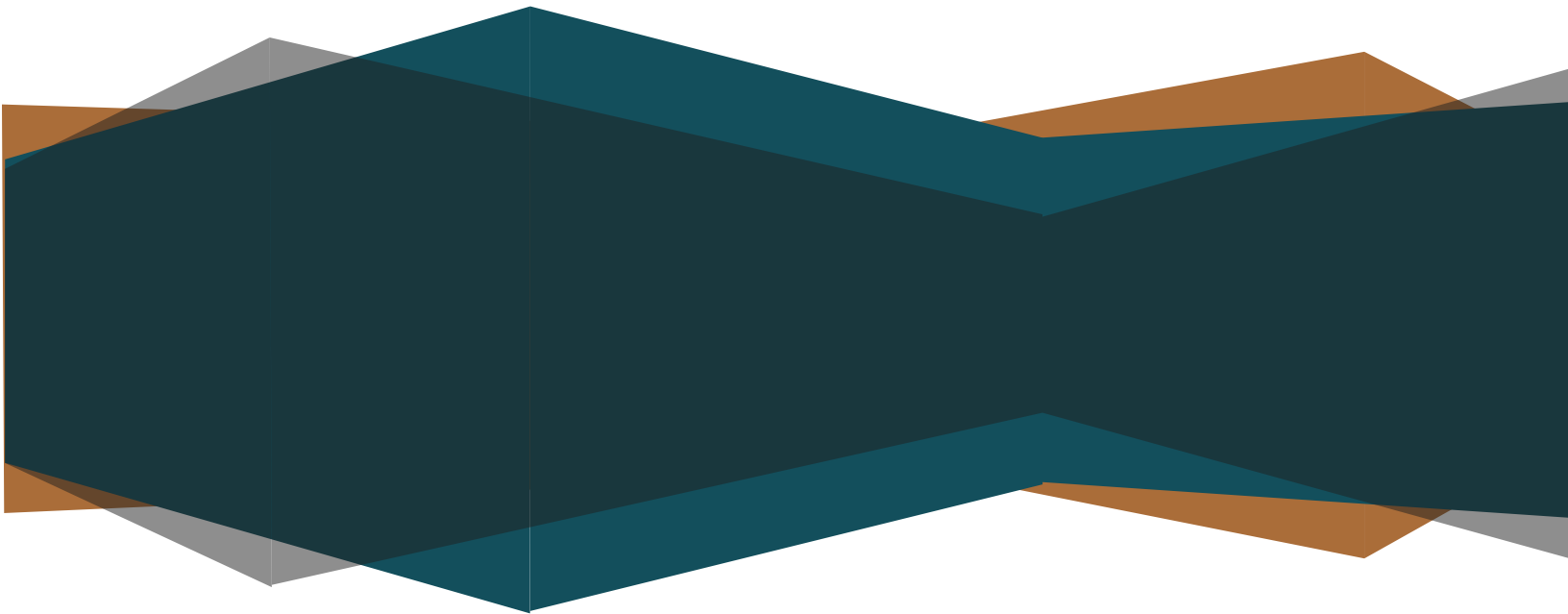


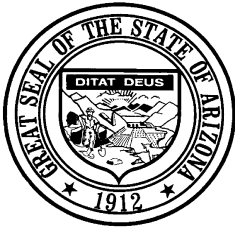
ARIZONA

Arizona Board of Osteopathic Examiners In Medicine and Surgery

Fiscal Year 2025

Budget Request





Governor
Katie Hobbs

**ARIZONA BOARD OF OSTEOPATHIC EXAMINERS
IN MEDICINE AND SURGERY**

1740 WEST ADAMS STREET, SUITE 2410
PHOENIX, ARIZONA 85007
PH (480) 657-7703 | FX (480) 657-7715
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Board Members:
Gary A. Erbstoesser, D.O., Pres.
Jonathan A. Maitem, D.O., V.P.
Jeffrey H. Burg, AIF
Dawn K. Walker, D.O.
Ken S. Ota, D.O.
Samara Shipon, D.O.
Michael Goodman

Executive Director
Justin Bohall

Thursday, August 31, 2023

The Honorable Katie Hobbs
Office of the Governor
1700 W. Washington – 9th Floor
Phoenix, AZ 85007

Re: Budget Proposal Fiscal Year 2025

Dear Governor Hobbs,

On behalf of the Arizona Board of Osteopathic Examiners in Medicine and Surgery, thank you for providing the opportunity to present the enclosed budget plan for Fiscal Year 2025.

The Board is proud to practice the Arizona Management System's LEAN principles, which govern our actions and inspire our service. We know that we have the chance to protect patients and remove unnecessary barriers to osteopathic physicians that choose to work and live in this state, and we welcome that responsibility.

Respect for people and a desire for continuous improvement have enabled us to:

Decide faster - Since 2019, we have cut our average licensing timeframe by almost 350%, providing licensing decisions on average in 35 days rather than 120 days.

Respond faster - We are continually looking for new ways to streamline and adapt our processes. This year, we are updating our available technology to enable our team to respond to questions and assist customers in a faster and more convenient way.

Resolve faster - We perform our work efficiently because we want to protect Arizona patients. Our investigations team conducts thorough and complete investigations to ensure all sides of a complaint are analyzed, so the Board understands every detail as they adjudicate each case.

Provide more services online - We continue to enhance the licensing services we offer online - an option that will further reduce our timeframes and increase our accessibility.

Save taxpayer dollars - We make the most of every moment and every dollar. We build strong connections with Arizona's existing and future osteopathic physicians, anticipating their needs to save their time and our resources. We invite approximately 500 medical students to participate in our Board meetings each year - it is part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state's licensing and physician oversight processes, so they are ready to join the workforce when they complete their degrees.

Our dedication to these principles has continued as the number of licensing applications has soared. Arizona's population of osteopathic physicians grows each year – it has increased by 8% this year, and by a total of 206% since 2000. Additionally, the number of osteopathic post grads has increased by 25% and continues to grow each year.


The demand for licensing continued even after the COVID-19 pandemic, and we have adapted to respond to Arizona osteopathic physicians and the public. We moved our Board meetings online and connected medical students into the meeting, so we would not lose our outreach to Arizona's future workforce.

We are proud of the service we provide, and eager to continue to help as Arizona's medical profession grows. However, we need an additional investment in order to provide high-quality customer service in a rapidly growing field. This fiscal year, we request approval to use \$607,600 from the Osteopathic Examiners Board Fund (OS2048) and an increase of 4 FTEs to ensure we can continue to provide fast, reliable, and thorough service. This is an effort to lower our reserves while providing new services without raising licensing fees.

The Board is pleased to present a plan which reflects continued services to the citizens of the State of Arizona. The Board consistently make efficiencies to streamline processes, reduce costs, and decrease licensing timeframes. In this way, the Board is planning to make improvements to the Board's existing technology to provide more services online as well as a comprehensive user-friendly experience. The Board strives to provide exemplary service to the citizens of the State of Arizona while being fiscally prudent with the funds received from licensing fees.

If you have any questions, please do not hesitate to contact me at 602.771.2522 or at Justin.Bohall@azdo.gov.

Kind Regards,



Justin Bohall
Executive Director



State of Arizona Budget Request

State Agency

Board of Osteopathic Examiners

A.R.S. Citation: **A.R.S. §§ 32-1800 et seq.**

Governor Hobbs:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2025.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: **Justin Bohall**
 Title: **Executive Director**

Justin Bohall 8/31/2023

 (signature)

Phone: 6027712522

Prepared by: Justin Bohall
 Email Address: justin.bohall@azdo.gov
 Date Prepared: August 31, 2023

Appropriated Funds

Total Amount Requested:
 Osteopathic Examiners Board Fund

Non-Appropriated Funds

Board of Osteopathic Examiners Total:

	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Total Amount Requested:	1,398.6	607.6	2,006.2
Osteopathic Examiners Board Fund	1,398.6	607.6	2,006.2
	-	-	-
Board of Osteopathic Examiners Total:	1,398.6	607.6	2,006.2

Revenue Schedule

Agency: Board of Osteopathic Examiners

Fund: AA1000 General Fund

AFIS Code	Category of Receipt and Description	FY 2023 Actuals	FY 2024 Estimate	FY 2025 Request
4372	Publications & Reproductions	1.6	1.3	1.4
4417	Regulatory Licenses	135.9	124.4	129.5
4439	Other Permits	2.7	3.2	20.2
4449	Other Fees	29.8	3.2	23.7
4519	Other Fines, Forfeitures, Penalties and Liquidated Damages	5.7	3.6	4.5
General Fund Total:		175.7	135.7	179.3

Forecast Methodology

The methodology is a forecast of 3 year averages. These are conservative estimates and do not include projected growth of the licensed profession in Arizona.

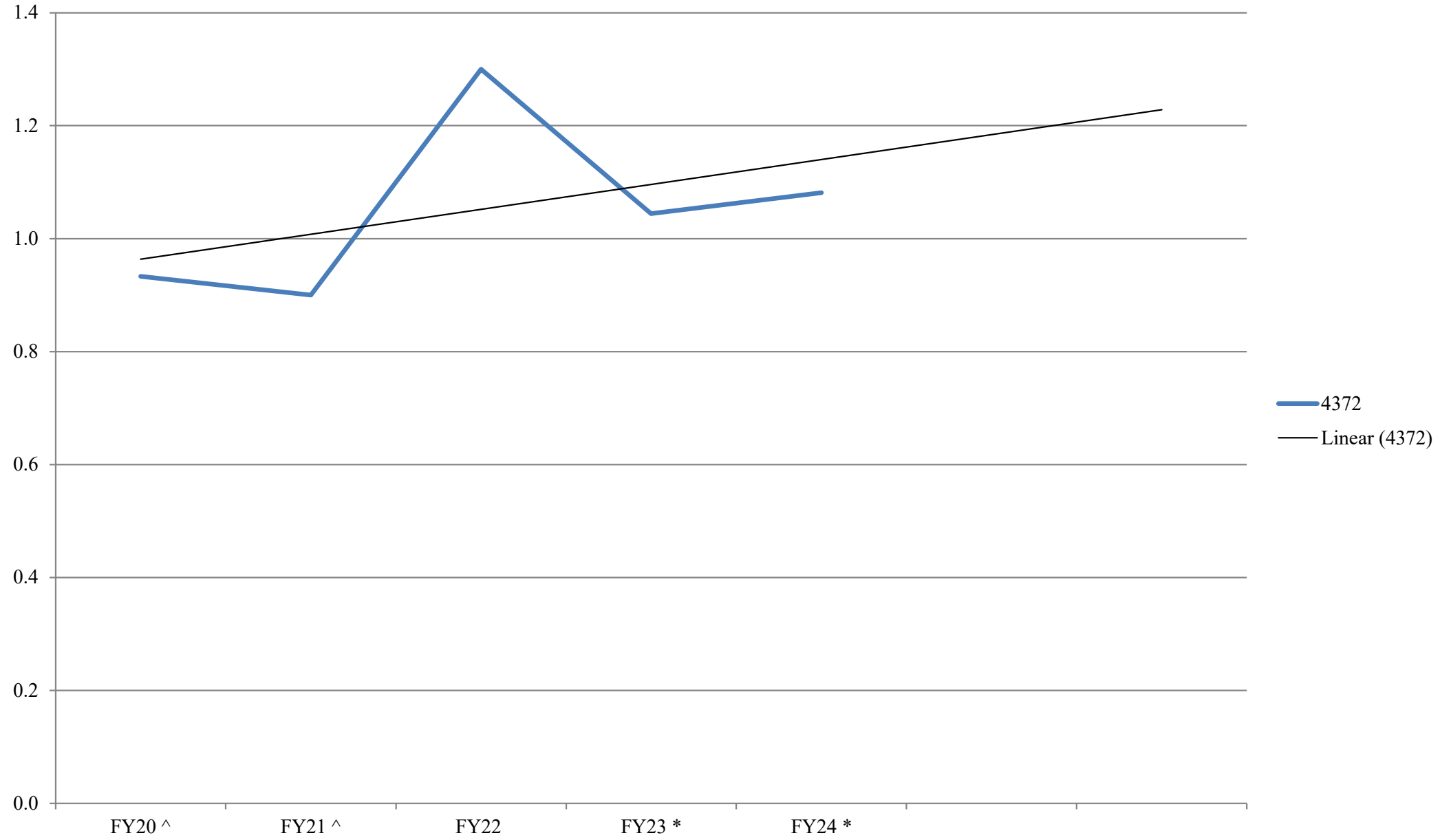
Fund: OS2048 Osteopathic Examiners Board Fund

AFIS Code	Category of Receipt and Description	FY 2023 Actuals	FY 2024 Estimate	FY 2025 Request
4339	Other Fees & Charges for Services	7.8	8.0	8.0
4372	Publications & Reproductions	14.5	11.1	11.9
4417	Regulatory Licenses	1,224.4	1,142.0	1,173.0
4439	Other Permits	29.9	30.0	29.8
4449	Other Fees	267.5	207.6	227.7
4519	Other Fines, Forfeitures, Penalties and Liquidated Damages	42.5	27.2	28.2
4645	Payment Card Transaction Fees Paid	(24.4)	(21.4)	(20.9)
Osteopathic Examiners Board Fund Total:		1,562.3	1,404.5	1,457.7

Forecast Methodology

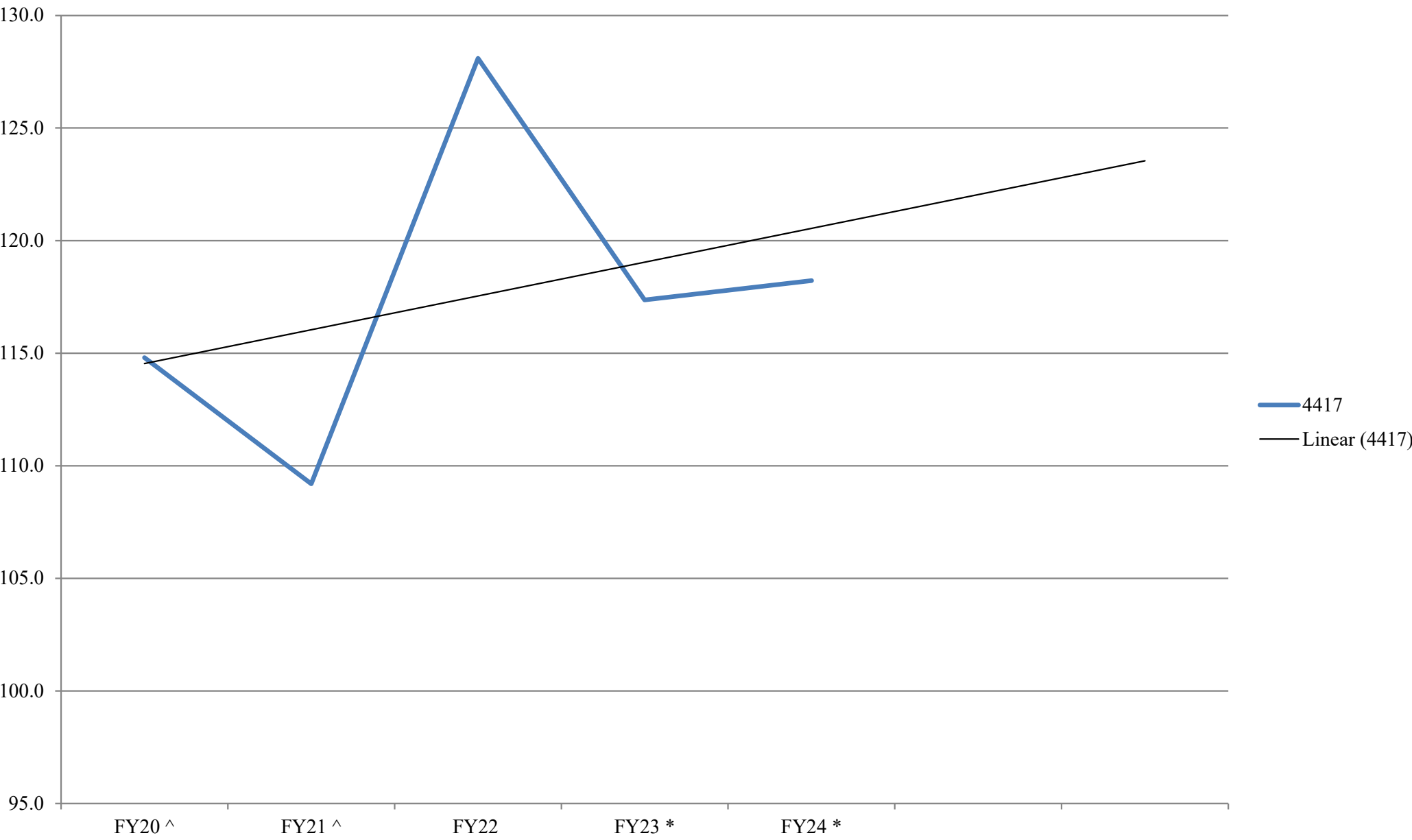
The methodology is a forecast of 3 year averages. These are conservative estimates and do not include projected growth of the licensed profession in Arizona.

General Fund Revenue



* Based upon current and projected license base numbers and current application and renewal fees.
^ Waived certain application and licensing fees as a part of the Governor's Public Health Emergency.

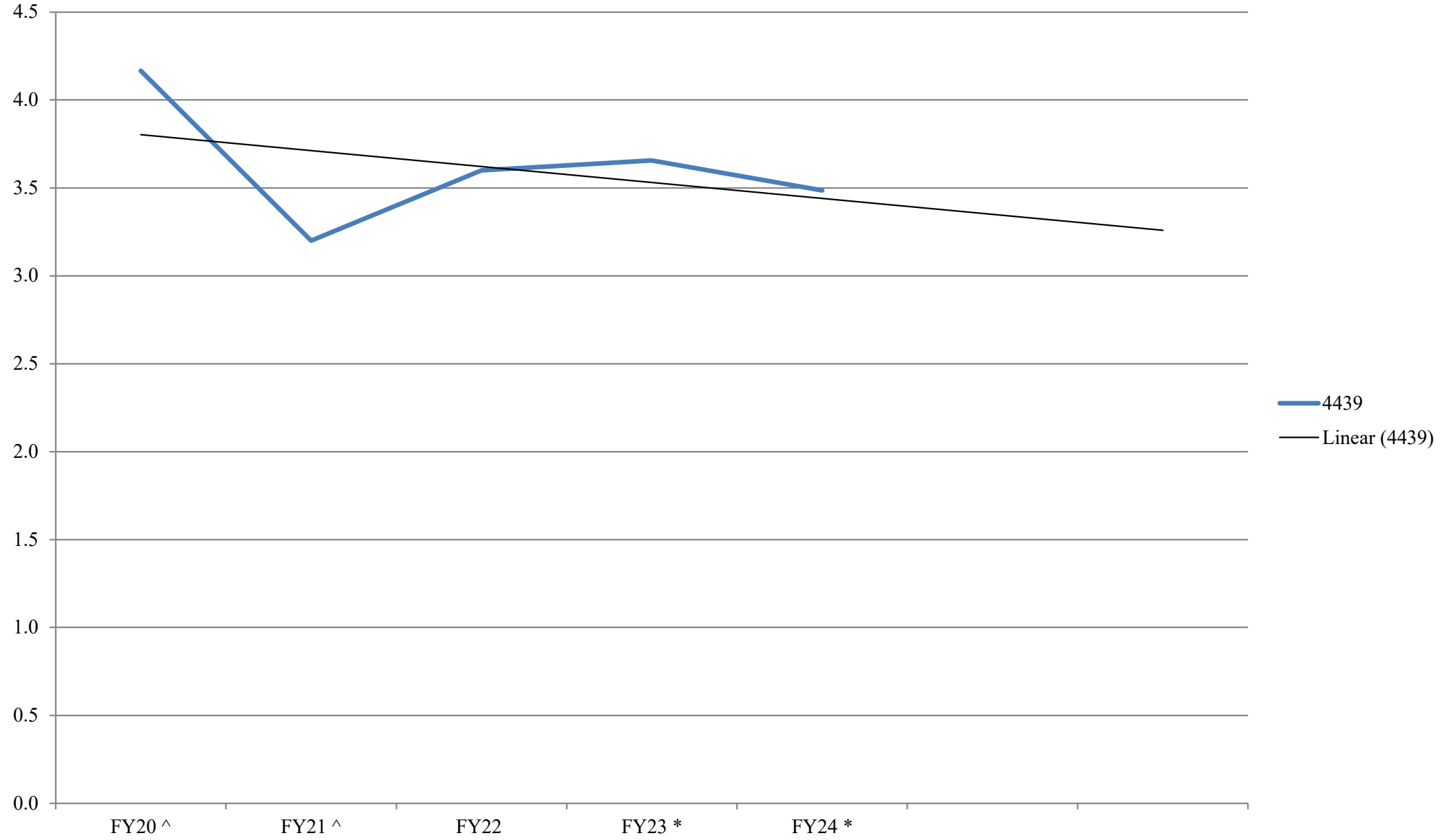
General Fund Revenue



* Based upon current and projected license base numbers and current application and renewal fees.

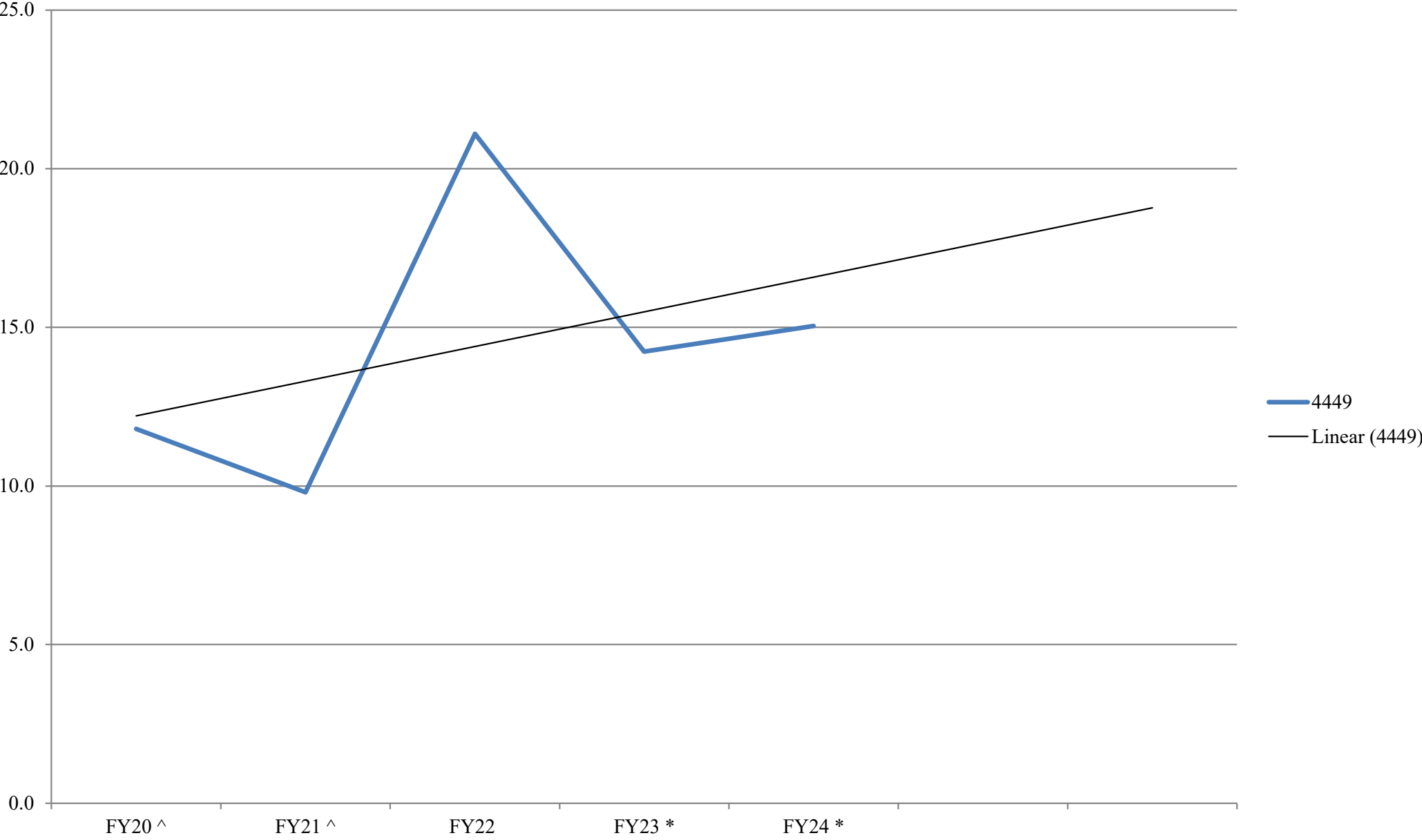
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General Fund Revenue



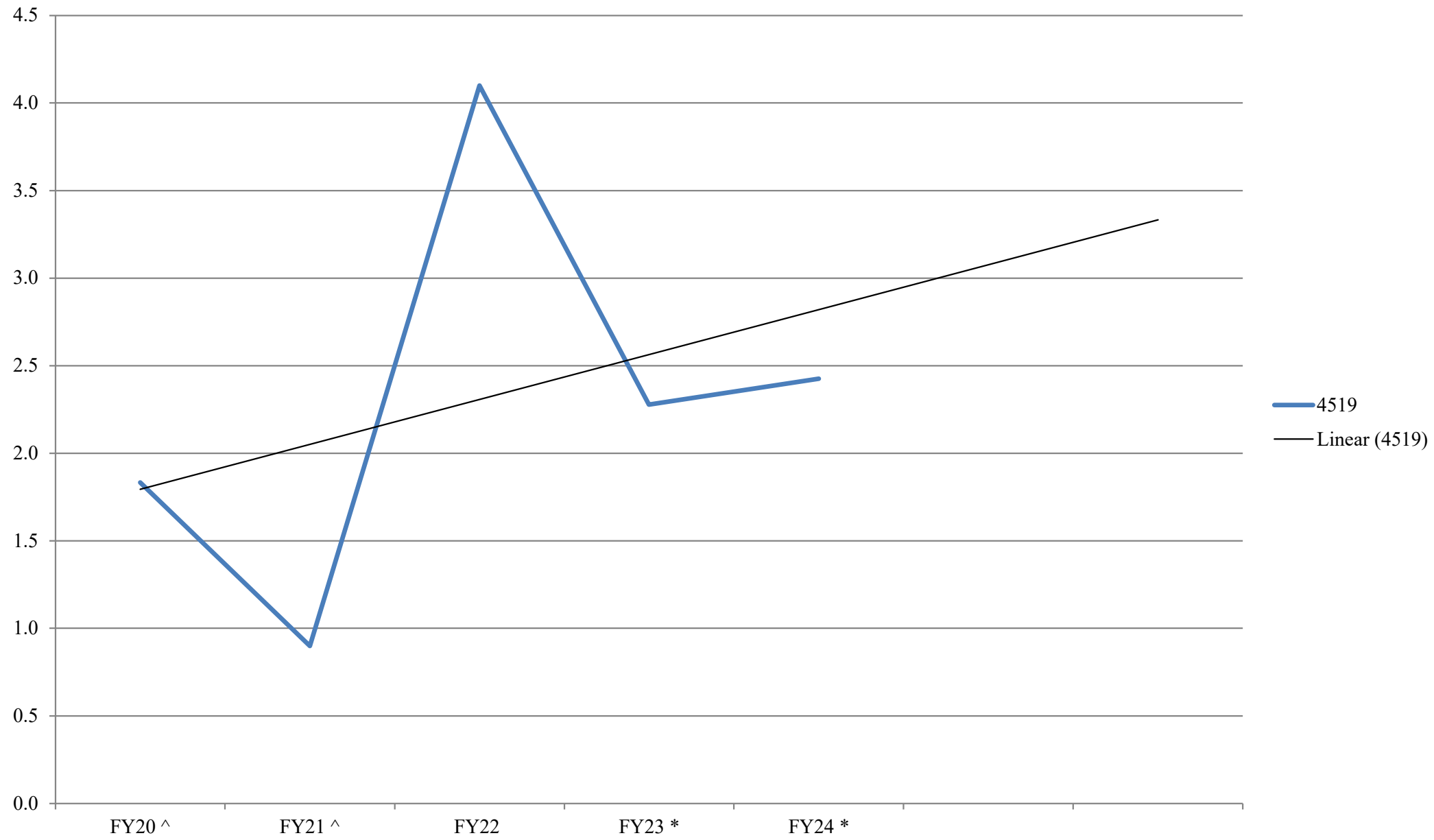
* Based upon current and projected license base numbers and current application and renewal fees.
^ Waived certain application and licensing fees as a part of the Governor's Public Health Emergency.
The Board notes that it continues to provide more documents in a digital format and often free of charge on the Board's website. Therefore the Board expects to gather less revenue from this comp object.

General Fund Revenue



* Based upon current and projected license base numbers and current application and renewal fees.
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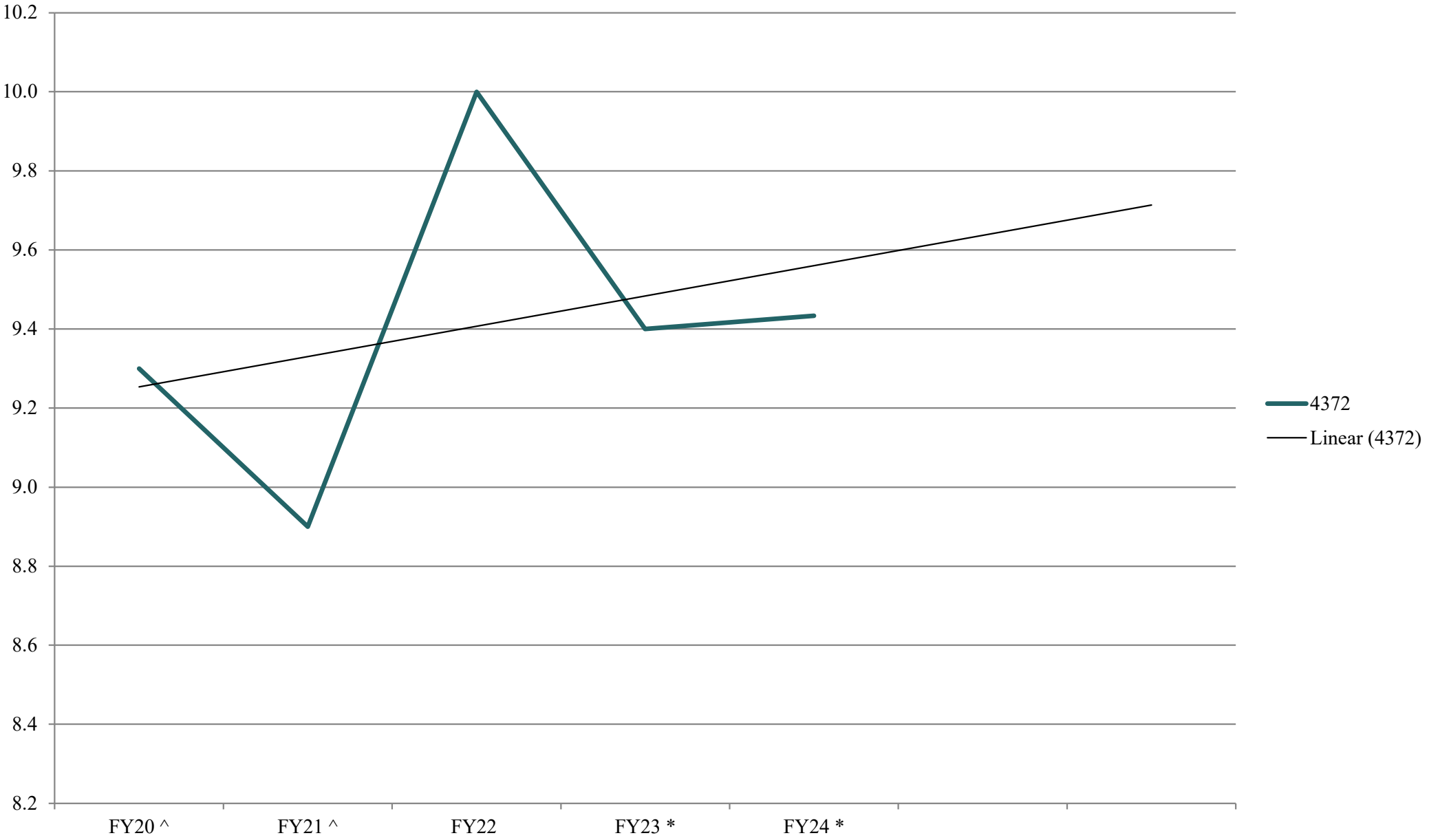
General Fund Revenue



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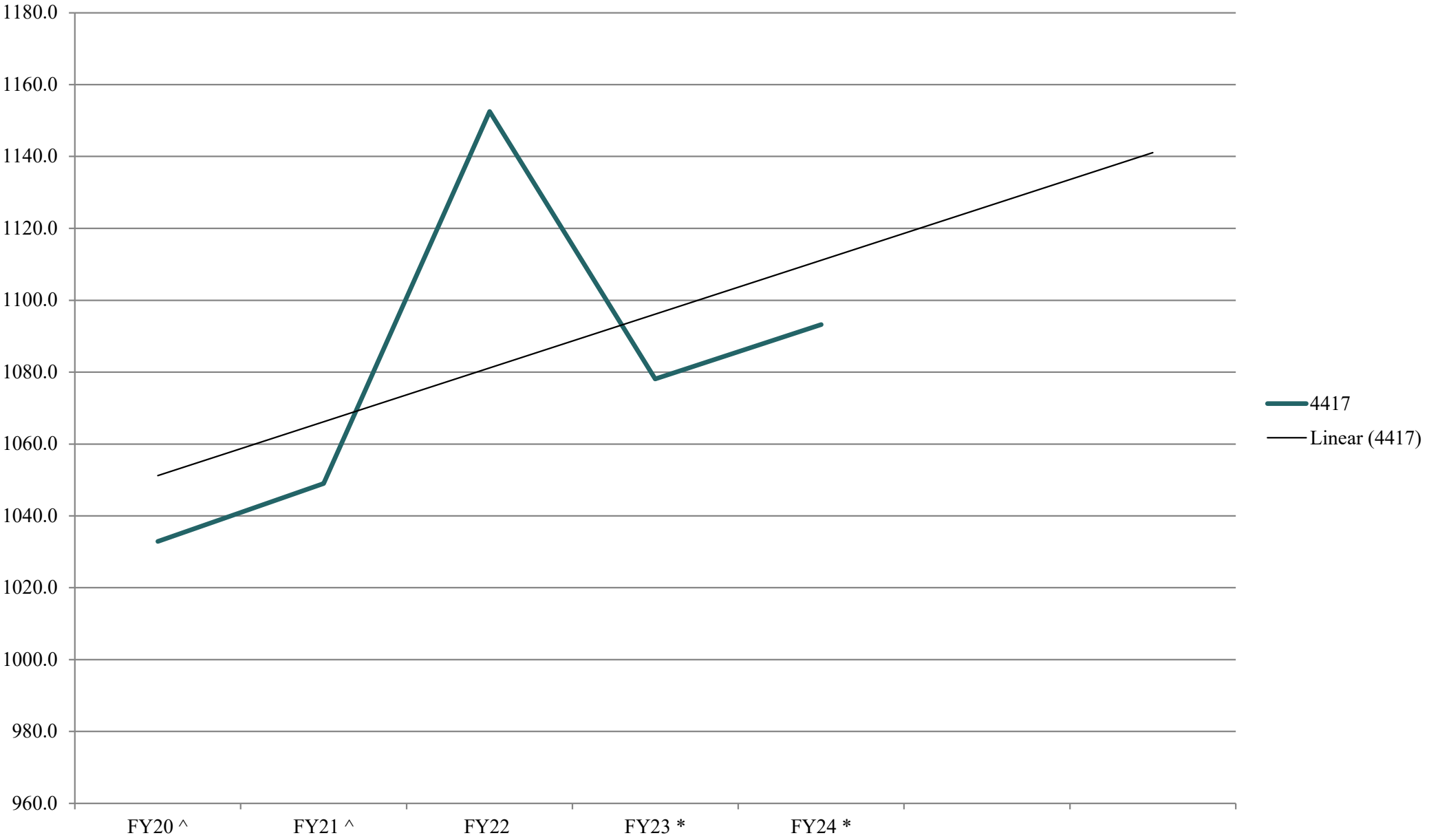
OSA Fund 2048 Revenue



* Based upon current and projected license base numbers and current application and renewal fees.

^ Waived certain application and licensing fees as a part of the Governor's Public Health Emergency.

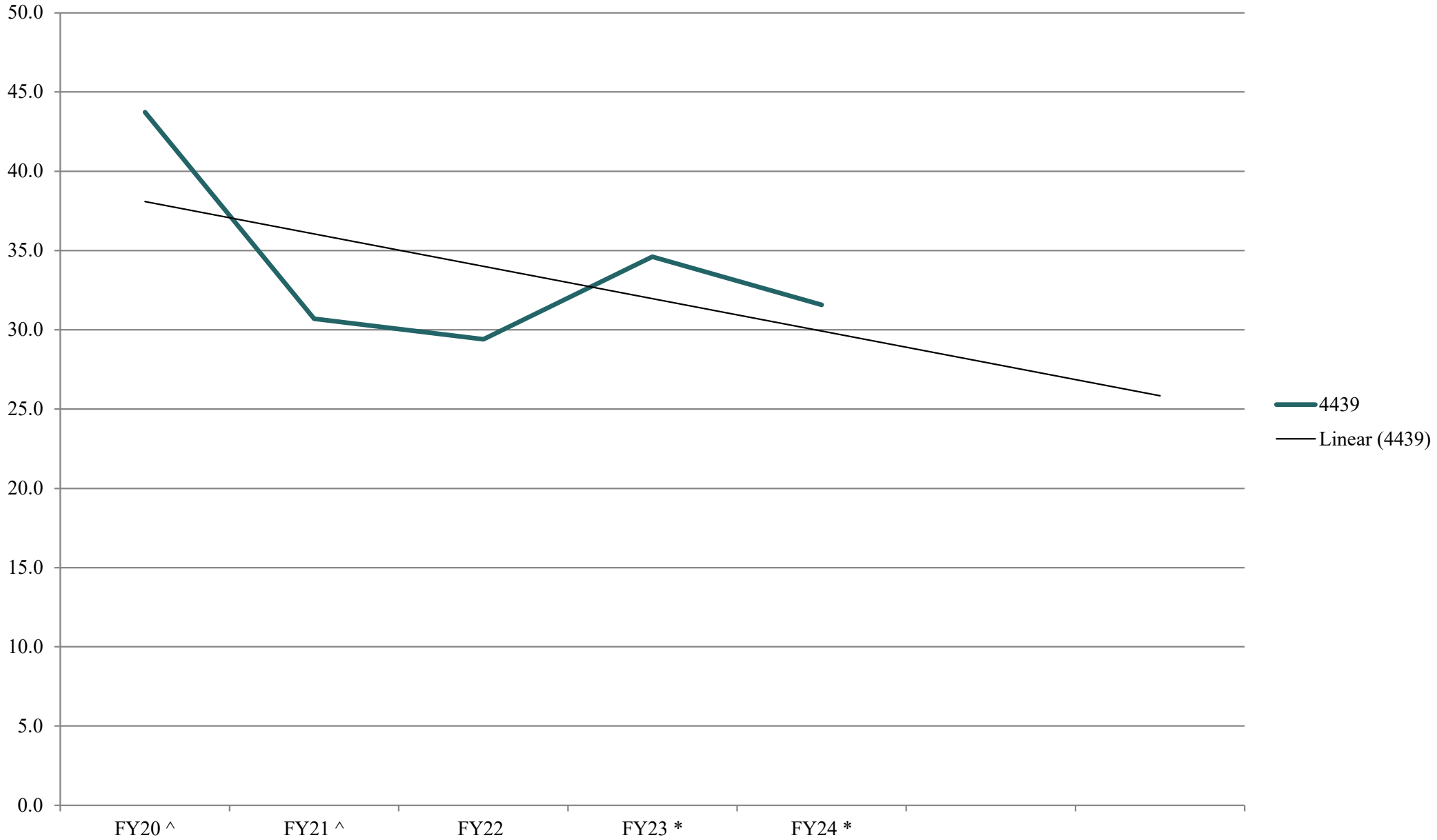
OSA Fund 2048 Revenue



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OSA Fund 2048 Revenue

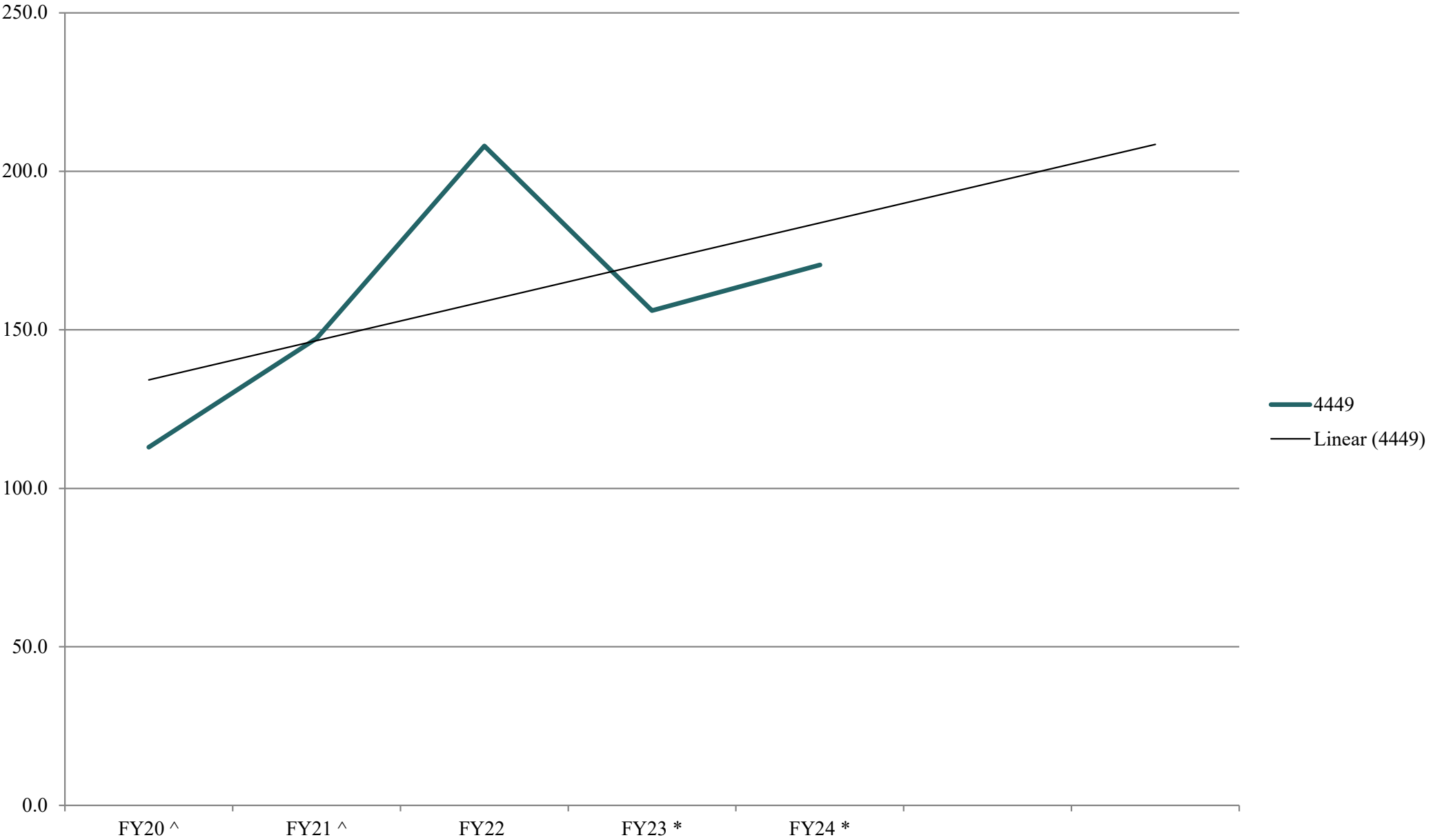


* Based upon current and projected license base numbers and current application and renewal fees.

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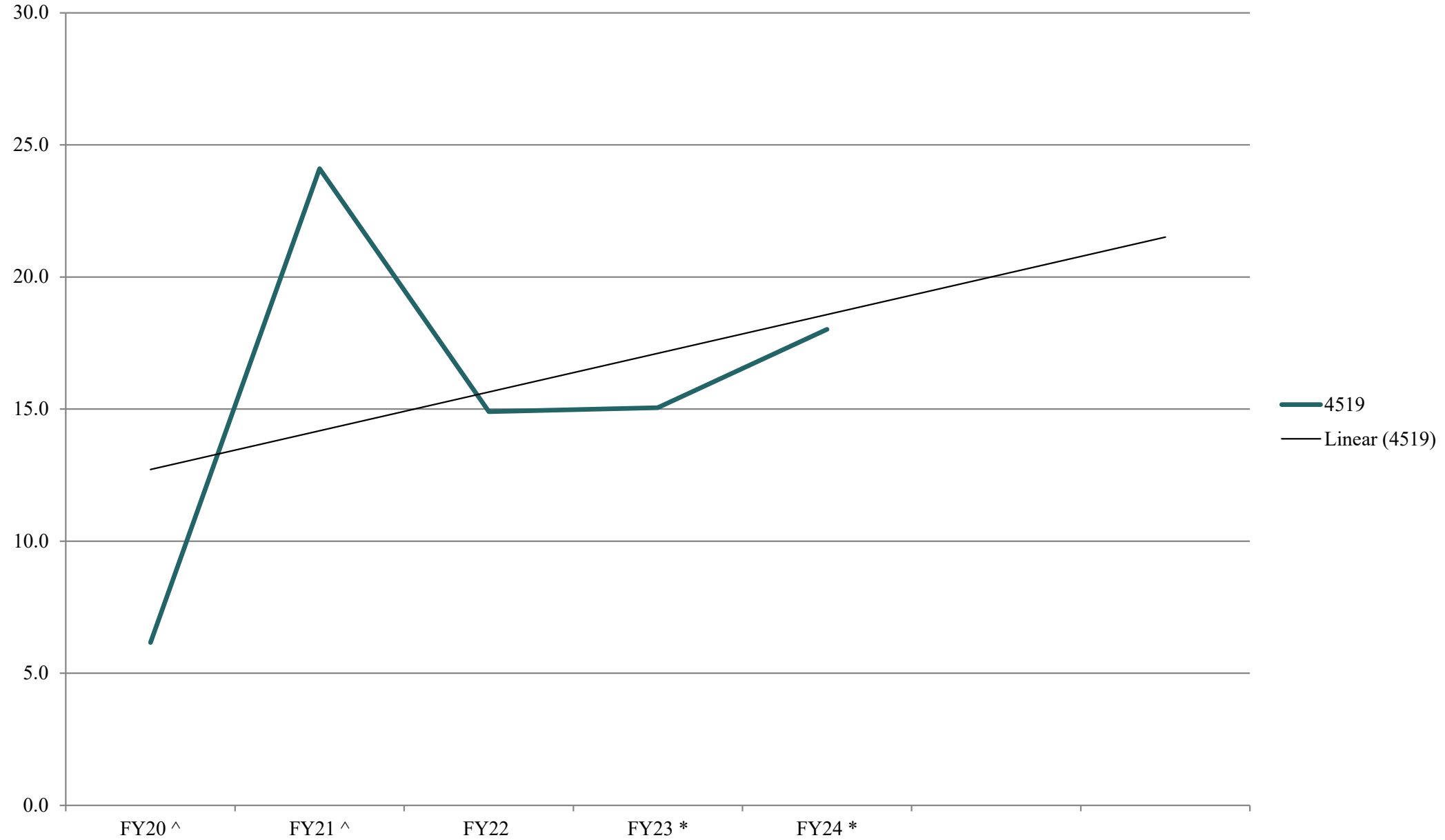
OSA Fund 2048 Revenue



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OSA Fund 2048 Revenue



* Based upon current and projected license base numbers and current application and renewal fees.
^ Waived certain application and licensing fees as a part of the Governor's Public Health Emergency.

Sources and Uses

Agency: Board of Osteopathic Examiners

Fund: OS2048 Osteopathic Examiners Board Fund

Revenues are the fees, fines, and other revenue received by the Board. Funds are used to license and regulate medical physicians who practice osteopathic medicine. Licensure renewal occurs on a biennial basis.

Cash Flow Summary	FY 2023 Actuals	FY 2024 Estimate	FY 2025 Request
Beginning Balance	3,343.4	3,610.4	3,616.3
Revenue (from Revenue Schedule)	1,562.3	1,404.5	1,457.7
Total Available	4,905.8	5,014.9	5,074.0
Total Appropriated Disbursements	1,295.4	1,398.6	2,006.2
Total Non-Appropriated Disbursements	-	-	-
Balance Forward to Next Year	3,610.4	3,616.3	3,067.8

Explanation for Negative Ending Balance(s): Board of Osteopathic Examiners

Appropriated Expenditure	FY 2023 Actuals	FY 2024 Estimate	FY 2025 Request
Expenditure Categories			
Personal Services	632.1	634.0	998.7
Employee Related Expenditures	223.6	285.2	436.9
Professional & Outside Services	102.1	161.7	226.9
Travel In-State	0.8	2.5	2.5
Travel Out-Of-State	4.0	5.5	5.5
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	298.2	309.7	315.7
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	6.0	-	20.0
Non-Capital Equipment	27.7	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	1.0	-	-
Appropriated Expenditure Sub-Total:	1,295.4	1,398.6	2,006.2
Non-Lapsing Authority from Prior Years (no entry for BY)	-	-	-
Administrative Adjustments (no entry for BY)	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-

Sources and Uses

Agency: Board of Osteopathic Examiners

Fund: OS2048 Osteopathic Examiners Board Fund

Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Appropriated Expenditure Total:	1,295.4	1,398.6	2,006.2
Appropriated FTE	10.0	10.0	14.0

Non-Appropriated Expenditure

Expenditure Categories	FY 2023 Actuals	FY 2024 Estimate	FY 2025 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Non-Appropriated Expenditure Sub-Total:	-	-	-
Non-Lapsing Authority from Prior Years (no entry for BY)	-	-	-
Administrative Adjustments (no entry for BY)	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Non-Appropriated Expenditure Total:	-	-	-
Non-Appropriated FTE	-	-	-

Funding Issue List

Agency: Board of Osteopathic Examiners

FY 2025

Priority	Funding Issue Title	Total FTE	Total Amount	General Fund	Other Appropriated Funds	Non-Appropriated Funds
1	Additional FTE (Licensing)	1.0	75.3	-	75.3	-
2	Additional FTEs (Investigations)	3.0	413.3	-	413.3	-
3	State Employee Salary Increases	-	53.8	-	53.8	-
4	Thentia Portal Enhancements	-	20.0	-	20.0	-
5	National Practitioner Data Bank (NPDB) Enrollment	-	15.0	-	15.0	-
6	Interagency Service Agreements with the Central Services Bureau and the Attorney General's Office	-	30.2	-	30.2	-
Total:		4.0	607.6	-	607.6	-

Funding Issue Detail

Agency: Board of Osteopathic Examiners

Issue: 1 Additional FTE (Licensing)

Calculated ERE: 23.81
Uniform Allowance:

Program: Licensing and Regulation
Fund: OS2048 Osteopathic Examiners Board Fund (Appropriated)

Expenditure Categories		FY 2025
FTE	FTE	1.0
6000	Personal Services	45.0
6100	Employee Related Expenditures	23.8
Subtotal Personal Services and ERE		68.8
7000	Other Operating Expenditures	1.5
8400	Capital Equipment	5.0
Program/Fund Total:		75.3

Issue: 2 Additional FTEs (Investigations)

Calculated ERE: 105.78
Uniform Allowance:

Program: Licensing and Regulation
Fund: OS2048 Osteopathic Examiners Board Fund (Appropriated)

Expenditure Categories		FY 2025
FTE	FTE	3.0
6000	Personal Services	288.0
6100	Employee Related Expenditures	105.8
Subtotal Personal Services and ERE		393.8
7000	Other Operating Expenditures	4.5
8400	Capital Equipment	15.0
Program/Fund Total:		413.3

Issue: 3 State Employee Salary Increases

Calculated ERE: 22.1
Uniform Allowance:

Funding Issue Detail

Agency: Board of Osteopathic Examiners

Issue: 3 State Employee Salary Increases

Program: Licensing and Regulation
Fund: OS2048 Osteopathic Examiners Board Fund (Appropriated)

	Expenditure Categories	FY 2025
6000	Personal Services	31.7
6100	Employee Related Expenditures	22.1
	Subtotal Personal Services and ERE	53.8
	Program/Fund Total:	53.8

Issue: 4 Thentia Portal Enhancements

Calculated ERE:
Uniform Allowance:

Program: Licensing and Regulation
Fund: OS2048 Osteopathic Examiners Board Fund (Appropriated)

	Expenditure Categories	FY 2025
6200	Professional & Outside Services	20.0
	Program/Fund Total:	20.0

Issue: 5 National Practitioner Data Bank (NPDB) Enrollment

Calculated ERE:
Uniform Allowance:

Program: Licensing and Regulation
Fund: OS2048 Osteopathic Examiners Board Fund (Appropriated)

	Expenditure Categories	FY 2025
6200	Professional & Outside Services	15.0
	Program/Fund Total:	15.0

Issue: 6 Interagency Service Agreements with the Central Services Bureau and the Attorney General's Office

Calculated ERE:
Uniform Allowance:

Funding Issue Detail

Agency:	Board of Osteopathic Examiners
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Issue:	6	Interagency Service Agreements with the Central Services Bureau and the Attorney General's Office
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Program:	Licensing and Regulation
Fund:	OS2048 Osteopathic Examiners Board Fund (Appropriated)

	Expenditure Categories	FY 2025
6200	Professional & Outside Services	30.2
	Program/Fund Total:	30.2

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 1 Additional FTE (Licensing)

Description of Issue:

This budget justification outlines the necessity for a combination of one time and ongoing funding of \$75,307 to recruit and employ a new staff person dedicated to processing incoming license applications for physicians and credentialing them with the Interstate Medical Licensure Compact Commission (IMLCC). This strategic investment will expedite the licensing process, improve physician recruitment, and facilitate seamless interstate practice, ultimately contributing to improved patient care and operational efficiency.

The establishment of a dedicated staff position for processing physician license applications and credentialing under the Interstate Medical Licensure Compact is pivotal for several reasons:

1. Streamlined Licensing Process: The complexity of physician licensing and credentialing demands specialized attention. By assigning a dedicated staff member, we ensure that applications are handled promptly and accurately, reducing delays and administrative bottlenecks.
2. Enhanced Physician Recruitment: A swift and efficient licensing process can significantly enhance our ability to attract physicians to our state. Streamlined licensing can be a decisive factor for physicians when considering opportunities in multiple states. The IMLCC was designed to increase licensure portability among compact states. In FY23, the compact added its 41st state and the Board has had a 64% increase in Compact license applications.
3. Interstate Practice Facilitation: The Interstate Medical Licensure Compact enables physicians to practice across state lines without undergoing redundant licensing procedures. A dedicated staff member ensures seamless coordination and compliance with this initiative.
4. Patient Care Improvements: Quicker licensing and credentialing translates to quicker physician onboarding, enabling physicians to provide patient care sooner, thus enhancing overall patient experiences. The Board desires to provide hospitals, clinics, and physicians with fast and efficient service.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The Board's responsive practices are in danger due to limited resources. Every member of the Board's staff contributes as much as possible to shoulder the increases in licensing applications and renewals, but the rapid and steady growth demands additional resources in order to prevent slower response times.

Impact on Operations:

The ongoing funding for hiring a dedicated staff person for license processing and interstate credentialing will have a significant positive impact on our operations:

1. Efficiency Gains: A specialized staff member will ensure that applications are processed efficiently, reducing wait times for licensure and credentialing.
2. Physician Satisfaction: The streamlined process will enhance the experience of incoming physicians, leading to higher satisfaction levels and helping get us towards a zero-day credentialing process.
3. Reduced Administrative Burden: The dedicated staff member will reduce individual work loads, lower processing times, and be able to provide more hand-on customer service.

The allocation of ongoing funding for hiring a staff person dedicated to processing physician license applications and coordinating interstate credentialing is essential to enhancing our operational efficiency,

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 1 Additional FTE (Licensing)

physician recruitment, and overall patient care quality. The benefits of reduced administrative burdens, improved physician experiences, and compliance with the Interstate Medical Licensure Compact underscore the strategic significance of this investment. We respectfully request the approval of executive leadership for this ongoing funding to drive our organization's commitment to efficient physician onboarding and seamless interstate practice.

The Arizona Board of Osteopathic Examiners plays a crucial role in Arizona's effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We have adapted our processes to offer a highly responsive licensing service, and our average licensing timeframe has decreased by almost 350% from 120 days to 35 days.

We actively work to build strong connections with Arizona's existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state's licensing and physician oversight processes so they are ready to join the workforce when they complete their degrees.

Proposal: The Board needs approval for one additional FTE position to meet the growing demand for licensing of osteopathic professionals – a demand that will continue to increase as more states are added to the compact and as Arizona's population continues to grow.

This additional position will ensure that we continue the progress we have made. It will protect our ability to provide licensing decisions quickly, so regulation is not a barrier to the practice of high-quality medical care in Arizona, and it will enable us to respond to physicians, medical professionals, and medical students who need our services to build their future here.

To achieve this solution, we request one new FTE position (for a total of eleven) to be added to our headcount and the authority to use \$70,307 from the Osteopathic Examiners Board Fund (OS2048) in ongoing funding each year. (Projected salary of \$45,000 and \$23,807 for associated employee-related and other operating expenses for an Administrative Assistant III - Grade 22). As well as a one time expenses of \$5,000 for equipment.

Alternatives Considered: Without additional resources, the Board may not be able to continue to provide the high level of customer service and rapid turnaround we currently offer Arizona's osteopathic physicians. We have considered all other options, but none will protect the efficiency and service we currently provide.

We cannot rely on temporary assistance or a one-time fix.

The Board has turned to temporary help to fill the immediate needs in our licensing program, but the increased demand for licensing is not temporary and this is not a cost-effective long-term solution. Arizona's successful osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry.

We do not have existing staff resources to shift to this priority.

The Board has already adjusted every job responsibility and implemented every possible step toward efficiency. We need another team member to support the dedicated effort our current staff is already providing.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 1 Additional FTE (Licensing)

Impact of Not Funding This Year:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and rapid turnaround we currently offer Arizona's osteopathic physicians. We have considered all other options, but none will protect the efficiency and service we currently provide.

We cannot rely on temporary assistance or a one-time fix.

The Board has turned to temporary help to fill the immediate needs in our licensing program, but the increased demand for licensing is not temporary and this is not a cost-effective long-term solution. Arizona's successful osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry.

We do not have existing staff resources to shift to this priority.

The Board has already adjusted every job responsibility and implemented every possible step toward efficiency. We need another team member to support the dedicated effort our current staff is already providing.

Statutory Reference:

A.R.S. §32-3241 to §32-3245 - Medical Licensure Compact

Equipment to be Purchased (if applicable):

This Board is requesting one-time funding amounts at \$5,000 per employee to purchase computers, monitors, and other necessary tools essential to an employee's position.

Classification of New Positions:

Administrative Assistant III: Grade 22, AUN06937

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities:

The mission of the Agency is to protect public safety through the judicious licensing, regulation, and education of physicians and physician assistants.

Goal 1: Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups:

Historically underserved groups often face barriers to accessing healthcare due to factors like geographical location, socioeconomic status, language barriers, and cultural differences. With more physicians available, there is a higher likelihood of establishing medical facilities and services in these communities, leading to better access to essential medical care. Health disparities arise due to unequal access to healthcare resources, resulting in poorer health outcomes for marginalized communities. Increasing the number of physicians from these communities can help bridge this gap by offering appropriate and timely medical interventions. Physicians who share similar backgrounds with their patients are often better equipped to identify specific health concerns and develop tailored solutions. Certain health issues that disproportionately affect marginalized groups might not receive adequate attention without physicians who are familiar with those concerns. More physicians mean a greater likelihood of identifying and addressing these unmet needs, leading to earlier diagnoses and more effective treatment strategies. Physicians serve not only as medical practitioners but also as educators. They can play a crucial role in educating underserved populations about preventive measures, healthy lifestyle choices, and disease management. More physicians mean more opportunities to disseminate health information tailored to the unique needs of these groups.

How has feedback been incorporated from groups directly impacted by proposal?:

An additional staff person means that customers can receive personalized attention and assistance. Employees have more time to address individual needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the Agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology, but often what is best is hiring additional staff. An additional staff member ensures that constituents' needs are addressed in a timely manner and prevents delays in service delivery.

Description of how this furthers the Governor's priorities:

Increasing the number of licensed physicians ensures access to health care providers is a direct connection to a priority of Governor Hobbs. Additionally, this will drive more economic growth in the state by allowing more licensure portability for osteopathic physicians and will place Arizona as a strong possibility for physicians when considering relocation.

Issue: 2 Additional FTEs (Investigations)

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 2 Additional FTEs (Investigations)

Description of Issue: This budget justification outlines the necessity for a combination of one time and ongoing funding of \$413,284 to recruit and employ new staff dedicated to processing and investigating complaints. This strategic investment will expedite the investigation process, improve agency timelines, and better public protection, ultimately contributing to improved patient care and operational efficiency. The Auditor General's Office strongly recommends that all complaints be fully investigated and adjudicated within 180 days from receipt. While the Board strives to meet this goal, a lack of resources and personnel continue to contribute to longer than desired investigation timelines. Additionally, in recent years, case complexity has drastically increased. The Board requires experts in the field to provide specialized knowledge related to the standard of care.

The Arizona Board of Osteopathic Examiners ("Board") plays a crucial role in Arizona's effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We actively work to build strong connections with Arizona's existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state's licensing and physician oversight processes, so they are ready to join the workforce when they complete their degrees.

The Board is a public protection agency and is an avenue for members of the public to ensure that their physician is qualified and trained. The Board is also an avenue for members of the public to request the Board review and adjudicate complaints or improper treatment, misdiagnosis, and malpractice among other things. The Board's role is to regulate osteopathic physicians that may be a danger to the health, safety and welfare of the public.

The Board's responsive practices are in danger due to limited resources. With the growing number of licensed physicians the number of complaints grows in equal measure. Every member of the Board's staff contributes as much as possible to shoulder the increases in investigations, but the rapid and steady growth demands additional resources in order to prevent slower response times or delays in the investigative process.

The Board must balance public protection while ensuring that physicians are afforded their due process rights. Often times this can cause delays or even backlogs without adequate resources to continue the investigation timely.

Proposal: The Board needs approval for an additional 3 FTE positions to meet the growing demand for investigations of osteopathic professionals – a demand that will continue as our licensee population increases.

This additional position will ensure that we continue the progress we have made. It will protect our ability to provide adjudication decisions quickly, so regulation is not a barrier to the practice of high-quality medical care in Arizona, and it will enable us to respond to physicians, medical professionals, and medical students who need our services to build their future here.

To achieve this solution, we request an additional full time Medical Investigator, an additional full time Complaint Intake Coordinator, and an additional full time Internal Medical Consultant.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 2 Additional FTEs (Investigations)

Alternatives Considered:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide. As an alternative, we frequently use outside medical consultants for cases, however these OMCs provide this service almost as a volunteer. As such, it may be difficult to recruit outside medical consultants or have them complete cases timely. Dedicated internal staff to process and investigate complaints provides a timely option.

We cannot rely on temporary assistance or a one-time fix.

The Board has turned to temporary help to fill the immediate needs in our investigations program, but the increased demand for investigations is not temporary and this is not a cost-effective long-term solution. Arizona's successful osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry that protects the public.

We do not have existing staff resources to shift to this priority.

The Board has already adjusted every job responsibility and implemented every possible step toward efficiency. We need another team member to support the dedicated effort our current staff is already providing.

Impact of Not Funding This Year:

The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Our team needs additional staff, so we do not lose efficient and customer service-focused practices as the demand exponentially increases. These additional team members aid in the quick resolution of complaints and help keep the agency within the Auditor General's recommended timeline of 180 days.

Statutory Reference:

A.R.S. §32-1800 to §32-1871.

Equipment to be Purchased (if applicable):

This Board is requesting one-time funding amounts at \$5,000 per employee (\$15,000 in total) to purchase computers, monitors, and other necessary tools essential to an employee's position.

Classification of New Positions:

Medical Investigator - AUN09058
Complaint Intake Coordinator (Administrative Assistant III) - AUN01152
Internal Medical Consultant (Physician) - AUN06678

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups:

Historically underserved groups often face barriers to accessing healthcare due to factors like geographical location, socioeconomic status, language barriers, and cultural differences. With more physicians available, there is a higher likelihood of establishing medical facilities and services in these communities, leading to better access to essential medical care. Health disparities arise due to unequal access to healthcare resources, resulting in poorer health outcomes for marginalized communities. These groups deserve equal protection in the State of Arizona. The Board will utilize these resources to ensure public protection for all citizens and ensure that they have a voice in their healthcare decisions and an avenue to address patient safety concerns as well as poor outcomes.

How has feedback been incorporated from groups directly impacted by proposal?:

Additional staff person means that constituents can receive personalized attention and assistance. Employees have more time to address individual needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology, but often what is best is hiring additional staff. Additional staff members ensure that constituents' needs are addressed in a timely manner and prevents delays in complaint investigation.

Description of how this furthers the Governor's priorities:

This request aligned with the Governor's priority of Expanding Access to Health Care. With the funding of this proposal the Board is better equipped to continue its mission to protect the public. Health providers with actions are able to investigate quicker, receive adjudication timely, and if needed the Board can take remediation action. Arizona deserves Health Care professionals that are fully vetted and who practice safely.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 3 State Employee Salary Increases

Description of Issue: The purpose of this budget justification is to propose a salary increase for all employees within our office, consisting of 10 dedicated team members. This proposal is based on careful analysis and comprehensive review of our current compensation structure, market trends, and the need for talent retention and attraction to our agency.

The Board of Osteopathic Examiners requests an ongoing increase of \$31,700 in Personal Services and \$22,100 in Employee Related Expenses for a representative increase of 5% for employee salaries.

The State has witnessed a significant shift in compensation standards over the past few years. Market analysis reveals that our current salary structure places us below the average compensation levels for similar roles within our region. In order to remain competitive and retain skilled employees, it is imperative that we adjust our compensation packages to align with market rates. This will also ensure that we can attract new talent with the necessary skills to drive our agency's operations.

The success of our small office relies heavily on the expertise and dedication of our team members. High turnover rates due to uncompetitive compensation packages can disrupt operations, hinder productivity, and incur recruitment and training costs. By offering a salary increase, we demonstrate our commitment to the well-being of our employees, reinforcing their loyalty and motivation. Furthermore, an enhanced compensation package will position us as an appealing employer, facilitating the attraction of top-tier candidates for any future job openings.

In 2023, current inflation rates are exerting a noticeable impact on employee salaries across various industries and sectors. Our agency notes, the Real Income Erosion of our employees in that state employee salaries are consistently outpaced by rising inflation, yet our staff continues to show up for work ready to fulfill the mission of the agency and ensure protection of the public.

Our agency also notes the potential equity concerns associated with inflation in that it affects different socioeconomic groups differently. Lower-wage employees may feel the impact more acutely, leading to potential disparities in the overall financial well-being of the workforce. Ensuring fair and equitable salary adjustments becomes crucial to mitigate these disparities. Since the salary increase provided by the legislature in July of 2022, year of year inflation was up 4.4%. as noted by the Consumer Price Index. Currently more than half of our employees receive a salary below the classification of "low income" by the U.S. Department of HUD 2023-2024 Housing Income Limits and qualify for Public Housing in Maricopa County.

The proposed salary increase will have a positive impact on our budget in the long term. While there will be an initial upfront cost to implement the salary adjustments, the benefits in terms of improved employee morale, reduced turnover costs, and increased productivity will outweigh these initial expenses. The enhanced compensation will also foster a sense of financial security among employees, potentially leading to increased engagement and commitment to their roles.

The goals of our organization include public protection, operational efficiency, and a commitment to excellence. An investment in our employees through a well-deserved salary increase aligns directly with these objectives. Higher job satisfaction resulting from competitive compensation will lead to increased productivity, improved service quality, and ultimately, the achievement of our strategic goals.

In line with the practices of state and federal agencies, our proposal seeks to ensure fair and equitable compensation for our team members. Just as these agencies recognize the value of competitive wages in attracting and retaining skilled professionals, we too must adopt a similar approach to ensure the continued success of our agency.

Based on the evidence presented above, we strongly recommend the approval of the proposed salary increase for all employees within our small office. This investment in our team members aligns with industry trends, fosters talent retention and attraction, and supports the achievement of our organizational goals. The long-term benefits in terms of improved employee morale, reduced turnover costs, and enhanced operational efficiency make this proposal a sound financial decision.

Proposal: To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$31,700 in Personal Services (6000) and \$22,100 (6100) in Employee Related Expenses from the Osteopathic Examiners Board Fund (OS2048) each year.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 3 State Employee Salary Increases

Alternatives Considered: Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide. We cannot restrict or limit access to our organization and cannot reduce our services to the public.

The Board has provided alternatives to increase employee retention as well fight income erosion. Staff is eligible for remote work options as well as flexible schedules. However, this alone is not enough in the current market environment. We cannot rely on temporary assistance or a one-time fix.

Impact of Not Funding This Year: If the agency is unable to at least come close to market salaries, we are at risk of attrition, high turnover, and increased costs associated with training new and under-experienced staff.

Statutory Reference:

Equipment to be Purchased (if applicable):

Classification of New Positions:

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities: The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups: Salary increases can help narrow the income gap between different social and economic groups. Higher salaries provide a safety net against unexpected expenses, reducing the risk of falling into debt or facing hardships due to a lack of financial resources.

How has feedback been incorporated from groups directly impacted by proposal?: Staff directly impacted by the proposal are strongly supportive of the salary increase as it provides a large benefit to their daily lives. This increase will not cause the agency to raise fees nor will develop increased burdens for our licensee and applicant population.

Description of how this furthers the Governor's priorities: This request continues to ensure that our agency retains skilled and excellent employees that contribute to Government that works. Our employees strive to go above and beyond for the citizens of Arizona and a competitive salary fosters customer service and rewards them for their hard work. Providing our employees with a wage that helps them thrive in the current economic climate as noted by the Governor's Health and Welfare priority. This proposal continues to lift up our employees and address rising housing prices and everyday expenses.

Issue: 4 Thentia Portal Enhancements

Description of Issue: This budget justification outlines the necessity for a one time increase of \$15,000 and ongoing funding of \$5,000 in Professional and Outside Services for enhancements to our customized database system as well as the increased number of licensees that access the database. This investment is aimed at improving the efficiency, functionality, and overall effectiveness of our database, which serves as a critical foundation for our daily operations. The proposed enhancements will empower our team to work more efficiently, make informed decisions, and achieve higher levels of productivity.

In the last Fiscal Year the Governor's Office and the Legislature directed our agency to implement a more modern licensing database. This has been implemented and our new customized database has played a pivotal role in streamlining our workflows and managing our data effectively. However, as our agency continues to evolve, the licensee population continues to grow, and as our staff discovers new ways the system can be innovated to create efficiencies, it has become evident that specific enhancements are required to address emerging challenges and capitalize on new opportunities. The proposed enhancements encompass the following key areas:

1. **Functionality Expansion:** The enhancements will enable us to introduce new features and functionalities that align with our evolving business needs. This includes improved data visualization, advanced reporting

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 4 Thentia Portal Enhancements

capabilities, and streamlined data entry processes.

2. Data Integrity and Security: Strengthened data integrity measures will be implemented to ensure accurate and reliable information. This includes enhanced data validation rules, encryption protocols, and access controls to safeguard sensitive information.

3. User Experience Improvement: The user interface will undergo enhancements to improve usability, making it more intuitive and user-friendly. This will reduce the learning curve for new team members and boost overall efficiency.

4. Integration Capabilities: The enhanced database will possess improved integration capabilities, allowing seamless interaction with other software systems. This will foster a more interconnected and efficient technology ecosystem within our agency and the state overall. Agencies like AHCCCS and AZDHS frequently request information that can be provided through an application programming interface that can be developed to reduce delays in processing their requests.

5. Updates related to statutory changes: In the last legislative session, the Board received a few legislative mandates that require changes to our database. One such change is related to SB1602 related to the Regulation of Osteopathic Physicians working in Dental Sedation Clinics. This legislation updated A.R.S. §32-1803 and added §32-1855.02. This requires the Board to register osteopathic physicians to provide anesthesia in dental sedation clinics, share information with the Arizona Dental Board, and provide a reporting mechanism for adverse patient outcomes related to dental sedation. These changes will need to be implemented in our database.

Impact on Operations:

The proposed enhancements will yield substantial benefits for our agency's operations:

1. Efficiency Gains: Improved functionalities will lead to streamlined processes, reducing manual work and enabling our team to focus on higher-value tasks and provide better and individualized customer service.

2. Enhanced Decision-Making: Advanced reporting and data visualization will provide executive leadership with valuable insights, aiding informed decision-making as well as advanced reporting for the public.

3. Reduced Errors: Enhanced data validation mechanisms will minimize errors and ensure the accuracy of our records and reports.

4. Time Savings: User-friendly interfaces and streamlined data entry processes will save time for the licensees, constituents, and employees, all while enhancing productivity.

5. Adaptability: The integration capabilities will facilitate adaptation to future technology changes and allow us to remain efficient in a rapidly evolving landscape.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The proposed enhancements to our customized database represent a strategic investment in our agency's operational efficiency, data integrity, and future adaptability. The benefits gained from this one-time funding allocation of \$15,000 significantly outweigh the initial investment. The enhanced capabilities will empower our team, improve decision-making processes, and foster a technology ecosystem that aligns with our growth trajectory. We seek the approval of executive leadership for this funding to drive the next phase of our agency's success.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 4 Thentia Portal Enhancements

Additionally, as stated the number of licensed osteopathic physicians continues to grow in Arizona. Our database operates on a per license cost. The ongoing increase of \$5,000 will cover the increased cost associated with the additional licensees maintained in the database.

The Arizona Board of Osteopathic Examiners plays a crucial role in Arizona's effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We have adapted our processes to offer a highly responsive licensing service, and our average licensing timeframe has decreased by almost 350% from 120 days to 35 days.

We actively work to build strong connections with Arizona's existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state's licensing and physician oversight processes, so they are ready to join the workforce when they complete their degrees.

Based on the evidence presented above, we strongly recommend the approval of the proposed one time increase of \$15,000 and ongoing funding of \$5,000 in Professional and Outside Services for enhancements to our customized database system

Proposal: To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$5,000 in ongoing funding and an increase of \$15,000 in one-time funding in Professional and Outside Services (6200) from the Osteopathic Examiners Board Fund (OS2048) each year.

Alternatives Considered: Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide.

Impact of Not Funding This Year: The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize the new database that will provide efficiencies and increased services to our constituents.

Statutory Reference: 2023 - SB1602.
A.R.S. §32-1803 & §32-1855.02

Equipment to be Purchased (if applicable):

Classification of New Positions:

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities: The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal: Provide an enhanced database for licensee and constituent access as well as improve customer service responsiveness and maintain efficiencies found within the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups:

A user-friendly and well-organized public-facing interface provides easy access to information and resources. Historically underserved groups often face barriers in accessing services. When marginalized groups have access to accurate and comprehensive information, they are empowered to make informed decisions about their rights, opportunities, and services available to them. An improved database and interface contribute to their inclusion in societal matters and decision-making processes. An improved interface can be designed with cultural sensitivity in mind, recognizing the diversity within historically underserved groups. This includes considerations for language preferences, cultural norms, and accessibility needs, ensuring that the interface is genuinely inclusive.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 4 Thentia Portal Enhancements

How has feedback been incorporated from groups directly impacted by proposal?:

With improved automation and technology enhancements, our staff have more time to address individual constituent needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the Agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology.

Description of how this furthers the Governor's priorities:

This request continues to ensure that our agency is Government that works. Our technology should be modern, easy to use, and efficient. It should reduce barriers for constituents and be a source of trusted information.

Issue: 5 National Practitioner Data Bank (NPDB) Enrollment

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 5 National Practitioner Data Bank (NPDB) Enrollment

Description of Issue:

The Arizona Board of Osteopathic Examiners is responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care. The Board requests an on-going increase of \$15,000 in Professional and Outside Services to facilitate enrolling all licensees in on-going querying of the National Practitioner Database for information related to physician conduct and malpractice payments. By establishing a consistent and comprehensive approach to monitoring the professional history of physicians, we aim to uphold patient safety, ensure high standards of care, and mitigate potential risks associated with medical malpractice.

The proposed ongoing funding is crucial to maintain a systematic and up-to-date mechanism for accessing information about physician conduct and malpractice payments. The National Practitioner Database serves as a vital resource for insights into the professional history of physicians, and continuous access to this information is imperative for several reasons:

1. Patient Safety and Quality of Care: On-going querying of the database allows us to identify actions of physician conduct that might raise concerns about patient safety or the quality of care provided. This proactive approach ensures that appropriate actions can be taken to address potential risks.

2. Risk Mitigation: By staying informed about malpractice payments and any disciplinary actions against physicians, we can mitigate the potential danger to the citizens of Arizona and reduce delays in notification and investigation into medical malpractice claims and physician discipline.

3. Regulatory Compliance and Timely Intervention: NPDB requires that our agency report timely any actions taken against our licensee population as well as requires medical malpractice payments, credentialing changes, and physician discipline to be reported by healthcare agencies that maintain oversight of their practitioners' conduct and history. On-going querying of the database demonstrates our commitment to compliance with federal regulations and standards and reduces the chances that an action will go uninvestigated or misreported. By staying informed about any issues related to physician conduct, we can intervene promptly to address concerns, potentially preventing negative outcomes for patients and the agency.

The ongoing funding of \$15,000 to facilitate querying of the National Practitioner Database for physician conduct and malpractice payments is an essential investment in patient safety, risk mitigation, and regulatory compliance. By maintaining a proactive approach to monitoring the professional history of physicians, we are taking a significant step towards ensuring the standards of care and protecting the public.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The Board is a public protection agency and is an avenue for members of the public to ensure that their physician is qualified and trained. The Board is also an avenue for members of the public to request the Board review and adjudicate complaints or improper treatment, misdiagnosis, and malpractice among other things. The Board's role is to regulate osteopathic physicians that may be a danger to the health, safety and welfare of the public.

The Board's responsive practices are in danger due to limited resources. With the growing number of licensed physicians the number of complaints grows in equal measure. Every member of the Board's staff contributes as much as possible to shoulder the increases in investigations, but the rapid and steady growth demands additional resources in order to prevent slower response times or delays in the investigative process.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 5 National Practitioner Data Bank (NPDB) Enrollment

Proposal: To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$15,000 in Professional and Outside Services (6200) from the Osteopathic Examiners Board Fund (OS2048) each year.

Alternatives Considered: Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide.

The alternatives available to the Board are to continue to only enroll an applicant for a one year query beginning at the time of license application. If changes in their NPDB profile occurs after that initial enrollment the Board may not be notified timely causing investigative delays and contributing to longer than average timelines.

Impact of Not Funding This Year: The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize the NPDB to reduce investigative delays and to continue to protect the public.

Statutory Reference:

Equipment to be Purchased (if applicable):

Classification of New Positions:

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities: The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups: NPDB's information helps the Board identify practitioners with patterns of misconduct or substandard care. This prevents practitioners from moving between states without addressing their issues. As a result, historically underserved groups are less likely to be subjected to subpar care from practitioners with concerning histories and ensures the Board is protecting these groups from potentially harmful interactions.

How has feedback been incorporated from groups directly impacted by proposal?:

Description of how this furthers the Governor's priorities: This request aligned with the Governor's priority of Expanding Access to Health Care. With the funding of this proposal the Board is better equipped to continue its mission to protect the public. Health providers with actions are able to investigate quicker, receive adjudication timely, and if needed the Board can take remediation action. Arizona deserves Health Care professionals that are fully vetted and who practice safely.

Issue: 6 Interagency Service Agreements with the Central Services Bureau and the Attorney General's Office

Description of Issue: The Arizona Legislature included a salary increase of ten percent to all state employees effective July 7, 2022. The Board current holds an Interagency Service Agreement (ISA) with the Central Services Bureau (CSB), a division of the Department of Administration, that provides accounting and other various shared services to the Board. This decision package addresses the increased costs associated with ISA.

Funding Issue Narrative

Agency: Board of Osteopathic Examiners

Issue: 6 **Interagency Service Agreements with the Central Services Bureau and the Attorney General's Office**

Proposal: The Board needs approval for additional on-going funding to address the increased costs associated with the services provided by CSB and the Attorney General's Office to the Board.

To achieve this solution, we request on-going funding for the Agency to continue to utilize service from the Central Services Bureau and the Attorney General's Office. In FY25, the Board is requesting the funding to address the increase costs to the ISAs associated with the State Employee Salary increases that occurred on July 7, 2022.

An increased funding is needed in the amount of \$20,000.00 to address the costs associated with the services Central Services Bureau (CSB) provides to the agency. An increased funding is needed in the amount of \$10,200.00 to address the costs associated with the services of the Attorney General's Office provides to the agency.

Alternatives Considered: Without additional resources, the Board will be unable to pay the full cost associated with the services provided by the Central Services Bureau and the Attorney General's Office. We have considered all other options, but none will protect the efficiency and service we currently provide.

The alternative is for Central Services Bureau and the Attorney General's office to reduce services which they are required to provide. Arizona's osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry in a manner that protects the public.

Impact of Not Funding This Year: The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize increased services from the Central Services Bureau and keep our administrative costs low.

Statutory Reference:

Equipment to be Purchased (if applicable):

Classification of New Positions:

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal: Quickly address accounting procedures that minimize costs and eliminate potential financial errors within the agency as well as improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.

Impact on Historically Underserved, Marginalized, or Adversely Affected Groups:

None is noted.

How has feedback been incorporated from groups directly impacted by proposal?:

ADOA GAO / CSB as well as the AGO have provided information that the Board has incorporated into its consideration of the proposal.

Description of how this furthers the Governor's priorities:

Summary of Expenditure and Budget Request for All Funds

Agency: Board of Osteopathic Examiners

Appropriated Funds		FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program:					
OSA-1-0	Licensing and Regulation	1,295.4	1,398.6	607.6	2,006.2
Appropriated Funds Total:		1,295.4	1,398.6	607.6	2,006.2
Expenditure Categories					
	FTE	10.0	10.0	4.0	14.0
	Personal Services	632.1	634.0	364.7	998.7
	Employee Related Expenditures	223.6	285.2	151.7	436.9
	Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
	Professional & Outside Services	102.1	161.7	65.2	226.9
	Travel In-State	0.8	2.5	-	2.5
	Travel Out-Of-State	4.0	5.5	-	5.5
	Other Operating Expenditures	298.2	309.7	6.0	315.7
	Capital Equipment	6.0	-	20.0	20.0
	Non-Capital Equipment	27.7	-	-	-
	Transfers-Out	1.0	-	-	-
Expenditure Categories Total:		1,295.4	1,398.6	607.6	2,006.2
Board of Osteopathic Examiners Total for All Funds:		1,295.4	1,398.6	607.6	2,006.2
Appropriated and Non-Appropriated		FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2024 Funding Issue	FY 2025 Total Request
OSA-1-0	Licensing and Regulation	1,295.4	1,398.6	607.6	2,006.2
Board of Osteopathic Examiners Total for All Funds:		1,295.4	1,398.6	607.6	2,006.2

Summary of Expenditure and Budget Request for Selected Funds

Agency:	Board of Osteopathic Examiners
Fund:	OS2048 Osteopathic Examiners Board Fund (Appropriated)

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program:				
OSA-1-0 Licensing and Regulation	1,295.4	1,398.6	607.6	2,006.2
Osteopathic Examiners Board Fund (Appropriated) Summary Total:	1,295.4	1,398.6	607.6	2,006.2
Expenditure Categories				
FTE	10.0	10.0	4.0	14.0
Personal Services	632.1	634.0	364.7	998.7
Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
Professional & Outside Services	102.1	161.7	65.2	226.9
Travel In-State	0.8	2.5	-	2.5
Travel Out-Of-State	4.0	5.5	-	5.5
Other Operating Expenditures	298.2	309.7	6.0	315.7
Capital Equipment	6.0	-	20.0	20.0
Non-Capital Equipment	27.7	-	-	-
Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2

**Program Budget Unit Summary of Expenditure and Budget Request
for All Funds**

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
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Program: OSA-1-0 Licensing and Regulation

Expenditure Categories

FTE	10.0	10.0	4.0	14.0
Personal Services	632.1	634.0	364.7	998.7
Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
Professional & Outside Services	102.1	161.7	65.2	226.9
Travel In-State	0.8	2.5	-	2.5
Travel Out-Of-State	4.0	5.5	-	5.5
Other Operating Expenditures	298.2	309.7	6.0	315.7
Capital Equipment	6.0	-	20.0	20.0
Non-Capital Equipment	27.7	-	-	-
Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2

Fund Source

Appropriated Funds

Osteopathic Examiners Board Fund (Appropriated)	1,295.4	1,398.6	607.6	2,006.2
Appropriated Funds Total:	1,295.4	1,398.6	607.6	2,006.2
Licensing and Regulation Total:	1,295.4	1,398.6	607.6	2,006.2

Sub Program: OSA-1-1 Licensing and Regulation

Expenditure Categories

FTE	10.0	10.0	4.0	14.0
Personal Services	632.1	634.0	364.7	998.7
Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
Professional & Outside Services	102.1	161.7	65.2	226.9
Travel In-State	0.8	2.5	-	2.5
Travel Out-Of-State	4.0	5.5	-	5.5
Other Operating Expenditures	298.2	309.7	6.0	315.7
Capital Equipment	6.0	-	20.0	20.0
Non-Capital Equipment	27.7	-	-	-

**Program Budget Unit Summary of Expenditure and Budget Request
for All Funds**

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Sub Program: OSA-1-1 Licensing and Regulation				

Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2

Fund Source

Appropriated Funds

Osteopathic Examiners Board Fund (Appropriated)	1,295.4	1,398.6	607.6	2,006.2
Appropriated Funds Total:	1,295.4	1,398.6	607.6	2,006.2
Licensing and Regulation Total:	1,295.4	1,398.6	607.6	2,006.2

**Program Budget Unit Summary of Expenditure and Budget Request
for Selected Funds**

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
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Program: OSA-1-0 Licensing and Regulation

Fund: OS2048 Osteopathic Examiners Board Fund

Appropriated

Personal Services	632.1	634.0	364.7	998.7
Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
Professional & Outside Services	102.1	161.7	65.2	226.9
Travel In-State	0.8	2.5	-	2.5
Travel Out-Of-State	4.0	5.5	-	5.5
Other Operating Expenditures	298.2	309.7	6.0	315.7
Capital Equipment	6.0	-	20.0	20.0
Non-Capital Equipment	27.7	-	-	-
Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2
Osteopathic Examiners Board Fund Total:	1,295.4	1,398.6	607.6	2,006.2
Program Total for Select Funds:	1,295.4	1,398.6	607.6	2,006.2

Sub Program: OSA-1-1 Licensing and Regulation

Fund: OS2048 Osteopathic Examiners Board Fund

Appropriated

Personal Services	632.1	634.0	364.7	998.7
Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
Professional & Outside Services	102.1	161.7	65.2	226.9
Travel In-State	0.8	2.5	-	2.5
Travel Out-Of-State	4.0	5.5	-	5.5
Other Operating Expenditures	298.2	309.7	6.0	315.7
Capital Equipment	6.0	-	20.0	20.0
Non-Capital Equipment	27.7	-	-	-
Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Sub Program: OSA-1-1 Licensing and Regulation				
Fund: OS2048 Osteopathic Examiners Board Fund				
Osteopathic Examiners Board Fund Total:	1,295.4	1,398.6	607.6	2,006.2
Sub Program Total for Select Funds:	1,295.4	1,398.6	607.6	2,006.2

Program Summary of Expenditure and Budget Request

Agency:	Board of Osteopathic Examiners
Program:	Licensing and Regulation

Program Summary	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
OSA-1-1 Licensing and Regulation	1,295.4	1,398.6	607.6	2,006.2
Licensing and Regulation Summary Total:	1,295.4	1,398.6	607.6	2,006.2

Expenditure Categories		FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
FTE	FTE	10.0	10.0	4.0	14.0
6000	Personal Services	632.1	634.0	364.7	998.7
6100	Employee Related Expenditures	223.6	285.2	151.7	436.9
	Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
6200	Professional & Outside Services	102.1	161.7	65.2	226.9
6500	Travel In-State	0.8	2.5	-	2.5
6600	Travel Out-Of-State	4.0	5.5	-	5.5
7000	Other Operating Expenditures	298.2	309.7	6.0	315.7
8400	Capital Equipment	6.0	-	20.0	20.0
8500	Non-Capital Equipment	27.7	-	-	-
9100	Transfers-Out	1.0	-	-	-
	Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2

Fund Source		FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Appropriated Funds					
OS2048	Osteopathic Examiners Board Fund (Appropriated)	1,295.4	1,398.6	607.6	2,006.2
	Appropriated Funds Total:	1,295.4	1,398.6	607.6	2,006.2
	Licensing and Regulation Summary Total:	1,295.4	1,398.6	607.6	2,006.2

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	Board of Osteopathic Examiners
Program:	Licensing and Regulation
Fund:	OS2048 Osteopathic Examiners Board Fund (Appropriated)

Program Expenditures	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
OSA-1-1 Licensing and Regulation	1,295.4	1,398.6	607.6	2,006.2
Osteopathic Examiners Board Fund (Appropriated) Summary Total:	1,295.4	1,398.6	607.6	2,006.2
Appropriated Funding				
6000 Personal Services	632.1	634.0	364.7	998.7
6100 Employee Related Expenditures	223.6	285.2	151.7	436.9
Subtotal Personal Services and ERE	855.7	919.2	516.4	1,435.6
6200 Professional & Outside Services	102.1	161.7	65.2	226.9
6500 Travel In-State	0.8	2.5	-	2.5
6600 Travel Out-Of-State	4.0	5.5	-	5.5
7000 Other Operating Expenditures	298.2	309.7	6.0	315.7
8400 Capital Equipment	6.0	-	20.0	20.0
8500 Non-Capital Equipment	27.7	-	-	-
9100 Transfers-Out	1.0	-	-	-
Expenditure Categories Total:	1,295.4	1,398.6	607.6	2,006.2
Fund OS2048 - A Total:	1,295.4	1,398.6	607.6	2,006.2
Licensing and Regulation Total:	1,295.4	1,398.6	607.6	2,006.2

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
FTE				
FTE	10.0	10.0	4.0	14.0
Expenditure Category Total:	-	-	-	-
Fund Source				
Appropriated Funds				
OS2048 Osteopathic Examiners Board Fund (Appropriated)	10.0	10.0	4.0	14.0
Appropriated Funds Total:	10.0	10.0	4.0	14.0
Fund Source Total:	10.0	10.0	4.0	14.0
Personal Services				
Personal Services	622.0	623.0	364.7	987.7
Board & Commission Members Compensation	10.1	11.0	-	11.0
Expenditure Category Total:	632.1	634.0	364.7	998.7
Fund Source				
Appropriated Funds				
OS2048 Osteopathic Examiners Board Fund (Appropriated)	632.1	634.0	364.7	998.7
Appropriated Funds Total:	632.1	634.0	364.7	998.7
Fund Source Total:	632.1	634.0	364.7	998.7
Employee Related Expenditures				
Employee Related Expenses	(0.0)	285.2	151.7	436.9
FICA Taxes	47.4	-	-	-
Medical Insurance	88.9	-	-	-
Basic Life	0.1	-	-	-
Long-Term Disability (ASRS)	0.8	-	-	-
Unemployment Compensation & Other State Taxes	0.1	-	-	-
Dental Insurance	0.5	-	-	-
Workers' Compensation	5.3	-	-	-
Arizona State Retirement System	68.9	-	-	-
Personnel Board Pro-Rata Charges	5.5	-	-	-
Information Technology Pro Rata Charge	3.6	-	-	-
Accumulated Sick Leave Fund Charge	2.5	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Expenditure Category Total:	223.6	285.2	151.7	436.9
Fund Source				
Appropriated Funds				
OS2048 Osteopathic Examiners Board Fund (Appropriated)	223.6	285.2	151.7	436.9
Appropriated Funds Total:	223.6	285.2	151.7	436.9
Fund Source Total:	223.6	285.2	151.7	436.9
Professional & Outside Services				
Professional and Outside Services	-	161.7	65.2	226.9
Attorney General Legal Services	76.6	-	-	-
Temporary Agency Services	5.0	-	-	-
Other Medical Services	0.6	-	-	-
Education & Training	0.3	-	-	-
Non-confidential Outside Specialist Fees for Investigations etc.	7.8	-	-	-
Other Professional & Outside Services	11.9	-	-	-
Expenditure Category Total:	102.1	161.7	65.2	226.9
Fund Source				
Appropriated Funds				
OS2048 Osteopathic Examiners Board Fund (Appropriated)	102.1	161.7	65.2	226.9
Appropriated Funds Total:	102.1	161.7	65.2	226.9
Fund Source Total:	102.1	161.7	65.2	226.9
Travel In-State				
Travel In-State	-	2.5	-	2.5
Mileage - Private Vehicle	0.5	-	-	-
Lodging	0.3	-	-	-
Expenditure Category Total:	0.8	2.5	-	2.5
Fund Source				
Appropriated Funds				
OS2048 Osteopathic Examiners Board Fund (Appropriated)	0.8	2.5	-	2.5
Appropriated Funds Total:	0.8	2.5	-	2.5
Fund Source Total:	0.8	2.5	-	2.5

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
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Program: OSA-1-0 Licensing and Regulation

Travel Out-Of-State

Travel Out of State	-	5.5	-	5.5
Airfare and Other Common Carrier Charges	1.1	-	-	-
Car Rental Out-of-State	0.3	-	-	-
Lodging Out-of-State	2.3	-	-	-
Meals without Overnight Stay	0.2	-	-	-
Other Miscellaneous Out-of- State Travel	0.1	-	-	-
Expenditure Category Total:	4.0	5.5	-	5.5

Fund Source

Appropriated Funds

OS2048 Osteopathic Examiners Board Fund (Appropriated)	4.0	5.5	-	5.5
Appropriated Funds Total:	4.0	5.5	-	5.5
Fund Source Total:	4.0	5.5	-	5.5

Other Operating Expenditures

Other Operating Expenses	-	309.7	6.0	315.7
Risk Management Charges to State Agencies	3.3	-	-	-
Internal Service Computer Processing, Hosting, Maintenance and Support Costs	2.7	-	-	-
External Programming and System Development Costs	8.8	-	-	-
Other External Computer Processing, Hosting, Maintenance and Support Costs	26.7	-	-	-
Charges Imposed Related to AFIS.	1.2	-	-	-
External Telecommunications Charges	7.1	-	-	-
Other External Telecommunication Service	1.2	-	-	-
Building Rent Charges to State Agencies	39.6	-	-	-
Late Charges on Overdue Payments	0.0	-	-	-
Internal Accounting, Budgeting & Financial Services	15.5	-	-	-
Software Support, Maintenance Short-term Licensing	138.7	-	-	-
Office Supplies	6.3	-	-	-
Computer Supplies	0.0	-	-	-
Other Operating Supplies	1.3	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Employee Tuition Reimbursement	13.5	-	-	-
Conference Registration / Attendance Fees	2.6	-	-	-
Other Education & Training Costs	0.5	-	-	-
Internal Printing	1.1	-	-	-
Postage & Delivery	3.4	-	-	-
Document Shredding and Destruction Services	0.3	-	-	-
Dues	4.5	-	-	-
Books, Subscriptions & Publications	5.6	-	-	-
Costs for Digital Imaging or Producing Microfilm & Microfiche	10.9	-	-	-
Security Services	0.5	-	-	-
Other Miscellaneous Operating	2.7	-	-	-
Expenditure Category Total:	298.2	309.7	6.0	315.7

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	298.2	309.7	6.0	315.7
Appropriated Funds Total:		298.2	309.7	6.0	315.7
Fund Source Total:		298.2	309.7	6.0	315.7

Capital Equipment

Capital Equipment	-	-	20.0	20.0
Telecommunications Equipment Capital Purchase	6.0	-	-	-
Expenditure Category Total:	6.0	-	20.0	20.0

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	6.0	-	20.0	20.0
Appropriated Funds Total:		6.0	-	20.0	20.0
Fund Source Total:		6.0	-	20.0	20.0

Non-Capital Equipment

Furniture - Non-Capital Purchase	8.7	-	-	-
Computer Equipment – Non- Capitalized Purchases	13.6	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
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Program: OSA-1-0 Licensing and Regulation

Telecommunications Equipment - Non-Capital Purchase	0.9	-	-	-
Other Equipment - Non-Capital Purchase	4.4	-	-	-
Expenditure Category Total:	27.7	-	-	-

Fund Source

Appropriated Funds

OS2048 Osteopathic Examiners Board Fund (Appropriated)	27.7	-	-	-
Appropriated Funds Total:	27.7	-	-	-
Fund Source Total:	27.7	-	-	-

Transfers-Out

Transfers Out – Not Subject to Cost Allocation	1.0	-	-	-
Expenditure Category Total:	1.0	-	-	-

Fund Source

Appropriated Funds

OS2048 Osteopathic Examiners Board Fund (Appropriated)	1.0	-	-	-
Appropriated Funds Total:	1.0	-	-	-
Fund Source Total:	1.0	-	-	-

Sub Program: OSA-1-1 Licensing and Regulation

FTE

FTE	10.0	10.0	4.0	14.0
Expenditure Category Total:	-	-	-	-

Fund Source

Appropriated Funds

OS2048 Osteopathic Examiners Board Fund (Appropriated)	10.0	10.0	4.0	14.0
Appropriated Funds Total:	10.0	10.0	4.0	14.0
Fund Source Total:	10.0	10.0	4.0	14.0

Personal Services

Personal Services	622.0	623.0	364.7	987.7
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Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Sub Program: OSA-1-1 Licensing and Regulation				

Board & Commission Members Compensation	10.1	11.0	-	11.0
Expenditure Category Total:	632.1	634.0	364.7	998.7

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	632.1	634.0	364.7	998.7
	Appropriated Funds Total:	632.1	634.0	364.7	998.7
	Fund Source Total:	632.1	634.0	364.7	998.7

Employee Related Expenditures

Employee Related Expenses	(0.0)	285.2	151.7	436.9
FICA Taxes	47.4	-	-	-
Medical Insurance	88.9	-	-	-
Basic Life	0.1	-	-	-
Long-Term Disability (ASRS)	0.8	-	-	-
Unemployment Compensation & Other State Taxes	0.1	-	-	-
Dental Insurance	0.5	-	-	-
Workers' Compensation	5.3	-	-	-
Arizona State Retirement System	68.9	-	-	-
Personnel Board Pro-Rata Charges	5.5	-	-	-
Information Technology Pro Rata Charge	3.6	-	-	-
Accumulated Sick Leave Fund Charge	2.5	-	-	-
Expenditure Category Total:	223.6	285.2	151.7	436.9

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	223.6	285.2	151.7	436.9
	Appropriated Funds Total:	223.6	285.2	151.7	436.9
	Fund Source Total:	223.6	285.2	151.7	436.9

Professional & Outside Services

Professional and Outside Services	-	161.7	65.2	226.9
Attorney General Legal Services	76.6	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Sub Program: OSA-1-1 Licensing and Regulation				
Temporary Agency Services	5.0	-	-	-
Other Medical Services	0.6	-	-	-
Education & Training	0.3	-	-	-
Non-confidential Outside Specialist Fees for Investigations etc.	7.8	-	-	-
Other Professional & Outside Services	11.9	-	-	-
Expenditure Category Total:	102.1	161.7	65.2	226.9

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	102.1	161.7	65.2	226.9
Appropriated Funds Total:		102.1	161.7	65.2	226.9
Fund Source Total:		102.1	161.7	65.2	226.9

Travel In-State

Travel In-State	-	2.5	-	2.5
Mileage - Private Vehicle	0.5	-	-	-
Lodging	0.3	-	-	-
Expenditure Category Total:	0.8	2.5	-	2.5

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	0.8	2.5	-	2.5
Appropriated Funds Total:		0.8	2.5	-	2.5
Fund Source Total:		0.8	2.5	-	2.5

Travel Out-Of-State

Travel Out of State	-	5.5	-	5.5
Airfare and Other Common Carrier Charges	1.1	-	-	-
Car Rental Out-of-State	0.3	-	-	-
Lodging Out-of-State	2.3	-	-	-
Meals without Overnight Stay	0.2	-	-	-
Other Miscellaneous Out-of- State Travel	0.1	-	-	-
Expenditure Category Total:	4.0	5.5	-	5.5

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
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Program: OSA-1-0 Licensing and Regulation

Sub Program: OSA-1-1 Licensing and Regulation

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	4.0	5.5	-	5.5
Appropriated Funds Total:		4.0	5.5	-	5.5
Fund Source Total:		4.0	5.5	-	5.5

Other Operating Expenditures

Other Operating Expenses	-	309.7	6.0	315.7
Risk Management Charges to State Agencies	3.3	-	-	-
Internal Service Computer Processing, Hosting, Maintenance and Support Costs	2.7	-	-	-
External Programming and System Development Costs	8.8	-	-	-
Other External Computer Processing, Hosting, Maintenance and Support Costs	26.7	-	-	-
Charges Imposed Related to AFIS.	1.2	-	-	-
External Telecommunications Charges	7.1	-	-	-
Other External Telecommunication Service	1.2	-	-	-
Building Rent Charges to State Agencies	39.6	-	-	-
Late Charges on Overdue Payments	0.0	-	-	-
Internal Accounting, Budgeting & Financial Services	15.5	-	-	-
Software Support, Maintenance Short-term Licensing	138.7	-	-	-
Office Supplies	6.3	-	-	-
Computer Supplies	0.0	-	-	-
Other Operating Supplies	1.3	-	-	-
Employee Tuition Reimbursement	13.5	-	-	-
Conference Registration / Attendance Fees	2.6	-	-	-
Other Education & Training Costs	0.5	-	-	-
Internal Printing	1.1	-	-	-
Postage & Delivery	3.4	-	-	-
Document Shredding and Destruction Services	0.3	-	-	-
Dues	4.5	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

	FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation				
Sub Program: OSA-1-1 Licensing and Regulation				
Books, Subscriptions & Publications	5.6	-	-	-
Costs for Digital Imaging or Producing Microfilm & Microfiche	10.9	-	-	-
Security Services	0.5	-	-	-
Other Miscellaneous Operating	2.7	-	-	-
Expenditure Category Total:	298.2	309.7	6.0	315.7

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	298.2	309.7	6.0	315.7
	Appropriated Funds Total:	298.2	309.7	6.0	315.7
	Fund Source Total:	298.2	309.7	6.0	315.7

Capital Equipment

Capital Equipment	-	-	20.0	20.0
Telecommunications Equipment Capital Purchase	6.0	-	-	-
Expenditure Category Total:	6.0	-	20.0	20.0

Fund Source

Appropriated Funds

OS2048	Osteopathic Examiners Board Fund (Appropriated)	6.0	-	20.0	20.0
	Appropriated Funds Total:	6.0	-	20.0	20.0
	Fund Source Total:	6.0	-	20.0	20.0

Non-Capital Equipment

Furniture - Non-Capital Purchase	8.7	-	-	-
Computer Equipment – Non- Capitalized Purchases	13.6	-	-	-
Telecommunications Equipment - Non- Capital Purchase	0.9	-	-	-
Other Equipment - Non- Capital Purchase	4.4	-	-	-
Expenditure Category Total:	27.7	-	-	-

Fund Source

Appropriated Funds

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

		FY 2023 Actuals	FY 2024 Expenditure Plan	FY 2025 Funding Issue	FY 2025 Total Request
Program: OSA-1-0 Licensing and Regulation					
Sub Program: OSA-1-1 Licensing and Regulation					
OS2048	Osteopathic Examiners Board Fund (Appropriated)	27.7	-	-	-
	Appropriated Funds Total:	27.7	-	-	-
	Fund Source Total:	27.7	-	-	-
Transfers-Out					
	Transfers Out – Not Subject to Cost Allocation	1.0	-	-	-
	Expenditure Category Total:	1.0	-	-	-
Fund Source					
Appropriated Funds					
OS2048	Osteopathic Examiners Board Fund (Appropriated)	1.0	-	-	-
	Appropriated Funds Total:	1.0	-	-	-
	Fund Source Total:	1.0	-	-	-

Program Expenditure Schedule

Agency: Board of Osteopathic Examiners

Administrative Costs Summary

FY 2025

Personal Services	25.0
ERE	10.0
All Other	90.6
Administrative Costs Total:	125.6

Administrative Costs / Total Expenditure Ratio

Request

Admin %

FY 2025

2,006.2

6.3%

Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 1 – Additional FTE (Licensing)

DESCRIPTION:

This budget justification outlines the necessity for a combination of one time and ongoing funding of \$75,307 to recruit and employ a new staff person dedicated to processing incoming license applications for physicians and credentialing them with the Interstate Medical Licensure Compact Commission (IMLCC). This strategic investment will expedite the licensing process, improve physician recruitment, and facilitate seamless interstate practice, ultimately contributing to improved patient care and operational efficiency.

The establishment of a dedicated staff position for processing physician license applications and credentialing under the Interstate Medical Licensure Compact is pivotal for several reasons:

1. **Streamlined Licensing Process:** The complexity of physician licensing and credentialing demands specialized attention. By assigning a dedicated staff member, we ensure that applications are handled promptly and accurately, reducing delays and administrative bottlenecks.
2. **Enhanced Physician Recruitment:** A swift and efficient licensing process can significantly enhance our ability to attract physicians to our state. Streamlined licensing can be a decisive factor for physicians when considering opportunities in multiple states. The IMLCC was designed to increase licensure portability among compact states. In FY23, the compact added its 41st state and the Board has had a 64% increase in Compact license applications.
3. **Interstate Practice Facilitation:** The Interstate Medical Licensure Compact enables physicians to practice across state lines without undergoing redundant licensing procedures. A dedicated staff member ensures seamless coordination and compliance with this initiative.
4. **Patient Care Improvements:** Quicker licensing and credentialing translates to quicker physician onboarding, enabling physicians to provide patient care sooner, thus enhancing overall patient experiences. The Board desires to provide hospitals, clinics, and physicians with fast and efficient service.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician

applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The Board's responsive practices are in danger due to limited resources. Every member of the Board's staff contributes as much as possible to shoulder the increases in licensing applications and renewals, but the rapid and steady growth demands additional resources in order to prevent slower response times.

Impact on Operations:

The ongoing funding for hiring a dedicated staff person for license processing and interstate credentialing will have a significant positive impact on our operations:

1. **Efficiency Gains:** A specialized staff member will ensure that applications are processed efficiently, reducing wait times for licensure and credentialing.
2. **Physician Satisfaction:** The streamlined process will enhance the experience of incoming physicians, leading to higher satisfaction levels and helping get us towards a zero-day credentialing process.
3. **Reduced Administrative Burden:** The dedicated staff member will reduce individual work loads, lower processing times, and be able to provide more hand-on customer service.

The allocation of ongoing funding for hiring a staff person dedicated to processing physician license applications and coordinating interstate credentialing is essential to enhancing our operational efficiency, physician recruitment, and overall patient care quality. The benefits of reduced administrative burdens, improved physician experiences, and compliance with the Interstate Medical Licensure Compact underscore the strategic significance of this investment. We respectfully request the approval of executive leadership for this ongoing funding to drive our organization's commitment to efficient physician onboarding and seamless interstate practice.

The Arizona Board of Osteopathic Examiners plays a crucial role in Arizona's effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for

oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We have adapted our processes to offer a highly responsive licensing service, and our average licensing timeframe has decreased by almost 350% from 120 days to 35 days.

We actively work to build strong connections with Arizona’s existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state’s licensing and physician oversight processes so they are ready to join the workforce when they complete their degrees.

PROPOSED SOLUTION:

The Board needs approval for one additional FTE position to meet the growing demand for licensing of osteopathic professionals – a demand that will continue to increase as more states are added to the compact and as Arizona’s population continues to grow.

This additional position will ensure that we continue the progress we have made. It will protect our ability to provide licensing decisions quickly, so regulation is not a barrier to the practice of high-quality medical care in Arizona, and it will enable us to respond to physicians, medical professionals, and medical students who need our services to build their future here.

To achieve this solution, we request one new FTE position (for a total of eleven) to be added to our headcount and the authority to use \$70,307 from the Osteopathic Examiners Board Fund (OS2048) in ongoing funding each year. (Projected salary of \$45,000 and \$23,807 for associated employee-related and other operating expenses for an Administrative Assistant III - Grade 22). As well as a one time expenses of \$5,000 for equipment.

Budget Allocation Breakdown:

Personnel Services (Ongoing) - 6000	\$45,000.00
ERE (Ongoing) - 6100	\$23,807.00
Other Operating Expenses (Ongoing) - 7000	\$1,500.00
Equipment (One-Time) - 8400	\$5,000.00
Total Ongoing Request	\$70,307.00
Total One-Time Request	\$5,000.00

Total Request	\$75,307.00
----------------------	-------------

UNSUCCESSFUL OPTIONS:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and rapid turnaround we currently offer Arizona's osteopathic physicians. We have considered all other options, but none will protect the efficiency and service we currently provide.

We cannot rely on temporary assistance or a one-time fix.

The Board has turned to temporary help to fill the immediate needs in our licensing program, but the increased demand for licensing is not temporary and this is not a cost-effective long-term solution. Arizona's successful osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry.

We do not have existing staff resources to shift to this priority.

The Board has already adjusted every job responsibility and implemented every possible step toward efficiency. We need another team member to support the dedicated effort our current staff is already providing.

IMPACT OF NOT FUNDING:

The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Through these policies, we have reduced our average licensing timeframe from 120 days to 35 days. Our team needs one additional member, so we do not lose these efficient and customer service-focused practices as the demand exponentially increases.

AGENCY MISSION OR GOALS:

The mission of the Agency is to protect public safety through the judicious licensing, regulation, and education of physicians and physician assistants.

Goal 1: Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Impact on historically underserved, marginalized, or adversely affected groups:

Historically underserved groups often face barriers to accessing healthcare due to factors like geographical location, socioeconomic status, language barriers, and cultural differences. With more physicians available, there is a higher likelihood of establishing medical facilities and services in these communities, leading to better access to essential medical care. Health disparities arise due to unequal access to healthcare resources, resulting in poorer health outcomes for marginalized communities. Increasing the number of physicians from these communities can help bridge this gap by offering appropriate and timely medical interventions. Physicians who share similar backgrounds with their patients are often better equipped to identify specific health concerns and develop tailored solutions. Certain health issues that disproportionately affect marginalized groups might not receive adequate attention without physicians who are familiar with those concerns. More physicians mean a greater likelihood of identifying and addressing these unmet needs, leading to earlier diagnoses and more effective treatment strategies. Physicians serve not only as medical practitioners but also as educators. They can play a crucial role in educating underserved populations about preventive measures, healthy lifestyle choices, and disease management. More physicians mean more opportunities to disseminate health information tailored to the unique needs of these groups.

How has feedback been incorporated from groups directly impacted by proposal:

An additional staff person means that customers can receive personalized attention and assistance. Employees have more time to address individual needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the Agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology, but often what is best is hiring additional staff. An additional staff member ensures that constituents' needs are addressed in a timely manner and prevents delays in service delivery.

Description of how this furthers the Governor's priorities:

Increasing the number of licensed physicians ensures access to health care providers is a direct connection to a priority of Governor Hobbs. Additionally, this will drive more economic growth in the state by allowing more licensure portability for osteopathic physicians and will place Arizona as a strong possibility for physicians when considering relocation.



AMERICAN
OSTEOPATHIC ASSOCIATION



OSTEOPATHIC MEDICAL PROFESSION REPORT

Page 059 of 113

2023

A profession on the rise

For the past 131 years, the osteopathic medical profession has provided full-spectrum care for millions of patients seeking a unique approach to managing their health—one that considers the whole person: body, mind and spirit. The profession was founded in the late 1800s by frontier physician Andrew Taylor Still, DO, MD, based on the philosophy that harmony between the body's structure and function is essential to achieving optimal health.

Today, this philosophy continues to guide all aspects of medical education and training for the nation's workforce of osteopathic physicians (DOs). What began as a small profession with a distinctive philosophy has grown to become a critical component of the nation's health care system. In 2023, the total number of osteopathic physicians in the U.S. reached almost 149,000—a 30% increase over the past five years. Over the past three decades, the total number of DOs and osteopathic medical students has more than quadrupled to reach 186,871 in 2023.

Currently representing more than 11% of all physicians in the U.S., the osteopathic medical profession is positioned to continue growing exponentially. Today, more than 25% of all U.S. medical students are pursuing osteopathic medicine. Following four years of medical school, DOs complete internships, residencies and fellowships that can last between three and eight years and prepare them to practice in a specialty of their choosing.

Though the osteopathic profession has strong roots in primary care, DOs practice their distinctive philosophy in every medical field and specialty, combining their medical expertise with a whole-person approach focused on listening to and partnering with their patients. DOs hold some of the most prominent positions in medicine today, including serving as Physician to the President of the United States, overseeing care for the NASA medical team and providing medical care for many Olympic-level and professional athletes.

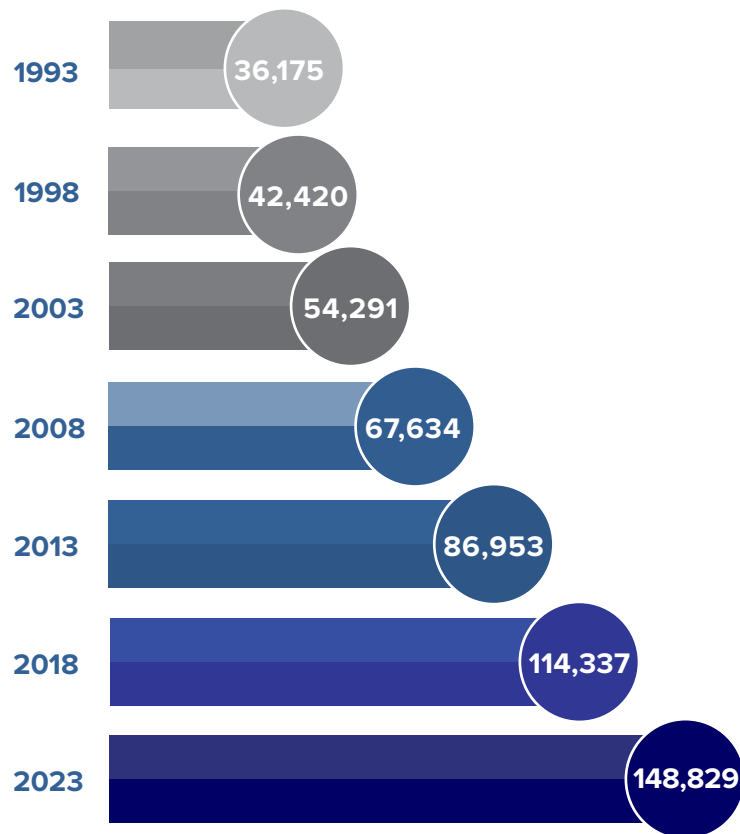
The AOA's Osteopathic Medical Profession (OMP) Report provides an annual update on the expansion and growth within the osteopathic medical profession. Read on for a summary of current demographics and trends related to the practice of osteopathic medicine in 2023.



Era of growth

More than 7,800 new osteopathic physicians joined the health care workforce in spring 2023, bringing the total number of DOs in the U.S. to 148,829. In addition, more than 38,000 students are enrolled to study at osteopathic medical schools across the country during the 2023-24 academic year, according to the Commission on Osteopathic College Accreditation (COCA).

Total DOs in the U.S.*



*All living DOs, including an estimated 7,859 osteopathic physicians who graduated in 2023, according to the American Association of Colleges of Osteopathic Medicine. Source: AOA Physician Masterfile, May 2023.

**Includes all estimated osteopathic medical students expected to matriculate in the 2023-24 academic year. Source: Commission on Osteopathic College Accreditation.

148,829

osteopathic
physicians in the U.S.*



38,042

osteopathic medical
students in the U.S.**

186,871

total osteopathic
physicians and
students in the U.S.



Physicians on the front lines

Though DOs bring their distinctive approach to every field and specialty across the landscape of medicine, the osteopathic profession plays a major role in meeting the nation's primary care workforce needs. In 2023, more than half of the nation's DOs practice in the primary care specialties of family medicine, internal medicine and pediatrics. The majority of these physicians—62%—are under age 45, demonstrating that primary care remains a desirable specialty for early-career physicians entering the workforce.

The profession's emphasis on primary care positions DOs to make a critical impact in addressing the projected physician shortage expected to limit access to patient care in the next 10 years. According to the Association of American Medical Colleges, the U.S. could see an estimated shortage of between 37,000 and 124,000 physicians by 2034, including gaps in both primary care and non-primary care specialties.

The number of osteopathic medical schools has more than doubled over the past two decades, with the majority located in rural or underserved regions. As a result, osteopathic physicians often complete their education and training in communities with limited access to care. On the 2023-24 U.S. News and World Report list of top medical schools, osteopathic schools received the following rankings:

- Seven of the top 10 spots for medical schools with the most graduates in primary care.
- Three of the top 10 spots for medical schools with the most graduates practicing in Health Professional Shortage Areas (HPSAs).
- Six of the top 10 spots for medical schools with the most graduates practicing in rural areas.

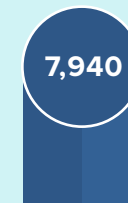
DOs in primary care specialties



*Family Medicine



Internal Medicine



Pediatrics & adolescent medicine



57%
of DOs practice in primary care fields



43%
of DOs practice in other specialties

Source: AOA Physician Masterfile, May 2023. Based on 103,128 physicians who reported specialty; 4,294 with unknown specialty not included.

*Includes physicians who practice osteopathic neuromuculoskeletal medicine (ONMM).

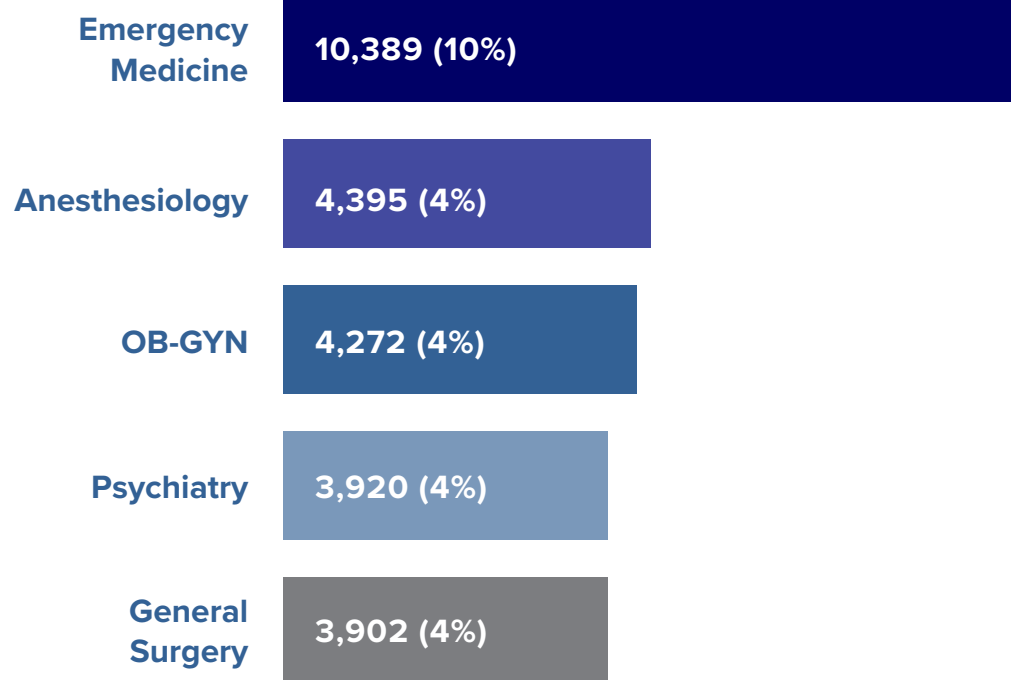
Expanding osteopathic medicine



Over the past two decades, the number of DOs choosing to pursue non-primary care specialties has increased significantly, leading to the expansion of osteopathic principles and practice across the full range of medicine. In 2023, just over 43% of DOs practice in non-primary care specialties, with emergency medicine, anesthesiology and OB-GYN topping the list.

These numbers mirror DO residency placements secured through the 2023 National Resident Matching Program (NRMP) Match, which placed 57% of osteopathic candidates in primary care programs and 43% in non-primary care specialties. DO Match placements increased in 2023 for general surgery, neurology, psychiatry, pathology, orthopedic surgery, child neurology, vascular surgery and otolaryngology.

Top 5 non-primary care specialties:



Source: AOA Physician Masterfile, May 2023.

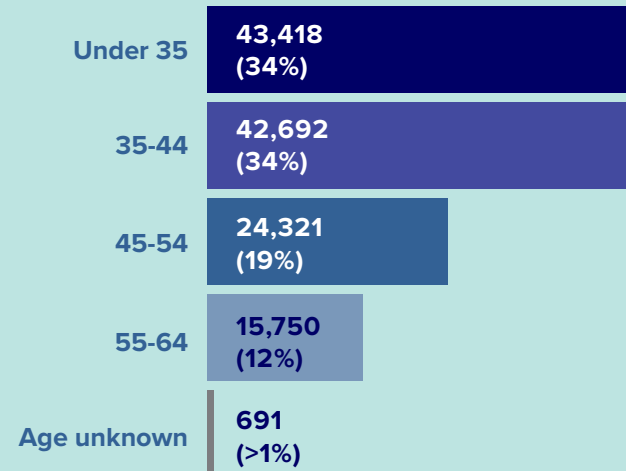
Snapshot of the profession



As the osteopathic profession continues to grow and evolve, the AOA actively tracks demographic and practice trends among DOs and osteopathic medical students. In recent years, the increased number of medical students pursuing osteopathic medicine has led to an increase in the percentage of DOs under age 45. In 2023, approximately 86,110 DOs fall into this category, representing 68% of all osteopathic physicians in active practice.

The number of women practicing osteopathic medicine increased in 2023. Women currently represent 44% of all DOs in active practice. Approximately 47% of DOs under age 45 in active practice are female. According to data published by the American Association of Colleges of Osteopathic Medicine, the number of female DOs graduating from osteopathic medical schools increased by almost 10% in 2022. Similarly, the number of graduates from underrepresented racial and ethnic minority groups increased by nearly 10%.

Actively practicing DOs by age:



126,872

DOs in active practice

Percentage of female DOs in active practice:

2023: **44%**

2015: **40%**

2010: **32%**

2005: **27%**

2000: **23%**

68%

of DOs in active practice are under age 45

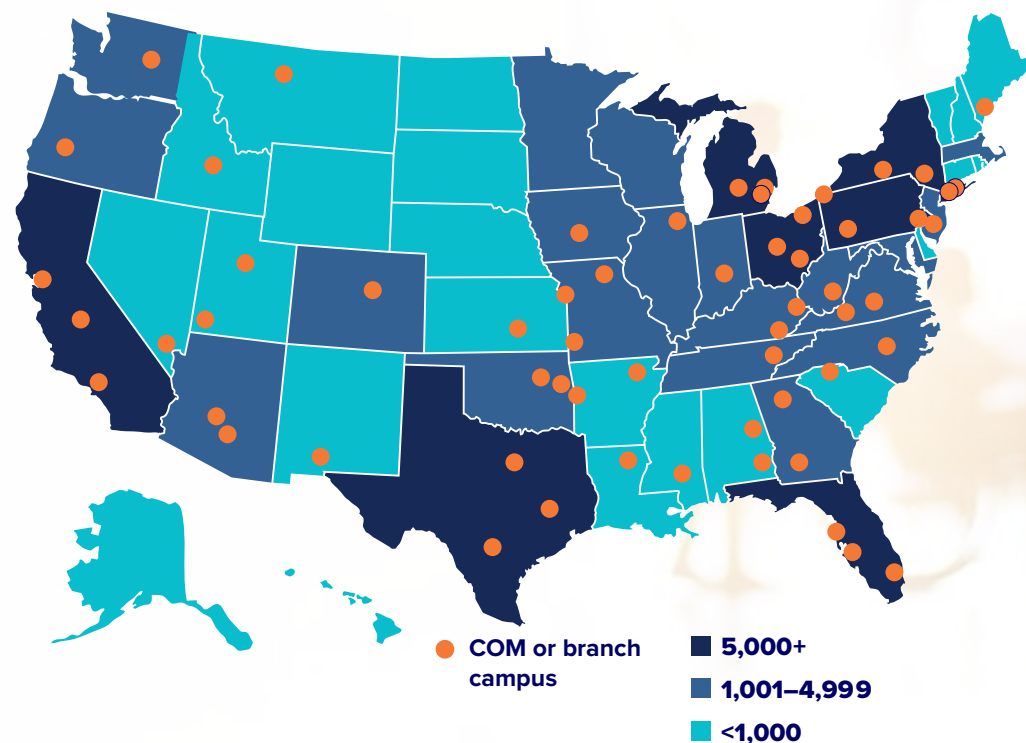
47%

of DOs in active practice under age 45 are female

Source: AOA Physician Masterfile, May 2023.

Coast to coast

While the numbers vary from state to state, DOs can be found in almost every community across the nation. It is not uncommon for DOs to practice near the institutions where they completed their education and training, leading many to provide care in the underserved and rural regions where osteopathic medical schools are typically located.



Total DOs in practice, by state:

5,000+	1,000 – 4,999	>1,000
CA: 11,707 (8.3%)	IL: 4,931 (3.5%)	MS: 872 (0.6%)
FL: 11,190 (7.9%)	AZ: 4,020 (2.9%)	ID: 832 (0.6%)
PA: 11,117 (7.9%)	MO: 3,972 (2.8%)	AR: 729 (0.5%)
MI: 9,221 (6.5%)	VA: 3,443 (2.4%)	NH: 554 (0.4%)
NY: 9,091 (6.4%)	OK: 3,113 (2.2%)	NM: 537 (0.4%)
TX: 8,614 (6.1%)	CO: 2,912 (2.1%)	DE: 518 (0.4%)
OH: 7,270 (5.2%)	NC: 2,821 (2.0%)	HI: 506 (0.4%)
NJ: 6,033 (4.3%)	WA: 2,714 (1.9%)	LA: 480 (0.3%)
	IA: 2,377 (1.7%)	NE: 468 (0.3%)
	GA: 2,322 (1.6%)	MT: 430 (0.3%)
	IN: 2,227 (1.6%)	RI: 406 (0.3%)
	TN: 2,050 (1.5%)	AK: 368 (0.3%)
	WI: 1,882 (1.3%)	SD: 298 (0.2%)
	OR: 1,805 (1.3%)	WY: 210 (0.1%)
	WV: 1,802 (1.3%)	DC: 186 (0.1%)
	SC: 1,790 (1.3%)	VT: 165 (0.1%)
	KY: 1,765 (1.3%)	ND: 142 (0.1%)
	MA: 1,608 (1.1%)	
	AL: 1,546 (1.1%)	
	MD: 1,469 (1.0%)	
	MN: 1,422 (1.0%)	
	UT: 1,359 (1.0%)	
	NV: 1,343 (1.0%)	
	KS: 1,335 (0.9%)	
	ME: 1,335 (0.9%)	
	CT: 1,011 (0.7%)	

AOA Physician Masterfile, May 2023; Commission on Osteopathic College Accreditation.

Future of the profession



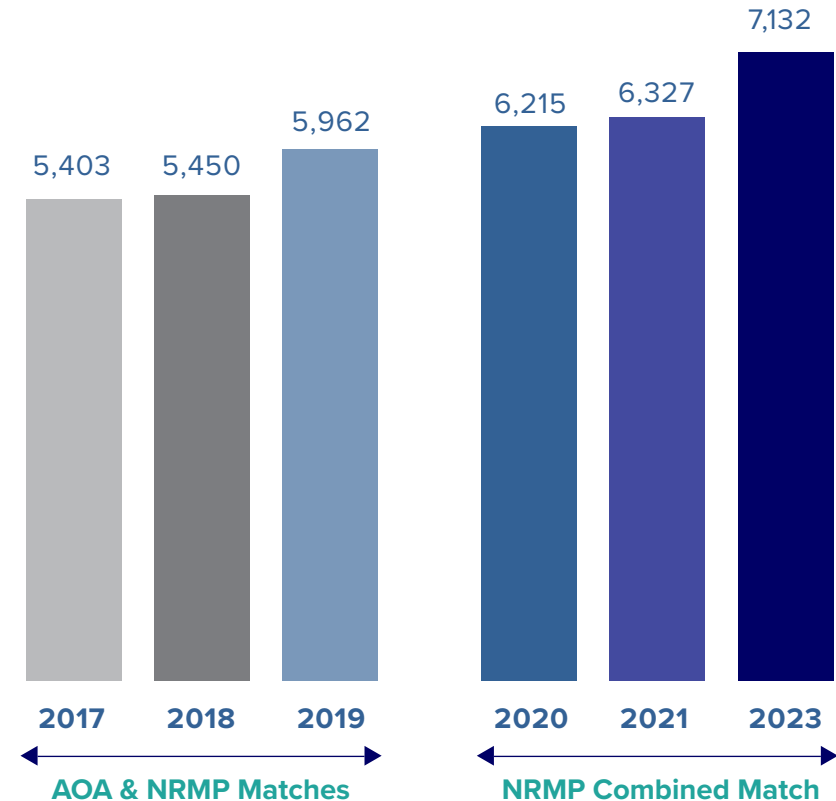
More medical students than ever before are choosing to pursue careers in osteopathic medicine. During the 2023-24 academic year, the AOA's Commission on Osteopathic College Accreditation (COCA) will accredit 40 colleges of osteopathic medicine offering instruction at 65 locations to more than 38,000 medical students.

Following medical school, DOs complete internships, residencies and fellowships, which can last between 3-8 years and prepare them to practice a specialty of their choosing. Each year, fourth-year osteopathic medical students and DOs seeking graduate medical education placements participate in the NRMP Match to secure residency positions at training institutions across the country.

Breaking records from all previous matches, the 2023 Match placed 7,132 osteopathic medical students and past DO graduates into residency positions in 37 specialties. Outside of the NRMP Match, additional DO candidates secured residencies through NRMP's SOAP, the San Francisco and Urology matches, and the Military Match, leading to a final total placement rate of 99.5% for DO seniors.

DO residency match rates

Year over year match rates for DO students and graduates continue to rise, breaking all previous placement records for the NRMP Match.



Source: National Resident Matching Program.

OMP Report **2023**

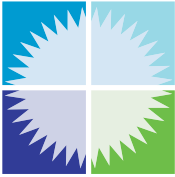


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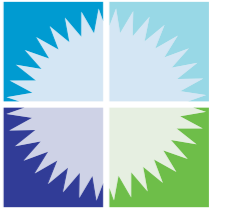
FY2022
ANNUAL REPORT



**Interstate
Medical Licensure
Compact**

Submitted by the Interstate Medical Licensure Compact Commission

Michael Rodman, Communications Committee Chair
Marschall Smith, Executive Director



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Two important terms used through-out this document:

- The Interstate Medical Licensure Compact, aka IMLC, represents the process and activities related to the organization in general and as established in statute.
- The Interstate Medical Licensure Compact Commission, aka IMLCC, represents the actions and activities of the compact's commissioners and staff.

The IMLCC's process, which was engaged in April 2017, has been used by more than 13,000 physicians who were able to secure more than 39,000 licenses in IMLCC member jurisdictions through June 30, 2022. There are 37 states, the District of Columbia and the U.S. Territory of Guam, who are members of the IMLCC – a map of the member states can be found at www.imlcc.org. To use the expedited licensure process, a physician must meet nine requirements and hold an active, unrestricted license in a member state where they live or are employed.

The COVID Pandemic continues to impact the need for an expedited process for physicians to obtain licenses. It has highlighted the critical role played by the Compact and our member board's staff in providing states with a safe, effective pathway to meeting that need. The expansion of telemedicine has played a critical role in providing that coverage and

the Compact has played a part in this expansion, and it remains one of the key reasons physicians use the Compact process. Other reasons include regional licensure, locum tenens, and hospital systems providing post-treatment and inter-treatment care options.

The first 5 years of the IMLC have been marked by incredible growth and expansion. Our focus has been and remains providing a true option to physicians in obtaining licensure in multiple states through a single, on-line application. The next 5 years will present even more opportunities to serve and succeed.

Additional information regarding applications received and licenses issued, including month by month, physician demographical information, and numbers by member board will be posted on the IMLCC's website at <https://www.imlcc.org/news/press-releases-and-publications/>

PROCESSING VOLUME FOR FY2022

10,832
Applications
Processed
(5,650 in FY2021)

17,973
Licenses
Issued
(10,198 in FY2021)

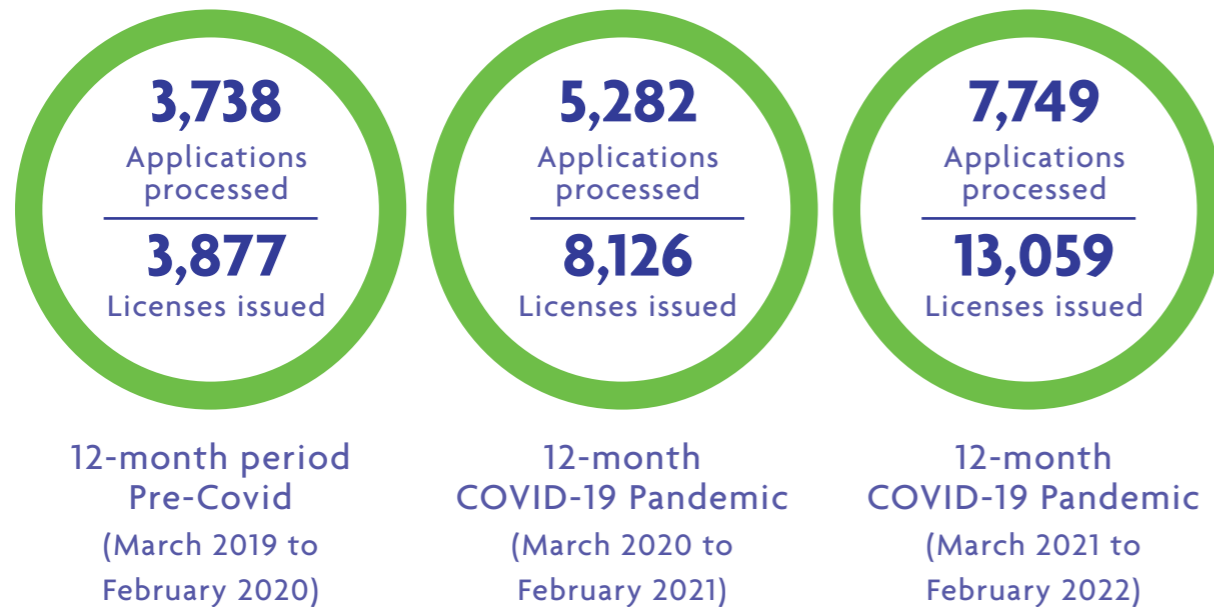
12,499
Licenses
Renewed
(8,756 in FY2021)

SUMMARY OF ACTIVITY

JULY 2021 - JUNE 2022



COVID-19 PANDEMIC PROCESSING INFORMATION



BUDGET REPORT

The IMLCC FY2023 budget was approved by the Executive Committee at its May 17, 2022 meeting. A copy of the original and amended budgets are available on the IMLCC webpage at <https://www.imlcc.org/imlc-commission/budgets/>

The IMLCC will not levy or assess fees to member states for FY2023. The IMLCC has never levied or assessed fees to member states and remains fiscally sound with reserves sufficient to cover at least 24 months of operating expenses.

EXECUTIVE DIRECTOR REPORT

The utilization of the Compact process by physicians over the past 5 years has been phenomenal and demonstrated a need in the licensing process. The Compact works closely with our member boards to bring a value-added process to the essential work that they perform in the evaluation of physician qualifications and enforcement of their medical practice act. The use of a high-bar standard enables Compact eligible physicians to quickly and efficiently obtain licenses – a process that proved critical during the height of the COVID-19 pandemic, as demonstrated in the chart below. The Compact staff are committed to making the next 5 years as productive and exciting as these initial 5 years.

FISCAL YEAR	APPLICATIONS PROCESSED	LICENSES ISSUED
FY2017	125	81
FY2018	1,447	2,220
FY2019	2,698	3,980
FY2020	4,430	4,578
FY2021	5,560	10,198
FY2022	10,832	17,973

STATES JOINING THE IMLC

- Connecticut
- Delaware
- Indiana
- New Jersey
- Ohio
- Rhode Island

2021 ANNUAL MEETING

The IMLCC held its sixth annual meeting, both in-person and virtually in Denver, Colorado on November 16, 2021. The meeting included a rulemaking hearing, that amended IMLC Rules Chapter 2 and Chapter 7. The changes to Chapter 7 were a complete revision of the process for handling disputes between member states. The minutes from the meeting can be found on the IMLC webpage at <https://www.imlcc.org/imlc-commission/public-notices-agendas-and-minutes/>. The 2022 annual meeting will be held in Gulf Shores, Alabama on November 8, 2022.

OTHER IMLCC MEETINGS

The Commissioners met on May 17, 2022 to approve the FY2023 budget. Minutes from the meetings can be found on the IMLCC webpage at <https://www.imlcc.org/imlc-commission/public-notices-agendas-and-minutes/>

RULEMAKING AND POLICY DEVELOPMENT

The Commission made the following decisions regarding rules and policy development.

Rules adopted:

- None

Rules amended:

- IMLC Rule – Chapter 2 – Rule on Information Practices – amended paragraph 2.6 to clarify Federal criminal records check information and added subparagraph 2.6(2) – November 2021
- IMLC Rule – Chapter 7 – Rule on Compliance and Enforcement – replaced paragraph 7.2 in its entirety with all sub-paragraphs altered to more accurately reflect the process for the resolution of disputes between member states – November 2021

Bylaws adopted or amended:

- None

Policies adopted:

- None

Policies amended:

- IMLC – Policy #9 – Policy on Investment Strategies – amended paragraphs II, VI, VII, VIII, IX, X and XI to reflect a revised investment process

Advisory Opinions issued or amended:

- None

OUTREACH AND EDUCATIONAL ACTIVITIES

The IMLCC Staff and Commissioners provided orientation training, onboarding instructions and detailed operational discussion with the following boards:

- Alabama Board of Medical Examiners and Alabama State Medical Licensure Commission
- Arizona Board of Osteopathic Examiners in Medicine and Surgery
- Arkansas State Medical Board
- Connecticut Medical Examining Board
- Delaware Board of Medical Licensure and Discipline
- District of Columbia Board of Medicine
- Georgia Composite Medical Board
- Indiana (State of) Medical Licensing Board
- Louisiana State Board of Medical Examiners
- Missouri Board of Registration for the Healing Arts
- Michigan Board of Medicine, Licensing and Regulatory Affairs
- Nebraska Department of Health and Human Services, Board of Medicine and Surgery
- New Jersey Medical Board
- New Mexico Medical Board

- North Carolina Medical Board
- Ohio, State Medical Board of
- Texas Medical Board
- Virginia Board of Medicine
- Washington State Board of Osteopathic Physician and Surgeon
- West Virginia Board of Medicine

The IMLCC staff participated in the following outreach and educational activities during FY2022:

- Monthly Licensing Staff Discussions – held the 3rd Wednesday of each month
- Interstate Healthcare Collaborative conference call – held the 3rd Friday of each month
- IMLCC 3rd Party Organizations Conference Call – every other month
- Compact Administrators conference call – quarterly meeting, started in February 2022
- Pennsylvania Leadership meeting on FBI Background Issues – July 2021
- FSMB Live Web Event – July 2021
- Louisiana Society of Medical Staff Services webinar – July 2021
- Administrators In Medicine – Joint Training – August 2021
- Rural Telehealth Evaluation Center (RTEC) – HRSA funded study meeting – August 2021
- Counsel of State Governments – Webinar on COVID-19 – August 2021
- Community Care Network of Kansas: Kansas IMLCC – Webinar – September 2021
- National Organization of Rare Disorders – discussion – September 2021
- Alaska State Hospital & Nursing Home Association – discussion – November 2021
- National Counsel of State Legislatures – Legislative Summit – November 2021
- IBM Watson – CSV project – discussion – December 2021
- Counsel of State Governments – Webinar on Compacts in Action – December 2021
- Teledoc – discussion – February 2022
- Connecticut Public Health Committee hearing – testimony – March 2022
- Missouri House and Senate hearings – testimony – March 2022
- Index Health – discussion – April 2022
- National Board of Physicians and Surgeons – discussion – April 2022
- Massachusetts Joint Committee on Health Care Financing – testimony – April 2022
- Rhode Island House Hearing – testimony – April 2022
- Federation of State Medical Boards – annual meeting – April 2022
- Purview Medical – webinar – May 2022
- Rhode Island Senate Hearing – testimony – May 2022
- National Counsel of State Legislatures – National Occupational Licensing Meeting – June 2022

The IMLC has prepared a series of short (5 to 7 minute) tutorials demonstrating the process to assist the physician in completing an IMLC application. The tutorial videos can be found at: <https://www.imlcc.org/videos/>

The latest information about the IMLC can be found by clicking on the “News” tab on our webpage at: <https://www.imlcc.org/>

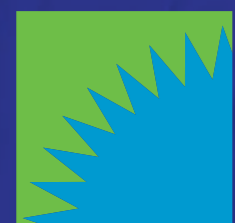
The IMLCC FY2021 audit reports were approved by the Budget Committee on behalf of the IMLCC at the committee's March 15, 2022 meeting.

A copy of all the final documents for the FY2021 audit can be found at <https://www.imlcc.org/news/press-releases-and-publications/> then clicking on the "Audit Documents" tab.

The documents available include:

- **FY2021 Audit - Final Governance Communication**
- **FY2021 Audit - Final Internal Control Communication**
- **FY2021 Audit - Final Financial Statements**

The Compact makes it possible to extend the reach of physicians, improve access to medical specialists, and leverage the use of new medical technologies, such as telemedicine.



FY 2021 AUDIT REPORTS

INTERSTATE MEDICAL LICENSURE COMPACT COMMISSION November 16, 2021

MEETING MINUTES

Call to Order | *Chair Cushman (NE)*

The Interstate Medical Licensure Compact Commission convened at approximately 11:00 AM Eastern time in Denver, Colorado and via video conference.

Roll Call | *Secretary Smith*

The roll was called, and a quorum was established.

Approval of the agenda | *Chair Cushman (NE)*

An amended agenda for the meeting was presented by Chair Cushman (NE).

- MOTION
- MOVED BY COMMISSIONER MARX (UT), SECONDED BY COMMISSIONER SPANGLER (WV), TO APPROVE THE AGENDA AS AMENDED.
- MOTION PASSED
- UNANIMOUS

Approval of the minutes | *Secretary Smith*

The minutes from the November 17, 2020 and the May 18, 2021 meetings were provided to the members prior to the meeting for their consideration.

- MOTION #1
- MOVED BY COMMISSIONER GROSS (GA), SECONDED BY COMMISSIONER COUSINEAU (NV), TO APPROVE THE IMLCC COMMISSIONER MEETING MINUTES FROM NOVEMBER, 2020.
- MOTION PASSED
- WITH 35 YES VOTES, 0 NO VOTES, AND 3 ABSTENTIONS
- MOTION
- MOVED BY COMMISSIONER MARTINEZ (MN), SECONDED BY COMMISSIONER WASSERMAN (WI), TO APPROVE THE IMLCC COMMISSIONER MEETING MINUTES FROM MAY 18, 2021.
- MOTION PASSED
- WITH 36 YES VOTES, 0 NO VOTES, AND 3 ABSTENTIONS

Keynote Speaker | *Dr. Sneha Thamocharan*

Dr. Thamocharan is an Assistant Professor and pediatric clinical psychologist in the Department of Psychology at the University of Colorado Denver. The keynote address as a presentation and discussion regarding diversity and bias that exist in the medical field and deliver of care, along with solutions and approaches to address and minimize.

Chair's Report | *Chair Cushman (NE)*

The chair provided comments to the commissioners, highlighting the changing role of the commissioners and the importance of communication and being actively engaged. The



2021 ANNUAL MEETING MINUTES

Compact is changing and growing, with transitions to new operating systems, adding staff and expanding hours of customer service.

Change is important for the organization as we continue to grow; each member board brings a unique perspective that continues to move the Compact as a whole forward.

Executive Director’s Report | Executive Director Smith

The executive director provided an update on the 3 major operational areas: Operations, Fiscal and Technology.

Operations Group, headed by Dave Clark:

- Implemented a new phone system
- Created a tracking process for issues reported by customer service via phone calls and emails.
- Finding ways to partner with member board staff to solve problems
- Developed an “On-boarding and Training” process for new boards to understand the system and processes

Fiscal Group, headed by Todd Mata

- Developed a fiscal model for revenue modeling and fee analysis
- Completed or will be completing 3 fiscal audits covering FY 2019, 2020 and 2021 in a single year
- Develop internal controls and written procedures to create accountability
- Kicked off the investment of funds to start the Compact on a self-endowment pathway

Technology Group, headed by Dale Watts

- Finalized a comprehensive data mapping project
- Created and implemented system and vendor controls
- Moved from a vendor heavy maintenance and development process to a staff directed process and controls

The overall picture of the Compact management from outside experts; auditors, system expert reviewers, and ongoing independent testing, show an IT system and management actions that are positive, indicative of good management processes and demonstrate sound decision making and appropriate risk analysis.

The Compacts 46 member boards in the previous 12 months:

- Processed nearly 17,000 applications
- Issued nearly 26,000 licenses
- Earned more than \$3.6 million dollars in fees
- Handled over 11,000 financial transactions

Report from Legal Counsel | Rick Masters

Mr. Masters requested that his report be conducted in a session closed to the public in order to provide legal advice.

- MOTION
MOVED BY COMMISSIONER SILAS (AL), SECONDED BY COMMISSIONER HUNTHAUSEN

(MT), THAT THE MEETING BE CLOSED TO THE PUBLIC IN ORDER TO RECEIVE LEGAL ADVICE AS AUTHORIZED BY IMLCC STATUTE, SECTION 11, PARAGRAPH H.

- MOTION PASSED
UNANIMOUS

Meeting closed to the public

The meeting was closed from 10:55 am to 11:03 am Mountain Time. During this time the commissioners, IMLCC Executive Director and Legal Counsel were segregated into a private conference call room where no members of the public were included and members of the public retired from the meeting space and the room secured. The general conference call room remained active for members of the public. At the conclusion of the closed session, the private conference call room was emptied and the meeting resumed in public session.

Rulemaking Hearing | Commissioner Martinez (MN)

At 11:10 am Mountain Time, the commission was called to order for the purpose of a rulemaking hearing as authorized by IMLCC Statute, Section 15. The rulemaking hearing was noticed and opportunity for comment was done in accordance with IMLC Rules, Chapter 1. The proposed rules were discussed and additional opportunity for comments from commissioners and the public were provided during the consideration of the proposed rule.

A copy of the proposed amendments to IMLC Rules – Chapter 2 and Chapter 7 along with proposed amendments to IMLC – Policy 9 were provided prior to the meeting. The change to IMLC Rule Chapter 2 was to provide clarification regarding paragraph 2.6. The changes to IMLC Rule Chapter 7 were a complete revision of the rule. The changes to IMLC Policy 9 were to provide clarification regarding the investment strategy and constraints regarding investment opportunities.

The proposed amendments were considered separately and a discussion was held prior to each motion.

- MOTION
- MOVED BY THE RULES AND ADMINISTRATIVE PROCEDURES COMMITTEE, A MOTION BY A COMMITTEE DOES NOT REQUIRE A SECOND, TO AMEND IMLC RULE CHAPTER 2 – RULE ON INFORMATION PRACTICES.
- MOTION PASSED
- UNANIMOUS
- MOTION #2
- MOVED BY THE RULES AND ADMINISTRATIVE PROCEDURES COMMITTEE, A MOTION BY A COMMITTEE DOES NOT REQUIRE A SECOND, TO AMEND IMLC RULE CHAPTER 7 – RULE ON COMPLIANCE AND ENFORCEMENT.
- MOTION PASSED
- UNANIMOUS
- MOTION #3
- MOVED BY THE RULES AND ADMINISTRATIVE PROCEDURES COMMITTEE, A MOTION BY A COMMITTEE DOES NOT REQUIRE A SECOND, TO AMEND IMLC POLICY #9 – POLICY ON INVESTMENT STRATEGIES.
- MOTION PASSED
- WITH TWO COMMISSIONERS ABSTAINING

The rulemaking hearing was concluded at 11:23 am Mountain Time.

Working Lunch Discussion | Controller Todd Mata

A presentation on the IMLC internal controls and budget reporting was provided by Todd Mata, Controller. Members were provided examples of the fiscal reporting reviewed by the Budget Committee monthly and walked through the process of reading the financial statements.

Election of officers | Executive Director Smith

Elections for the officers of the Commission were held in accordance of IMLCC Bylaws, Article III, Section 1. A call for nominations was held for each position, discussion held, nominations were then closed, and the nominations voted on by members as separate actions.

CHAIR

Commissioner Cousineau (NV) nominated Commissioner Mark Spangler (WV) to the position of IMLCC Chair. The nomination was seconded by Commissioner Farrelly (MD). The nomination was accepted and discussion held. No other nominations were put forward.

- MOTION
- BY ACCLAMATION THE NOMINATIONS WERE CLOSED AND COMMISSIONER SPANGLER (WV) WAS ELECTED TO THE POSITION OF CHAIR.

VICE CHAIR

Commissioner Cousineau (NV) nominated Commissioner Christine Farrelly (MD) to the position of IMLCC Vice Chair. The nomination was seconded by Commissioner Hansen (SD). The nomination was accepted and discussion held. No other nominations were put forward.

- MOTION
- BY ACCLAMATION THE NOMINATIONS WERE CLOSED AND COMMISSIONER FARRELLY (MD) WAS RE-ELECTED TO THE POSITION OF VICE CHAIR.

TREASURER

Commissioner Farrelly (MD) nominated Commissioner Karen Silas (AL). The nomination was seconded by Commissioner Martinez (MN). The nomination was accepted and discussion held. No other nominations were put forward.

- MOTION
- BY ACCLAMATION THE NOMINATIONS WERE CLOSED AND COMMISSIONER SILAS (AL) WAS ELECTED TO THE POSITION OF TREASURER.

Action Item #1 – Request to expend Reserve Funds | Executive Director Smith

The action item included 3 separate motions regarding the expenditure of reserve fund for the purpose of developing and implementing the next phase of system development. After the motions were introduced by the Executive Director and prior to the discuss of the motions by the Commissioners, a procedural motion was made to suspend discussion and postpone consideration of the matter until a later date. Such a procedural motion is permitted and must be acted on prior to the continuation of the discussion.

The concerns about the project were provided as the background behind the request to postpone consideration until additional information could be gathered. During the discussion, it was suggested that an Ad Hoc Committee be formed to review the matter and provide recommendations at the next Commission meeting.

After discussion, the question was called.

- MOTION
- MOVED BY COMMISSIONER FARRELLY(MD), AND SECONDED BY COMMISSIONER MARTINEZ (MN), TO SUSPEND DISCUSSION UNTIL THE MAY 2022 COMMISSION MEETING AND TO FORM AN AD HOC COMMITTEE TO STUDY THE MATTER AND PROVIDE RECOMMENDATIONS.
- MOTION PASSED
- WITH 6 COMMISSIONERS OPPOSED TO THE MOTION

Discussion Topic #1 | Commissioner Reed (NV)

Commissioner Reed led a discussion regarding creating criteria for the approval/refusal to accept Letters of Qualification by member boards. After discussion, no action was taken; however, commissioners were reminded that IMLC Rule Chapter 7 outlines the process for member boards to raise and resolve disputes. All commissioners were encouraged to review the rule.

Discussion Topic #2 | Commissioner Douglas Smith (MD)

Commissioner Douglas Smith led a discussion regarding various options available to member boards regarding the use of the IMLCC process for reinstatement of lapsed or non-renewed licenses. The discussion confirmed that member boards process these requests by physicians differently, often based on the state-specific statutes regarding the reinstatement process. Those statutes would apply whether the license was obtained through the traditional process or the IMLCC process. No action was requested or taken.

Discussion Topic #3 | Commissioner Durrett (KS)

Commissioner Durrett led a discussion regarding exploring the idea of offering Medical Malpractice insurance policies or partner with a provider to assist physicians with licenses in multiple states to find a multi-state policy. After discussion, no action was taken.

Discussion Topic #4 | Executive Director Smith

Executive Director Smith led a discussion regarding exploring partnership opportunities to change how GME and board certification from Canadian authorities are processed for consideration of a Letter of Qualification. Guests from the American Board of Medical Specialties provided information and contributed to the discussion. After discussion, the question was called and the matter was put to a vote.

- MOTION
- MOVED BY COMMISSIONER BURKHOLDER (MT), AND SECONDED BY COMMISSIONER MARTINEZ (MN), TO TABLE CONSIDERATION OF THE MATTER.
- MOTION PASSED
- WITH 1 COMMISSIONER IN OPPOSITION

Committee Reports

Budget Committee | Treasurer Farrelly (MD)

- The Audit Committee has been dissolved and members asked to join the Budget Committee. The Budget Committee will assume the duties and responsibilities previously held by the Audit Committee.
- There will again be no levy or collection of an annual assessment from member states to cover the cost of operations. The Commission has sufficient revenues to cover the cost of operations.
- The committee received detailed training from the IMLCC Controller about key budget matrices and how to review budget reports.
- A review of the service fees charged by the Commission has been conducted and determined that the current amounts charged are appropriate.
- The FY2020 Audit has been completed and published. The FY2021 audit has been started with the final reports expected in early 2022.
- Two issues the committee continues to monitor are the return of fund report and credit card processing fees.
- The Budget Committee charge was reviewed and has been updated to include the audit responsibilities.
- Other fee charges are being explored, such as a credit card transaction fee, a return of funds fee, etc.
- Administrative procedures are being drafted to cover internal controls, whistleblower procedures and documenting separation of duties among Commission staff.

Communications Committee | Commissioner Spangler (WV)

- The committee reviewed and updated the committee charge document.
- The committee's goals for 2022 include:
 - Quarterly newsletters
 - Publication and distribution of the annual report
 - Complete review of the IMLCC's webpages and content, including mobile versions
 - Holding regular monthly meetings
 - Assist the Executive Director in developing a standardized monthly Commissioner report

Personnel Committee | Commissioner Herlihy (VT)

- The committee's role has expanded with the addition of employees filling commission staff positions.
- An organization chart has been completed and approved positions documented in the chart.
- In 2022, the committee will be working on the process for evaluating the Executive Director's performance including creating a position description and evaluation form and process.
- The committee is working on revising its mission and documenting it through the committee charge document.

Rules and Administrative Procedures Committee | Commissioner Martinez (MN)

- The committee has reviewed all Rules, Policies and Administrative procedures and

results were part of this meeting's rule making hearing.

- A review of the use of the terms "IMLC" and "IMLCC" through out publications will be conducted.
- Developing a policy of reimbursement for staff travel.
- Meetings will be established monthly in 2022.

Technology Committee | Commissioner Cushman (NE)

- The committee is working on revising its committee charge document.
- Developing an action plan for documenting system plans and development.
- Action logs are being created and reviewed monthly regarding current and historical system issues and improvements.

Public Comments | Chair Cushman (NE)

None were provided.

Location of the next annual commission meeting | Chair Cushman (NE)

There were 3 member states who offered to host the next meeting; Alabama, Kentucky, and Maine. The commissioners from each state presented information about their state's offer to host the next meeting. After the presentations, Commissioners then voted, with Alabama receiving the highest number of votes.

Adjournment | Chair Cushman (NE)

There being no further business, the meeting was adjourned at approximately 5:11 pm Eastern Time.

**A faster
pathway to
medical licensure**

ROSTER OF COMMISSIONERS



ALABAMA

Commissioner Tiffany Seamon
(9/16/2021)
Personnel Committee Member

Commissioner Karen Silas (5/20/2017)
*IMLCC Treasurer
Budget Committee Chair
Executive Committee Member*



ARIZONA

Commissioner Justin Bohall (11/15/2019)
*Rules & Administrative Procedures
Committee Member*

Commissioner Patricia McSorley (6/1/2016)
Personnel Committee Member



COLORADO

Commissioner Donald Lefkowitz, MD
(9/1/2018)
Budget Committee Member

Commissioner Lorey Bratten (8/28/2019)
Technology Committee Member



CONNECTICUT

Commissioner Chris Andresen, MPH
(9/29/2022)
Committee Assignment Pending

Appointment Pending



DELAWARE

Appointment Pending

Appointment Pending



DISTRICT OF COLUMBIA

Appointment Pending

Commissioner Vikisha Fripp, MD
(10/4/2019)
*Rules and Administrative Procedures
Committee Member*



GEORGIA

Commissioner Jeff Marshall, MDN
(5/20/2022)

Communications Committee Member

Commissioner Daniel Dorsey (2/21/2022)

Committee Assignment Pending



GUAM

Commissioner Kia Rahmani, MD
(11/20/2018)

Personnel Committee Member

Appointment Pending



IDAHO

Commissioner Mark Grajcar, DO
(5/28/2021)

Communications Committee Member

Commissioner Nicki Chopski (4/4/2022)

Personnel Committee Member



ILLINOIS

Commissioner Cecilia Abundis (10/11/2019)
Communications Committee Member

Appointment Pending



INDIANA

Appointment Pending

Appointment Pending



IOWA

Commissioner Warren Gall, MD (8/20/2018)

Rules & Administrative Procedures Committee
Member

Commissioner Patricia Fasbender, DO
(11/4/2021)

Committee Assignment Pending



KANSAS

Commissioner Thomas Estep, MD
(12/13/2021)

Communications Committee Member

Commissioner Susan Gile (10/08/2021)

Communications Committee Member



KENTUCKY

Commissioner Michael S. Rodman
(6/20/2019)

Communications Committee Chair
Executive Committee Member

Commissioner Heidi M. Koenig, MD, FASA
(12/17/2020)

Budget Committee Member



LOUISIANA

Commissioner Vincent A. Culotta, Jr. MD
(12/2/2022)

Committee Assignment Pending

Commissioner Lester Johnson MD (12/2/2022)

Committee Assignment Pending



MAINE

Commissioner Timothy (Tim) E. Terranova
(8/8/2017)

Communications Committee Member

Commissioner Susan E. Strout (10/12/2017)

Personnel Committee Member



MARYLAND

Commissioner Christine A. Farrelly (5/25/2018)

Executive Committee Member

Commissioner Ellen Douglas Smith (5/28/2018)

Technology Committee Member



MICHIGAN

Commissioner Dawn Gage (9/15/2021)

Technology Committee Member

Commissioner Michael Chafty, MD (9/18/2019)

Personnel Committee Member



MINNESOTA

Commissioner Ruth Martinez (10/23/2015)

Rules & Administrative Procedures Committee Chair
Executive Committee Member

Commissioner John (Jake) M. Manahan (11/18/2019)

Technology Committee Chair
Executive Committee Member



MISSISSIPPI

Commissioner Kenneth Cleveland, MD (8/19/2019)

Budget Committee Member

Commissioner Anna Boone

Personnel Committee Member



MONTANA

Commissioner James Burkholder (11/21/2019)

Rules & Administrative Procedures Committee Member

Commissioner Samuel Hunthausen (7/21/2021)

Technology Committee Member



NEBRASKA

Commissioner Jesse Cushman (7/6/2018)

Executive Committee Member

Maria Michaelis, MD (3/23/2021)

Communications Committee Member



NEW HAMPSHIRE

Commissioner Michael Barr, MD (4/5/2017)

Technology Committee Member

Appointment Pending



NEW JERSEY

Appointment Pending

Appointment Pending



NEVADA

Commissioner Edward Cousineau, JD (12/4/2015)

Budget Committee Member

Commissioner Sandy Reed (2/1/2017)

Personnel Committee Member



NORTH DAKOTA

Commissioner Lynette McDonald (9/12/2019)

Technology Committee Member

Commissioner Rupkumar Nagala, MD (9/12/2019)

Personnel Committee Member



OHIO

Commissioner Stephanie Loucka (10/25/2021)

Budget Committee Member

Commissioner Michael Schottenstein, MD (10/25/2021)

Communications Committee Member



OKLAHOMA

Commissioner Christi Aquino (10/18/2019)

Communications Committee Member

Appointment Pending



PENNSYLVANIA

Appointment Pending

Appointment Pending



RHODE ISLAND

Appointment Pending

Appointment Pending



SOUTH DAKOTA

Commissioner Margaret Hansen
(7/21/2015)

Rules & Administrative Procedures Committee Member

Commissioner Suzanne Veenis (8/28/2020)

Budget Committee Member



TENNESSEE

Commissioner Stacy Tarr (3/27/2022)

Rules & Administrative Procedures Committee Member

Commissioner Penny Judd (9/12/2018)

Budget Committee Member



TEXAS

Commissioner Devinder Bhatia
(6/10/2022)

Committee Assignment Pending

Commissioner Robert Martinez
(6/10/2022)

Committee Assignment Pending



UTAH

Commissioner Larry Marx (10/4/2016)

Rules & Administrative Procedures Committee Member

Appointment Pending



VERMONT

Commissioner David Herlihy (6/11/2020)

Personnel Committee Chair
Executive Committee Member

Commissioner Gabriel Gilman (10/23/2020)

Rules & Administrative Procedures Committee Member



WASHINGTON

Commissioner Melanie deLeon (5/10/2017)

Budget Committee Member

Commissioner Lisa Galbraith (11/2/2018)

Budget Committee Member



WEST VIRGINIA

Commissioner Jonathan T. Osborne
(10/21/2021)

Rules & Administrative Procedures Committee Member

Commissioner Mark A. Spangler (1/23/2017)

IMLCC Chair
Executive Committee Member



WISCONSIN

Commissioner Sheldon Wasserman
(10/21/2020)

Communications Committee Member

Commissioner Clarence Chou
(10/21/2020)

Personnel Committee Member



WYOMING

Commissioner Kevin Bohnenblust
(7/30/2015)

Technology Committee Member

Commissioner Michael Jording
(4/12/2022)

Rules & Administrative Procedures Committee member

During FY2022, there were no new Bylaws, Rules or Policies adopted by the Commission. Two amendments were made to existing Rules and one Policy was amended.

RULE ON INFORMATION PRACTICES

ADOPTED: DECEMBER 14, 2016

EFFECTIVE: DECEMBER 14, 2016

REVIEWED: MARCH 16, 2021

AMENDED: FEBRUARY 22, 2017; JUNE 27, 2017

AMENDMENT HISTORY (LIST WHEN AMENDED AND CITE SECTION NUMBER):

1. **Section 2.6, Federal criminal records check information was adopted by the Interstate Commission on February 22, 2017, in an emergency rule-making action pursuant to administrative rule Chapter 1.**
2. **Section 2.6, Federal criminal records check information, was adopted by the Interstate Commission on June 27, 2017, through the regular rule-making process pursuant to administrative rule Chapter 1.**
3. **Section 2.6, Federal criminal records check information, was amended by the Interstate Commission on November 16, 2021, through a regular rule-making process pursuant to IMLC Rule, Chapter 1.**

CHAPTER 2 - Information Practices

2.1 Authority

This chapter is promulgated by the Interstate Commission pursuant to the Interstate Medical Licensure Compact. This rule shall become effective upon adoption by the Interstate Commission.

2.2 Definitions

“Coordinated information system” means the database established and maintained by the Interstate Commission as set forth in the Compact.

“Core data set” means a set of information about an applicant for a letter of qualification for expedited licensure through the Compact or a set of information about a physician who is issued an expedited license through the Compact or renews an expedited license through the Compact. The core data set shall include:

- (1) Eligibility for expedited licensure through the Compact;
- (2) Full legal name;



RULES, BYLAWS, AND POLICY CHANGE SUMMARY

- (3) Other name(s) used, previously or currently;
- (4) Gender;
- (5) Date of birth;
- (6) National Provider Identifier Number;
- (7) Social security number;
- (8) Address of record;
- (9) Telephone number of record;
- (10) E-mail address delegated by applicant to receive correspondence;
- (11) Medical degree conferred;
- (12) Medical school, including year of completion, and verification of accreditation;
- (13) Residency program, including year of completion, and verification of accreditation;
- (14) Specialty board certification, including date of issue and expiration date, if any;
- (15) The license number, date of issue, and expiration date of the full, unrestricted medical license issued by state of principal license;
- (16) The license number, date of issue, and expiration date of the expedited license issued by a member state;
- (17) The license number, date of issue, and expiration date of the license renewed by a member state.

“Expedited license” means a full and unrestricted medical license promptly issued by a member state to an eligible applicant through the process set forth in the Compact and its administrative rules.

“Letter of qualification” means a notification issued by a state of principal license that expresses an applicant’s eligibility or ineligibility for expedited licensure through the processes set forth in the Compact and its administrative rules.

2.3 Collection and dissemination of core data set

- (1) The core data set is collected from the applicant by the state of principal license through the expedited licensure process set forth in administrative rule 5.5.
 - (a) The state of principal license shall submit an applicant’s core data set to the Interstate Commission when the state of principal license issues a letter of qualification, verifying or denying the applicant’s eligibility for expedited licensure through the compact.
 - (b) The Interstate Commission shall maintain an applicant’s core data set in a coordinated information system established and maintained by the Interstate Commission.
 - (c) The Interstate Commission shall distribute an applicant’s core data set to all member states that issue an expedited license to the applicant.
 - (d) The Interstate Commission shall make available to any member state the core data

- set of an applicant for a letter of qualification or a physician who is issued an expedited license through the Compact.
 - (2) A member state, using a form provided by the Interstate Commission, shall collect, verify and provide to the Interstate Commission the following information for inclusion in the core data set for each physician who is issued an expedited license by the member state:
 - (a) The license number, date of issue, and expiration date of the full, unrestricted medical license issued by the member state.

2.4 Maintenance of core data set

The accuracy of information maintained in a core data set, to the extent it is possible to achieve accuracy through the expedited licensure process and licensure renewal process, shall be the responsibility of member states.

A state of principal license or any member state shall verify and submit to the Interstate Commission an amendment to correct a core data set of an applicant for a letter of qualification or a physician who is issued an expedited license through the Compact. Upon receipt of information from a member state to correct data, the Interstate Commission shall disseminate a notice to all member states that a core data set has been amended.

2.5 Availability of information in coordinated information system

The Interstate Commission is prohibited by the Compact from providing any and all licensure, complaint, disciplinary and investigatory information maintained in the coordinated information system, including a core data set, to any individual, entity or organization other than a member state board.

2.6 Federal criminal records check information – This information may not be shared with the Interstate Commission

- (1) Communication between a member board and the Interstate Commission and communication between member boards regarding verification of physician eligibility for licensure through the Compact shall not include any information received from the Federal Bureau of Investigation relating to a federal criminal records check performed by a member board under Public Law 92-544 pursuant to Section 1 of the Compact and rules 5.5(1)(c) and 5.5(2)(b) (2).
- (2) Federal Bureau of Investigation information obtained by a member board MAY NOT be shared with the Interstate Commission.

RULE ON COMPLIANCE AND ENFORCEMENT

ADOPTED: November 16, 2018

EFFECTIVE: November 16, 2018

AMENDMENT HISTORY (LIST WHEN AMENDED AND CITE SECTION NUMBER):

1. **Section 7.2, was replaced in its entirety with all sub-paragraphs altered to more accurately reflect the process for the resolution of disputes between member states. – November 16, 2021**

Chapter 7 – Compliance and Enforcement

7.1 Authority

This chapter is promulgated by the Interstate Commission pursuant to the Interstate Medical Licensure Compact section 19. The rule shall become effective upon adoption by the Interstate Commission.

7.2 Dispute resolution

- 1) Any disputes between member states shall be presented to and mediated by the Executive Committee of the Interstate Commission.
- 2) Before submitting a complaint to the Executive Committee, the member state(s) shall attempt to resolve the issue(s) by bringing the matter to the attention of the Executive Director. Within 30 calendar days, the Executive Director shall clarify the issue(s) and shall provide a recommended resolution.
- 3) The Executive Director, after obtaining information from all member states involved, shall provide a statement summarizing the issue(s) raised and a recommended resolution of the matter.
- 4) Within 10 calendar days, any member state that is not satisfied with, or cannot comply with, the recommended solution, shall provide the Secretary of the Executive Committee a written statement, not to exceed five pages.
- 5) The Secretary of the Executive Committee shall provide a copy of the written statement to the other member state. That member state shall be invited to provide a written response to the Secretary of the Executive Committee, not to exceed five pages, which must be received within 30 calendar days.
- 6) The Secretary of the Executive Committee shall place this matter on the agenda of the next Executive Committee and notify the member states of the date and time of the meeting, including providing copies of the written statement and response.
- 7) The Executive Committee shall serve as the party responsible for determining potential resolutions to the conflict and shall take action to mediate the concerns with the intention of developing a mutually agreeable resolution.
- 8) The meeting(s) to discuss this matter shall be considered confidential and closed to the public in accordance with IMLC Statute, Section 11, paragraph (h).
- 9) The Executive Committee shall first seek a recommendation to which the member states mutually agree resolves the issue.
- 10) The Executive Committee shall initiate the Default Procedures outlined in IMLC Statute, Section 18, in order to create a binding resolution to the matter, should the member states be unable to find a mutually agreeable resolution.

#9 – POLICY ON INVESTMENT STRATEGIES

ADOPTED: June 8, 2021

EFFECTIVE: June 8, 2021

REVIEWED: N/A

AMENDMENT HISTORY (LIST WHEN AMENDED AND CITE SECTION NUMBER):

- November 16, 2021 – changes were made to the following paragraphs = II, VI, VII, VIII, IX, X, and XI

I. POLICY STATEMENT

The Interstate Medical Licensure Compact (IMLC) Statute Section 12, paragraph (u), states that the Interstate Medical Licensure Compact Commission (IMLCC) may perform such functions as may be necessary or appropriate to achieve the purpose of the Compact.

This policy establishes the fiduciary process for investing its cash assets in order to maximize the return on investment while minimizing risk and expense. All transactions will be for the sole benefit of the IMLCC.

II. PURPOSE

The purpose of this policy is to promote the stability of the IMLCC as it moves forward toward the goal of self-sustainment through the moderation of its revenue and efficiency of its financial management. Pursuant to that purpose is the development and growth of five key reserve funds to be managed collectively and set aside for the support and unfettered use by the IMLCC for its growth and sustainability, namely the Restricted Capital Reserve Fund, the Restricted Special Project Reserve Fund, the Restricted IT Reserve Fund, the Restricted Reserve Fund and the Unrestricted General Fund. Paramount to this purpose are these overriding objectives:

- Ensure a uniform understanding of the IMLCC's cash assets.
- Establish a methodology for investing the cash assets.
- Define responsibilities.
- Authorize the IMLCC Treasurer and Executive Director to take the actions necessary to implement this policy and manage the investment portfolio.
- Create a process to identify target asset allocations, permissible investments and diversification requirements.
- Facilitate the Professional Fund Manager's understanding of liquidity needs related to the IMLCC's internal administrative growth assumptions for the next ten years, namely consistent growth leading to full state acceptance and ultimate sustainability.

III. DEFINITIONS

Cash Assets – Assets consisting of cash and items readily convertible to cash, such as funds held in saving and checking accounts.

Investment Strategy – A prudent methodology for investing cash in investment vehicles, such as stocks and bonds, and other financial investments.

Investment Risk Factor – The risk of investments declining in value because of economic developments or other events that affect the entire market. The applicable types of market risk are equity risk, sector risk, liquidity risk, interest rate risk, and currency risk.

Professional Fund Manager – An organization or individual responsible for the day-to-day management of an investment portfolio.

Expense Ratio – The yearly cost of a fund investment, whether it makes or loses money. It covers investment management, marketing and administrative costs.

Fund Return – The amount a fund earned during a specified time period (1, 3, 5, 10 years), minus the management fees and other costs. Often stated as a percentage of the money invested. For future return estimate purposes, investors may consider how the fund has done over various time periods in the past.

Asset mix – The percentage distribution of assets in a portfolio among the three major asset classes: cash and cash equivalents, fixed income (bonds) and equities (shares)

IV. GENERAL PROVISIONS

1. All transactions shall be for the sole benefit of the IMLCC.
2. The Budget Committee will conduct an annual review of the IMLCC’s investment assets to verify the existence and marketability of the underlying assets or satisfy themselves that such a review has been conducted in connection with an independent audit (if one should exist) of the IMLCC’s financial statements.
3. Any investment that is not expressly permitted under this Policy must be placed on the agenda and approved by the full commission at a regularly scheduled meeting.
4. The Treasurer and Executive Director will endeavor to operate the IMLCC’s investment program in compliance with all applicable state, federal and local laws and regulations concerning management of investment assets [including IRC §4944 if the IMLCC is classified as a private foundation for federal tax purposes.]
5. Investments will be diversified with a view to minimize risk.

V. AUTHORITY TO ACT AND DELEGATION OF RESPONSIBILITY

1. The Commissioners of the Interstate Medical Licensure Compact Commission have the ultimate responsibility for the investment and management of the IMLCC’s investment assets.
2. This responsibility is exercised by the Commissioners through the IMLCC Budget Committee.
3. The Budget Committee may authorize the Treasurer and the Executive Director to act on its behalf in the execution of this policy and the Budget Committee’s directives;

including but not limited to retaining a Professional Fund Manager and implementing the investment of cash assets.

4. The Budget Committee shall establish a regular reporting process for:
 - a. Monitoring compliance with this policy;
 - b. Reviewing the performance of the investment strategy; and
 - c. Considering changes to the policy or investment strategy.
5. The Budget Committee may authorize the Treasurer and the Executive Director to hire or retain the services of outside experts such as investment consultants or investment managers.

VI. RESPONSIBILITIES OF THE TREASURER AND EXECUTIVE DIRECTOR

The Treasurer and Executive Director are charged with the responsibility of managing the investment assets of the IMLCC. The specific responsibilities, as applicable, include:

1. Communicating changes to the IMLCC’s financial and liquidity needs to the Professional Fund Manager on a timely basis through e-mail or personal contact;
2. Determining the IMLCC’s risk tolerance and investment horizon with tools utilized by the Professional Fund Manager;
3. Establishing reasonable and consistent investment objectives, policy guidelines and allocations which will direct the investment of the assets, to be reviewed by the Commissioners on an annual basis and communicated to the Professional Fund Manager;
4. Prudently and diligently selecting one or more qualified investment professionals, including investment managers(s), investment advisor(s), and custodian(s), collectively referred to as “Professional Fund Manager”;
5. Routinely evaluating the performance of the Professional Fund Manager to assure adherence to policy guidelines and to monitor investment objective progress; and
6. Developing and enacting proper control procedures; e.g., replacing investment manager(s) due to a fundamental change in the investment management process, or for failure to comply with established guidelines.

VII. RESPONSIBILITY OF PROFESSIONAL FUND MANAGER

1. The Professional Fund Manager will invest assets placed in their care in accordance with this policy;
2. The Professional Fund Manager must acknowledge through the standard application process utilizing a signed client agreement, acceptance of responsibility as a fiduciary;
3. The Professional Fund Manager will have full discretion in making all investment decisions for the assets placed on the Professional Fund Manager’s discretionary platform.
4. The specific responsibilities include:
 - i. Discretionary investment management, including decisions to buy, sell, or hold individual securities, and to alter allocation within the guidelines established in this statement;

- ii. Reporting, on a timely basis, quarterly investment performance results;
- iii. Communicating opinion on major changes in the economic outlook, investment strategy, or any other factors that may affect implementation of investment process or performance of invested assets;
- iv. Informing the Commissioners, or if authority is delegated, the Treasurer and Executive Director, regarding any changes in portfolio management personnel, ownership structure, investment philosophy, etc which the Professional Fund Manager determines to be impactful to the IMLCC's investment portfolio.;
- v. Administering the IMLCC's investments prudently and without compromising quality of service. These costs include, but are not limited to, management and custodial fees, consulting fees, transaction costs and other administrative costs chargeable to the IMLCC;
- vi. Providing contact information (name, address, email, and phone number) and availability to the Treasurer and Executive Director that allows for ease of administration and service; and
- vii. Annually reviewing this Policy for any modifications, and implementing such changes into investment management decisions.

VIII. GENERAL INVESTMENT GUIDELINES

1. A copy of this policy shall be provided to the Professional Fund Manager.
2. The IMLCC is a tax-exempt organization as described in section 501(c)(6) of the Internal Revenue Code. This tax-exempt status should be taken into consideration when making IMLCC investments.
3. The IMLCC is expected to operate into perpetuity; therefore, a minimum of a 5-year investment horizon must be employed. Interim fluctuations should be viewed with the appropriate perspective.
4. All funds invested in cash or cash alternatives will be maintained with a zero to very low risk tolerance in order to keep cash available for payments to state boards, tax obligations and other anticipated expenses. These cash funds may be held outside the discretion of the Professional Fund Manager.
5. Transactions will be executed at a reasonable cost, taking into consideration prevailing market conditions, services and research provided by the executing broker.
6. Permitted investments include:
 - i. Investment portfolios with a risk factor asset mix risk scale higher than a low- to moderate-range of an equivalent measurement.
 - ii. Investment portfolios with an asset mix of no greater than 60% equity/ 40% fixed income.
 - iii. Investment portfolios with a greater than 0.20% Expense ratio.
 - iv. Investment portfolios with a positive average 5-year rate of return.
7. No individual fixed income security shall have an equivalent credit quality below investment grade at the time of purchase, defined as:
 - i. BBB by Standard & Poors for straight bonds and convertibles.
 - ii. Baa3 by Moody's Investor Service for straight bonds and convertibles.

- iii. A1 by Standard & Poors for short term securities.
 - iv. P1 by Moody's Investor Service for short-term securities.
8. The following transactions are prohibited:
 - i. Purchase of non-negotiable securities;
 - ii. Derivatives;
 - iii. Individual high risk or junk bonds, although a diversified Mutual Fund or ETF with such investments may be allowed;
 - iv. Private placements;
 - v. Precious metals;
 - vi. Individual commodities or commodity future contracts;
 - vii. Short sales;
 - viii. Any margin transactions;
 - ix. Straddles;
 - x. Warrants;
 - xi. Options;
 - xii. Leverage or letter stock.

IX. DIVERSIFICATION

1. The IMLCC shall maintain a reasonable diversification of investment assets between asset classes and investment categories at all times.
2. Individual investments in company shares of any one company shall not exceed 5% of the portfolio nor shall the total securities position (fixed income and equity) in any one company exceed 10% of the portfolio.
3. Reasonable asset sector allocation targets for professionally managed investments shall be maintained. No more than 25% of the entire portfolio may be invested in the securities of any one industry sector.
4. Investments within the managed portfolio should be readily marketable under the Professional Fund Manager's trading platform.
5. The investment portfolio may not be a blind pool; each investment must be available for review.

X. ASSET ALLOCATION

1. The asset allocation policy will be predicated on the following factors:
 - i. Historical performance of capital markets adjusted for the perception of the future short- and long-term capital market performance;
 - ii. The correlation of returns among the relevant asset classes;
 - iii. The perception of future economic conditions, including inflation and interest rate assumptions;
 - iv. Liquidity requirements for the projected grants and other charitable expenditures; and
 - v. The relationship between the current and projected assets of the IMLCC and projected liabilities.

**RULES, BYLAWS, AND
POLICY CHANGE SUMMARY**

2. Rebalancing will be done at least on an annual basis or more frequently as advised and recommended by the Professional Fund Manager.
3. Targeted Allocation Range:

TARGET ALLOCATION RANGE	TARGET	RANGE LIMITS
Cash & Equivalents	15%	10 - 100%
Fixed Income	45%	20 - 60 %
Equities: Domestic Large Cap	20%	15 - 50%
Equities: Domestic Small/Mid Cap	15%	0 - 20%
Equities: International	5%	0 - 15%

XI. PERFORMANCE

Performance objectives are to be measured by the IMLCC met on a net of fees basis. The investment performance of each asset allocation class will be measured on two levels: First, against inflation objectives for the IMLCC and Second, against index objectives for individual portfolio components. Investment performance shall be measured no less than quarterly on a net of fees basis. Performance shall be evaluated on a three-to-five-year basis to allow for market fluctuations and volatility

XII. RESPONSIBILITY

The Treasurer shall be responsible for administering this policy and ensuring that this policy is current, compliant with all statutory requirements and case law, and consistent with other applicable standards. The Treasurer may delegate administration and maintenance of this policy to the Executive Director. This policy shall be reviewed by the IMLCC Budget Committee and must be renewed prior to the start of each fiscal year.

The mission of the Compact is to increase access to health care — particularly for patients in underserved or rural areas.





**Interstate
Medical Licensure
Compact**

www.imlcc.org

Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 2 – Additional FTEs (Investigations)

DESCRIPTION:

This budget justification outlines the necessity for a combination of one time and ongoing funding of \$413,284 to recruit and employ new staff dedicated to processing and investigating complaints. This strategic investment will expedite the investigation process, improve agency timelines, and better public protection, ultimately contributing to improved patient care and operational efficiency. The Auditor General’s Office strongly recommends that all complaints be fully investigated and adjudicated within 180 days from receipt. While the Board strives to meet this goal, a lack of resources and personnel continue to contribute to longer than desired investigation timelines. Additionally, in recent years, case complexity has drastically increased. The Board requires experts in the field to provide specialized knowledge related to the standard of care.

The Arizona Board of Osteopathic Examiners (“Board”) plays a crucial role in Arizona’s effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We actively work to build strong connections with Arizona’s existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state’s licensing and physician oversight processes, so they are ready to join the workforce when they complete their degrees.

The Board is a public protection agency and is an avenue for members of the public to ensure that their physician is qualified and trained. The Board is also an avenue for members of the public to request the Board review and adjudicate complaints or improper treatment, misdiagnosis, and malpractice among other things. The Board’s role is to regulate osteopathic physicians that may be a danger to the health, safety and welfare of the public.

The Board’s responsive practices are in danger due to limited resources. With the growing number of licensed physicians the number of complaints grows in equal measure. Every member

of the Board’s staff contributes as much as possible to shoulder the increases in investigations, but the rapid and steady growth demands additional resources in order to prevent slower response times or delays in the investigative process.

The Board must balance public protection while ensuring that physicians are afforded their due process rights. Often times this can cause delays or even backlogs without adequate resources to continue the investigation timely.

PROPOSED SOLUTION:

The Board needs approval for an additional 3 FTE positions to meet the growing demand for investigations of osteopathic professionals – a demand that will continue as our licensee population increases.

This additional position will ensure that we continue the progress we have made. It will protect our ability to provide adjudication decisions quickly, so regulation is not a barrier to the practice of high-quality medical care in Arizona, and it will enable us to respond to physicians, medical professionals, and medical students who need our services to build their future here.

To achieve this solution, we request an additional full time Medical Investigator, an additional full time Complaint Intake Coordinator, and an additional full time Internal Medical Consultant.

Medical Investigator - AUN09058

Personnel Services (Ongoing) - 6000	\$55,000.00
ERE (Ongoing) - 6100	\$26,053.00
Other Operating Expenses (Ongoing) - 7000	\$1,500.00
Equipment (One-Time) - 8400	\$5,000.00
Total Ongoing Request	\$82,523.00
Total One-Time Request	\$5,000.00
Total Request	\$87,553.00

Complaint Intake Coordinator (Administrative Assistant III) - AUN01152

Personnel Services (Ongoing) - 6000	\$50,000.00
ERE (Ongoing) - 6100	\$24,930.00
Other Operating Expenses (Ongoing) - 7000	\$1,500.00
Equipment (One-Time) - 8400	\$5,000.00
Total Ongoing Request	\$76,430.00

Total One-Time Request	\$5,000.00
Total Request	\$81,430.00

Internal Medical Consultant (Physician) - AUN06678

Personnel Services (Ongoing) - 6000	\$183,000.00
ERE (Ongoing) - 6100	\$54,801.00
Other Operating Expenses (Ongoing) - 7000	\$1,500.00
Equipment (One-Time) - 8400	\$5,000.00
Total Ongoing Request	\$239,301.00
Total One-Time Request	\$5,000.00
Total Request	\$244,301.00

UNSUCCESSFUL OPTIONS:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide. As an alternative, we frequently use outside medical consultants for cases, however these OMCs provide this service almost as a volunteer. As such, it may be difficult to recruit outside medical consultants or have them complete cases timely. Dedicated internal staff to process and investigate complaints provides a timely option.

We cannot rely on temporary assistance or a one-time fix.

The Board has turned to temporary help to fill the immediate needs in our investigations program, but the increased demand for investigations is not temporary and this is not a cost-effective long-term solution. Arizona’s successful osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry that protects the public.

We do not have existing staff resources to shift to this priority.

The Board has already adjusted every job responsibility and implemented every possible step toward efficiency. We need another team member to support the dedicated effort our current staff is already providing.

IMPACT OF NOT FUNDING:

The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Our team needs additional staff, so we do not lose efficient and customer service-focused practices as the demand exponentially increases. These additional team members aid in the quick resolution of complaints and help keep the agency within the Auditor General's recommended timeline of 180 days.

AGENCY MISSION OR GOALS:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.

Impact on historically underserved, marginalized, or adversely affected groups:

Historically underserved groups often face barriers to accessing healthcare due to factors like geographical location, socioeconomic status, language barriers, and cultural differences. With more physicians available, there is a higher likelihood of establishing medical facilities and services in these communities, leading to better access to essential medical care. Health disparities arise due to unequal access to healthcare resources, resulting in poorer health outcomes for marginalized communities. These groups deserve equal protection in the State of Arizona. The Board will utilize these resources to ensure public protection for all citizens and ensure that they have a voice in their healthcare decisions and an avenue to address patient safety concerns as well as poor outcomes.

How has feedback been incorporated from groups directly impacted by proposal:

Additional staff person means that constituents can receive personalized attention and assistance. Employees have more time to address individual needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology, but often what is best is hiring additional staff. Additional staff members ensure that constituents' needs are addressed in a timely manner and prevents delays in complaint investigation.

Description of how this furthers the Governor's priorities:

This request aligned with the Governor's priority of **Expanding Access to Health Care**. With the funding of this proposal the Board is better equipped to continue its mission to protect the public. Health providers with actions are able to investigate quicker, receive adjudication timely, and if needed the Board can take remediation action. Arizona deserves Health Care professionals that are fully vetted and who practice safely.

Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 3 – State Employee Salary Increases

DESCRIPTION:

The purpose of this budget justification is to propose a salary increase for all employees within our office, consisting of 10 dedicated team members. This proposal is based on careful analysis and comprehensive review of our current compensation structure, market trends, and the need for talent retention and attraction to our agency.

The Board of Osteopathic Examiners requests an ongoing increase of \$31,700 in Personal Services and \$22,100 in Employee Related Expenses for a representative increase of 5% for employee salaries.

The State has witnessed a significant shift in compensation standards over the past few years. Market analysis reveals that our current salary structure places us below the average compensation levels for similar roles within our region. In order to remain competitive and retain skilled employees, it is imperative that we adjust our compensation packages to align with market rates. This will also ensure that we can attract new talent with the necessary skills to drive our agency's operations.

The success of our small office relies heavily on the expertise and dedication of our team members. High turnover rates due to uncompetitive compensation packages can disrupt operations, hinder productivity, and incur recruitment and training costs. By offering a salary increase, we demonstrate our commitment to the well-being of our employees, reinforcing their loyalty and motivation. Furthermore, an enhanced compensation package will position us as an appealing employer, facilitating the attraction of top-tier candidates for any future job openings.

In 2023, current inflation rates are exerting a noticeable impact on employee salaries across various industries and sectors. Our agency notes, the Real Income Erosion of our employees in that state employee salaries are consistently outpaced by rising inflation, yet our staff continues to show up for work ready to fulfill the mission of the agency and ensure protection of the public.

Our agency also notes the potential equity concerns associated with inflation in that it affects different socioeconomic groups differently. Lower-wage employees may feel the impact more acutely, leading to potential disparities in the overall financial well-being of the workforce. Ensuring fair and equitable salary adjustments becomes crucial to mitigate these disparities. Since the salary increase provided by the legislature in July of 2022, year of year inflation was up 4.4%. as noted by the Consumer Price Index.

Currently more than half of our employees receive a salary below the classification of “low income” by the U.S. Department of HUD 2023-2024 Housing Income Limits and qualify for Public Housing in Maricopa County.

The proposed salary increase will have a positive impact on our budget in the long term. While there will be an initial upfront cost to implement the salary adjustments, the benefits in terms of improved employee morale, reduced turnover costs, and increased productivity will outweigh these initial expenses. The enhanced compensation will also foster a sense of financial security among employees, potentially leading to increased engagement and commitment to their roles.

The goals of our organization include public protection, operational efficiency, and a commitment to excellence. An investment in our employees through a well-deserved salary increase aligns directly with these objectives. Higher job satisfaction resulting from competitive compensation will lead to increased productivity, improved service quality, and ultimately, the achievement of our strategic goals.

In line with the practices of state and federal agencies, our proposal seeks to ensure fair and equitable compensation for our team members. Just as these agencies recognize the value of competitive wages in attracting and retaining skilled professionals, we too must adopt a similar approach to ensure the continued success of our agency.

Based on the evidence presented above, we strongly recommend the approval of the proposed salary increase for all employees within our small office. This investment in our team members aligns with industry trends, fosters talent retention and attraction, and supports the achievement of our organizational goals. The long-term benefits in terms of improved employee morale, reduced turnover costs, and enhanced operational efficiency make this proposal a sound financial decision.

PROPOSED SOLUTION:

To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$31,700 in Personal Services (6000) and \$22,100 (6100) in Employee Related Expenses from the Osteopathic Examiners Board Fund (OS2048) each year.

ALTERNATIVES CONSIDERED:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide. We cannot restrict or limit access to our organization and cannot reduce our services to the public.

The Board has provided alternatives to increase employee retention as well fight income erosion. Staff is eligible for remote work options as well as flexible schedules. However, this alone is not

enough in the current market environment. We cannot rely on temporary assistance or a one-time fix.

IMPACT OF NOT FUNDING:

If the agency is unable to at least come close to market salaries, we are at risk of attrition, high turnover, and increased costs associated with training new and under-experienced staff.

IMPACT ON HISTORICALLY UNDERSERVED, MARGINALIZED, OR ADVERSELY AFFECTED GROUPS:

Salary increases can help narrow the income gap between different social and economic groups. Higher salaries provide a safety net against unexpected expenses, reducing the risk of falling into debt or facing hardships due to a lack of financial resources.

Feedback from groups directly impacted by the proposal:

Staff directly impacted by the proposal are strongly supportive of the salary increase as it provides a large benefit to their daily lives. This increase will not cause the agency to raise fees nor will develop increased burdens for our licensee and applicant population.

ALIGNMENT WITH THE AGENCY MISSION AND GOALS:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

DESCRIPTION OF HOW THIS FURTHERS THE GOVERNOR’S PRIORITIES:

This request continues to ensure that our agency retains skilled and excellent employees that contribute to **Government that works**. Our employees strive to go above and beyond for the citizens of Arizona and a competitive salary fosters customer service and rewards them for their hard work. Providing our employees with a wage that helps them thrive in the current economic climate as noted by the Governor’s **Health and Welfare** priority. This proposal continues to lift up our employees and address rising housing prices and everyday expenses.

U.S. DEPARTMENT OF HUD
STATE:ARIZONA

----- 2023 ADJUSTED HOME, CDBG, State HTF, NSP INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Coconino County, AZ MSA								
30% LIMITS	19100	21800	24550	27250	29450	31650	33800	36000
VERY LOW INCOME	31850	36400	40950	45450	49100	52750	56400	60000
60% LIMITS	38220	43680	49140	54540	58920	63300	67680	72000
LOW INCOME	50900	58200	65450	72700	78550	84350	90150	96000
Mohave County, AZ MSA								
30% LIMITS	13800	15800	17750	19700	21300	22900	24450	26050
VERY LOW INCOME	23000	26300	29600	32850	35500	38150	40750	43400
60% LIMITS	27600	31560	35520	39420	42600	45780	48900	52080
LOW INCOME	36800	42050	47300	52550	56800	61000	65200	69400
Maricopa / Pinal Counties, AZ MSA								
30% LIMITS	19650	22450	25250	28050	30300	32550	34800	37050
VERY LOW INCOME	32750	37400	42100	46750	50500	54250	58000	61750
60% LIMITS	39300	44880	50520	56100	60600	65100	69600	74100
LOW INCOME	52400	59850	67350	74800	80800	86800	92800	98750
Yavapai County, AZ MSA								
30% LIMITS	15900	18150	20400	22650	24500	26300	28100	29900
VERY LOW INCOME	26450	30200	34000	37750	40800	43800	46850	49850
60% LIMITS	31740	36240	40800	45300	48960	52560	56220	59820
LOW INCOME	42300	48350	54400	60400	65250	70100	74900	79750
Cochise County, AZ MSA								
30% LIMITS	14350	16400	18450	20500	22150	23800	25450	27100
VERY LOW INCOME	23950	27350	30750	34150	36900	39650	42350	45100
60% LIMITS	28740	32820	36900	40980	44280	47580	50820	54120
LOW INCOME	38300	43750	49200	54650	59050	63400	67800	72150
Pima County, AZ MSA								
30% LIMITS	17050	19500	21950	24350	26300	28250	30200	32150
VERY LOW INCOME	28450	32500	36550	40600	43850	47100	50350	53600
60% LIMITS	34140	39000	43860	48720	52620	56520	60420	64320
LOW INCOME	45500	52000	58500	64950	70150	75350	80550	85750
Yuma County, AZ MSA								
30% LIMITS	12750	14550	16350	18150	19650	21100	22550	24000
VERY LOW INCOME	21200	24200	27250	30250	32700	35100	37550	39950
60% LIMITS	25440	29040	32700	36300	39240	42120	45060	47940
LOW INCOME	33900	38750	43600	48400	52300	56150	60050	63900

U.S. DEPARTMENT OF HUD
STATE:ARIZONA

----- 2023 ADJUSTED HOME, CDBG, State HTF, NSP INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Apache County, AZ								
30% LIMITS	12350	14100	15850	17600	19050	20450	21850	23250
VERY LOW INCOME	20550	23450	26400	29300	31650	34000	36350	38700
60% LIMITS	24660	28140	31680	35160	37980	40800	43620	46440
LOW INCOME	32850	37550	42250	46900	50700	54450	58200	61950
Gila County, AZ								
30% LIMITS	13400	15300	17200	19100	20650	22200	23700	25250
VERY LOW INCOME	22300	25500	28700	31850	34400	36950	39500	42050
60% LIMITS	26760	30600	34440	38220	41280	44340	47400	50460
LOW INCOME	35700	40800	45900	50950	55050	59150	63200	67300
Graham County, AZ								
30% LIMITS	14700	16800	18900	21000	22700	24400	26050	27750
VERY LOW INCOME	24500	28000	31500	35000	37800	40600	43400	46200
60% LIMITS	29400	33600	37800	42000	45360	48720	52080	55440
LOW INCOME	39200	44800	50400	56000	60500	65000	69450	73950
Greenlee County, AZ								
30% LIMITS	15950	18200	20500	22750	24600	26400	28250	30050
VERY LOW INCOME	26600	30400	34200	37950	41000	44050	47100	50100
60% LIMITS	31920	36480	41040	45540	49200	52860	56520	60120
LOW INCOME	42500	48600	54650	60700	65600	70450	75300	80150
La Paz County, AZ								
30% LIMITS	13100	14950	16800	18650	20150	21650	23150	24650
VERY LOW INCOME	21750	24850	27950	31050	33550	36050	38550	41000
60% LIMITS	26100	29820	33540	37260	40260	43260	46260	49200
LOW INCOME	34800	39800	44750	49700	53700	57700	61650	65650
Navajo County, AZ								
30% LIMITS	12350	14100	15850	17600	19050	20450	21850	23250
VERY LOW INCOME	20550	23450	26400	29300	31650	34000	36350	38700
60% LIMITS	24660	28140	31680	35160	37980	40800	43620	46440
LOW INCOME	32850	37550	42250	46900	50700	54450	58200	61950
Santa Cruz County, AZ								
30% LIMITS	12350	14100	15850	17600	19050	20450	21850	23250
VERY LOW INCOME	20550	23450	26400	29300	31650	34000	36350	38700
60% LIMITS	24660	28140	31680	35160	37980	40800	43620	46440
LOW INCOME	32850	37550	42250	46900	50700	54450	58200	61950

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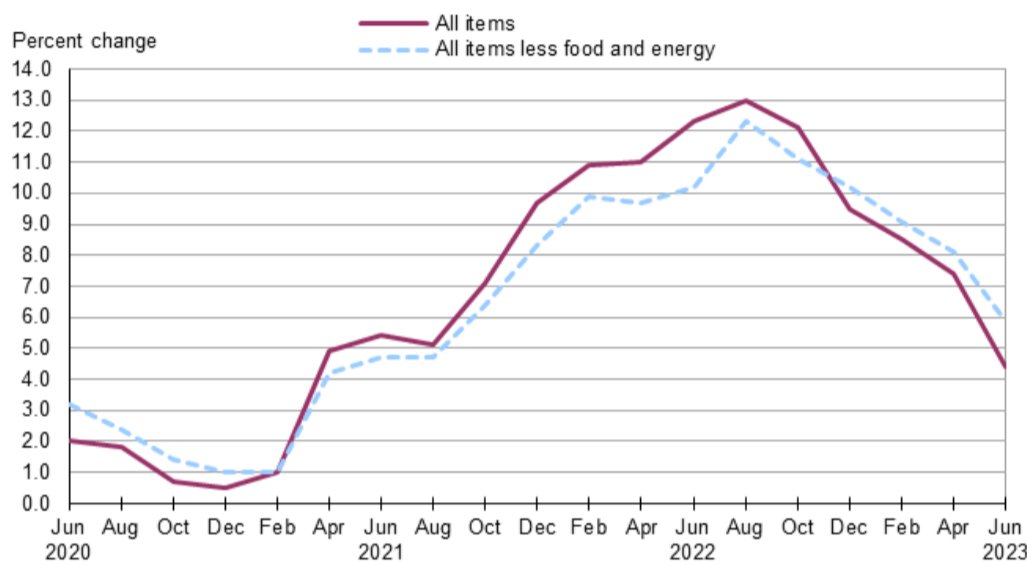
Consumer Price Index, Phoenix area — June 2023

Area prices were up 0.2 percent over the past two months, up 4.4 percent from a year ago

Prices in the Phoenix area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.2 percent for the two months ending in June 2023, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#)) Regional Commissioner Chris Rosenlund noted that the June increase was influenced by higher prices for shelter. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 4.4 percent. (See [chart 1](#) and [table A.](#)) Food prices advanced 6.8 percent. Energy prices decreased 12.0 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy increased 5.9 percent over the year. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Phoenix-Mesa-Scottsdale, AZ, June 2020–June 2023



Source: U.S. Bureau of Labor Statistics.

[View Chart Data](#)

Food

Food prices advanced 0.7 percent for the two months ending in June. (See [table 1.](#)) Prices for food at home were unchanged, with higher prices for fruits and vegetables (4.5 percent) being offset by lower prices for dairy and related products (-4.4 percent) and meats, poultry, fish, and eggs (-1.8 percent). Prices for food away from home rose 1.8 percent for the same period.

Over the year, food prices advanced 6.8 percent. Prices for food at home advanced 4.9 percent since a year ago, led by higher prices for cereals and bakery products (17.5 percent). Prices for food away from home rose 9.8 percent.

Energy

The energy index was unchanged for the two months ending in June. Higher prices for electricity (13.8 percent) and natural gas service (2.9 percent) were offset by lower prices for gasoline (-8.3 percent).

Energy prices decreased 12.0 percent over the year, largely due to lower prices for gasoline (-20.7 percent). Prices paid for natural gas service increased 9.0 percent, while prices for electricity were unchanged during the past year.

All items less food and energy

The index for all items less food and energy advanced 0.2 percent in the latest two-month period. Higher prices for new and used motor vehicles (2.2 percent) and shelter (1.5 percent) were partially offset by lower prices for recreation (-4.8 percent) and education and communication (-1.8 percent).

Over the year, the index for all items less food and energy increased 5.9 percent. Components contributing to the increase included shelter (12.1 percent) and medical care (6.9 percent). Partly offsetting the increases were price decreases in used cars and trucks (-7.6 percent) and recreation (-2.4 percent).

Table A. Phoenix-Mesa-Scottsdale, AZ, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2019		2020		2021		2022		2023	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
February	-0.3	2.1	0.6	4.4	1.0	1.0	2.1	10.9	1.2	8.5
April	1.4	2.3	-1.4	1.5	2.4	4.9	2.5	11.0	1.5	7.4
June	1.0	2.2	1.5	2.0	1.9	5.4	3.1	12.3	0.2	4.4
August	0.5	3.0	0.4	1.8	0.2	5.1	0.8	13.0		
October	1.4	3.8	0.3	0.7	2.2	7.1	1.4	12.1		
December	-0.6	3.4	-0.8	0.5	1.7	9.7	-0.7	9.5		

News Release Information

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Related Links

[CPI historical databases](#)

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 93 percent of the total U.S. population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 29 percent of the total U.S. population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 6,000 housing units and approximately 22,000 retail establishments—department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date; for most of the CPI-U the reference base is 1982-84 equals 100. An increase of 7 percent from the reference base, for example, is shown as 107.000. Alternatively, that relationship can also be expressed as the price of a base period market basket of goods and services rising from \$100 to \$107. For further details see the CPI home page on the internet at www.bls.gov/cpi and the CPI section of the BLS Handbook of Methods available on the internet at www.bls.gov/opub/hom/cpi/.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Phoenix-Mesa-Scottsdale metropolitan area covered in this release consists of Maricopa and Pinal Counties in the State of Arizona.

Information in this release will be made available to individuals with sensory impairments upon request. Voice phone: 202-691-5200; Telecommunications Relay Service: 7-1-1.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted)

Item and Group	Indexes				Percent change from-		
	Historical data	Apr. 2023	May 2023	Jun. 2023	Jun. 2022	Apr. 2023	May 2023
Expenditure category							
All items		179.824	-	180.251	4.4	0.2	-
Food and beverages		182.791	-	184.116	6.6	0.7	-
Food		185.594	-	186.953	6.8	0.7	-
Food at home		180.876	182.349	180.963	4.9	0.0	-0.8
Cereals and bakery products		241.359	234.255	245.941	17.5	1.9	5.0
Meats, poultry, fish, and eggs		211.352	211.780	207.565	-6.2	-1.8	-2.0
Dairy and related products		148.621	150.613	142.073	-4.3	-4.4	-5.7
Fruits and vegetables		152.138	160.054	158.970	9.8	4.5	-0.7
Nonalcoholic beverages and beverage materials		142.177	140.613	138.533	8.4	-2.6	-1.5
Other food at home		180.655	182.282	180.897	7.2	0.1	-0.8
Food away from home		194.899	-	198.414	9.8	1.8	-
Alcoholic beverages		152.344	-	153.294	2.6	0.6	-
Housing		200.779	-	204.550	9.9	1.9	-
Shelter		217.612	219.494	220.868	12.1	1.5	0.6
Rent of primary residence		229.551	231.021	232.429	13.2	1.3	0.6
Owners' equiv. rent of residences		213.581	214.522	215.820	11.6	1.0	0.6
Owners' equiv. rent of primary residence		213.581	214.522	215.820	11.6	1.0	0.6
Fuels and utilities		184.025	-	200.469	1.8	8.9	-
Household energy		178.544	201.180	200.933	1.0	12.5	-0.1
Energy services		178.062	201.095	200.835	1.4	12.8	-0.1
Electricity		184.524	210.263	209.974	0.0	13.8	-0.1
Utility (piped) gas service		148.631	152.954	152.886	9.0	2.9	0.0
Household furnishings and operations		117.762	-	117.488	1.1	-0.2	-
Apparel		143.715	-	142.762	-1.5	-0.7	-
Transportation		163.849	-	158.932	-6.2	-3.0	-
Private transportation		168.133	-	164.335	-5.9	-2.3	-
New and used motor vehicles		112.136	-	114.580	-2.8	2.2	-
New vehicles		113.304	-	113.433	2.0	0.1	-
Used cars and trucks		115.111	-	120.271	-7.6	4.5	-

Footnotes

(1) Special index based on a substantially smaller sample.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.

Item and Group	Indexes				Percent change from-		
	Historical data	Apr. 2023	May 2023	Jun. 2023	Jun. 2022	Apr. 2023	May 2023
Motor fuel		401.995	413.246	368.713	-20.5	-8.3	-10.8
Gasoline (all types)		401.145	412.686	368.027	-20.7	-8.3	-10.8
Gasoline, unleaded regular ⁽¹⁾		406.684	418.501	371.885	-21.2	-8.6	-11.1
Gasoline, unleaded midgrade ⁽¹⁾		411.348	423.200	379.947	-19.6	-7.6	-10.2
Gasoline, unleaded premium ⁽¹⁾		385.977	396.635	358.645	-18.6	-7.1	-9.6
Medical care		221.638	-	222.466	6.9	0.4	-
Recreation		126.189	-	120.194	-2.4	-4.8	-
Education and communication		117.909	-	115.748	-1.8	-1.8	-
Tuition, other school fees, and child care		223.710	-	223.840	-	0.1	-
Other goods and services		171.197	-	169.811	2.1	-0.8	-
Commodity and service group							
All items		179.824	-	180.251	4.4	0.2	-
Commodities		150.075	-	149.474	-1.4	-0.4	-
Commodities less food & beverages		133.599	-	132.142	-5.4	-1.1	-
Nondurables less food & beverages		187.606	-	183.124	-8.6	-2.4	-
Durables		90.756	-	91.083	-3.0	0.4	-
Services		200.612	-	201.842	8.0	0.6	-
Special aggregate indexes							
All items less medical care		177.608	-	178.011	4.2	0.2	-
All items less shelter		160.940	-	159.960	-0.2	-0.6	-
Commodities less food		134.429	-	133.053	-5.2	-1.0	-
Nondurables		185.554	-	184.228	-0.9	-0.7	-
Nondurables less food		184.825	-	180.809	-8.0	-2.2	-
Services less rent of shelter		177.991	-	176.319	1.5	-0.9	-
Services less medical care services		198.713	-	200.243	8.2	0.8	-
Energy		279.301	298.106	279.333	-12.0	0.0	-6.3
All items less energy		174.515	-	174.957	6.0	0.3	-
All items less food and energy		172.721	-	173.023	5.9	0.2	-
Footnotes							
(1) Special index based on a substantially smaller sample.							
- Data not available							
NOTE: Index applies to a month as a whole, not to any specific date.							

Last Modified Date: Wednesday, July 12, 2023

U.S. BUREAU OF LABOR STATISTICS Western Information Office Attn: EA & I, 90 Seventh Street Suite 14-100 San Francisco, CA 94103-6715

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Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 4 – Thentia Portal Enhancements

DESCRIPTION:

This budget justification outlines the necessity for a one time increase of \$15,000 and ongoing funding of \$5,000 in Professional and Outside Services for enhancements to our customized database system as well as the increased number of licensees that access the database. This investment is aimed at improving the efficiency, functionality, and overall effectiveness of our database, which serves as a critical foundation for our daily operations. The proposed enhancements will empower our team to work more efficiently, make informed decisions, and achieve higher levels of productivity.

In the last Fiscal Year the Governor’s Office and the Legislature directed our agency to implement a more modern licensing database. This has been implemented and our new customized database has played a pivotal role in streamlining our workflows and managing our data effectively. However, as our agency continues to evolve, the licensee population continues to grow, and as our staff discovers new ways the system can be innovated to create efficiencies, it has become evident that specific enhancements are required to address emerging challenges and capitalize on new opportunities. The proposed enhancements encompass the following key areas:

1. **Functionality Expansion:** The enhancements will enable us to introduce new features and functionalities that align with our evolving business needs. This includes improved data visualization, advanced reporting capabilities, and streamlined data entry processes.
2. **Data Integrity and Security:** Strengthened data integrity measures will be implemented to ensure accurate and reliable information. This includes enhanced data validation rules, encryption protocols, and access controls to safeguard sensitive information.
3. **User Experience Improvement:** The user interface will undergo enhancements to improve usability, making it more intuitive and user-friendly. This will reduce the learning curve for new team members and boost overall efficiency.
4. **Integration Capabilities:** The enhanced database will possess improved integration capabilities, allowing seamless interaction with other software systems. This will foster a more interconnected and efficient technology ecosystem within our agency and the state overall. Agencies like AHCCCS and AZDHS frequently request information that can be provided through an application programming interface that can be developed to reduce delays in processing their requests.

5. Updates related to statutory changes: In the last legislative session, the Board received a few legislative mandates that require changes to our database. One such change is related to SB1602 related to the Regulation of Osteopathic Physicians working in Dental Sedation Clinics. This legislation updated A.R.S.§32-1803 and added §32-1855.02. This requires the Board to register osteopathic physicians to provide anesthesia in dental sedation clinics, share information with the Arizona Dental Board, and provide a reporting mechanism for adverse patient outcomes related to dental sedation. These changes will need to be implemented in our database.

Impact on Operations:

The proposed enhancements will yield substantial benefits for our agency's operations:

1. Efficiency Gains: Improved functionalities will lead to streamlined processes, reducing manual work and enabling our team to focus on higher-value tasks and provide better and individualized customer service.
2. Enhanced Decision-Making: Advanced reporting and data visualization will provide executive leadership with valuable insights, aiding informed decision-making as well as advanced reporting for the public.
3. Reduced Errors: Enhanced data validation mechanisms will minimize errors and ensure the accuracy of our records and reports.
4. Time Savings: User-friendly interfaces and streamlined data entry processes will save time for the licensees, constituents, and employees, all while enhancing productivity.
5. Adaptability: The integration capabilities will facilitate adaptation to future technology changes and allow us to remain efficient in a rapidly evolving landscape.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a

long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The proposed enhancements to our customized database represent a strategic investment in our agency's operational efficiency, data integrity, and future adaptability. The benefits gained from this one-time funding allocation of \$15,000 significantly outweigh the initial investment. The enhanced capabilities will empower our team, improve decision-making processes, and foster a technology ecosystem that aligns with our growth trajectory. We seek the approval of executive leadership for this funding to drive the next phase of our agency's success.

Additionally, as stated the number of licensed osteopathic physicians continues to grow in Arizona. Our database operates on a per license cost. The ongoing increase of \$5,000 will cover the increased cost associated with the additional licensees maintained in the database.

The Arizona Board of Osteopathic Examiners plays a crucial role in Arizona's effort to streamline licensing processes and reduce unnecessary regulations. We are responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care.

We meet the goals of the Arizona Management System, training our employees to view every responsibility as a chance to provide outstanding customer service and remove barriers for those who want to offer high-quality medical care across the state.

We have adapted our processes to offer a highly responsive licensing service, and our average licensing timeframe has decreased by almost 350% from 120 days to 35 days.

We actively work to build strong connections with Arizona's existing and future osteopathic physicians. We invite approximately 65 medical students to participate in each of our Board meetings as part of our outreach to future physicians we hope will choose to stay in Arizona. We help demystify the state's licensing and physician oversight processes, so they are ready to join the workforce when they complete their degrees.

Based on the evidence presented above, we strongly recommend the approval of the proposed one time increase of \$15,000 and ongoing funding of \$5,000 in Professional and Outside Services for enhancements to our customized database system

PROPOSED SOLUTION:

To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$5,000 in ongoing funding and an increase of \$15,000 in one-time funding in Professional and Outside Services (6200) from the Osteopathic Examiners Board Fund (OS2048) each year.

ALTERNATIVES CONSIDERED:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide.

IMPACT OF NOT FUNDING:

The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize the new database that will provide efficiencies and increased services to our constituents.

IMPACT ON HISTORICALLY UNDERSERVED, MARGINALIZED, OR ADVERSELY AFFECTED GROUPS:

A user-friendly and well-organized public-facing interface provides easy access to information and resources. Historically underserved groups often face barriers in accessing services. When marginalized groups have access to accurate and comprehensive information, they are empowered to make informed decisions about their rights, opportunities, and services available to them. An improved database and interface contribute to their inclusion in societal matters and decision-making processes. An improved interface can be designed with cultural sensitivity in mind, recognizing the diversity within historically underserved groups. This includes considerations for language preferences, cultural norms, and accessibility needs, ensuring that the interface is genuinely inclusive.

Feedback from groups directly impacted by the proposal:

With improved automation and technology enhancements, our staff have more time to address individual constituent needs and provide a higher level of service. This leads to a more positive customer experience, fostering trust and loyalty towards the Agency. Our constituents want more hands-on and faster service. We are taking this feedback and exploring every possible option to innovate and expedite our processes through technology.

ALIGNMENT WITH THE AGENCY MISSION AND GOALS:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal: Provide an enhanced database for licensee and constituent access as well as improve customer service responsiveness and maintain efficiencies found within

the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

DESCRIPTION OF HOW THIS FURTHERS THE GOVERNOR’S PRIORITIES:

This request continues to ensure that our agency is **Government that works**. Our technology should be modern, easy to use, and efficient. It should reduce barriers for constituents and be a source of trusted information.

Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 5 – National Practitioner Data Bank (NPDB) Enrollment

DESCRIPTION:

The Arizona Board of Osteopathic Examiners is responsible for oversight of medical physicians who practice osteopathic medicine – a growing field that emphasizes hands-on diagnosis and treatment in medical care. The Board requests an on-going increase of \$15,000 in Professional and Outside Services to facilitate enrolling all licensees in on-going querying of the National Practitioner Database for information related to physician conduct and malpractice payments. By establishing a consistent and comprehensive approach to monitoring the professional history of physicians, we aim to uphold patient safety, ensure high standards of care, and mitigate potential risks associated with medical malpractice.

The proposed ongoing funding is crucial to maintain a systematic and up-to-date mechanism for accessing information about physician conduct and malpractice payments. The National Practitioner Database serves as a vital resource for insights into the professional history of physicians, and continuous access to this information is imperative for several reasons:

1. **Patient Safety and Quality of Care:** On-going querying of the database allows us to identify actions of physician conduct that might raise concerns about patient safety or the quality of care provided. This proactive approach ensures that appropriate actions can be taken to address potential risks.
2. **Risk Mitigation:** By staying informed about malpractice payments and any disciplinary actions against physicians, we can mitigate the potential danger to the citizens of Arizona and reduce delays in notification and investigation into medical malpractice claims and physician discipline.
3. **Regulatory Compliance and Timely Intervention:** NPDB requires that our agency report timely any actions taken against our licensee population as well as requires medical malpractice payments, credentialing changes, and physician discipline to be reported by healthcare agencies that maintain oversight of their practitioners' conduct and history. On-going querying of the database demonstrates our commitment to compliance with federal regulations and standards and reduces the chances that an action will go uninvestigated or misreported. By staying informed about any issues related to physician conduct, we can intervene promptly to address concerns, potentially preventing negative outcomes for patients and the agency.

The ongoing funding of \$15,000 to facilitate querying of the National Practitioner Database for physician conduct and malpractice payments is an essential investment in patient safety, risk

mitigation, and regulatory compliance. By maintaining a proactive approach to monitoring the professional history of physicians, we are taking a significant step towards ensuring the standards of care and protecting the public.

The Board's workload is dramatically increasing.

According to the American Osteopathic Association, the number of osteopathic physicians in the United States has increased by 30% in the last five years alone, and quadrupled over the last 30 years. This trend is reflected in Arizona, where the number of new osteopathic physician applications has increased by 34% only in the last five years, and an increase of the overall licensing base has increased by 206% since 2000. Arizona is in the top 10 states for the highest number of licensed osteopathic physicians and accounts for 3% of all licensed osteopathic physicians in the country. Only surpassed by significantly more populated states such as California (8%), Florida (8%), Pennsylvania (8%) New York (6%), Texas (6%), and Illinois (4%),

We predict this trend to continue over the coming years with an estimated 25% increase in the number of applications. Many osteopathic physicians choose to move to Arizona because of its many benefits; others choose to stay here after graduating from osteopathic medical degree programs at A.T. Still University and Midwestern University.

The Board's work will continue to increase as Arizona's medical workforce grows. Last year, one out of every four medical students were studying osteopathic medicine. Healthcare will be a long-term factor in the growth of our population and economy, and we must ensure we are prepared to welcome that workforce without unnecessary delays.

The Board is a public protection agency and is an avenue for members of the public to ensure that their physician is qualified and trained. The Board is also an avenue for members of the public to request the Board review and adjudicate complaints or improper treatment, misdiagnosis, and malpractice among other things. The Board's role is to regulate osteopathic physicians that may be a danger to the health, safety and welfare of the public.

The Board's responsive practices are in danger due to limited resources. With the growing number of licensed physicians the number of complaints grows in equal measure. Every member of the Board's staff contributes as much as possible to shoulder the increases in investigations, but the rapid and steady growth demands additional resources in order to prevent slower response times or delays in the investigative process.

PROPOSED SOLUTION:

To achieve this solution, The Board of Osteopathic Examiners requests the ongoing authority to expend an increase of \$15,000 in Professional and Outside Services (6200) from the Osteopathic Examiners Board Fund (OS2048) each year.

ALTERNATIVES CONSIDERED:

Without additional resources, the Board may not be able to continue to provide the high level of customer service and complaint resolution that we currently have for the public. We have considered all other options, but none will protect the efficiency and service we currently provide.

The alternatives available to the Board are to continue to only enroll an applicant for a one year query beginning at the time of license application. If changes in their NPDB profile occurs after that initial enrollment the Board may not be notified timely causing investigative delays and contributing to longer than average timelines.

IMPACT OF NOT FUNDING:

The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize the NPDB to reduce investigative delays and to continue to protect the public.

IMPACT ON HISTORICALLY UNDERSERVED, MARGINALIZED, OR ADVERSELY AFFECTED GROUPS:

NPDB's information helps the Board identify practitioners with patterns of misconduct or substandard care. This prevents practitioners from moving between states without addressing their issues. As a result, historically underserved groups are less likely to be subjected to subpar care from practitioners with concerning histories and ensures the Board is protecting these groups from potentially harmful interactions.

ALIGNMENT WITH THE AGENCY MISSION AND GOALS:

The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal : Improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.

DESCRIPTION OF HOW THIS FURTHERS THE GOVERNOR’S PRIORITIES:

This request aligned with the Governor's priority of **Expanding Access to Health Care**. With the funding of this proposal the Board is better equipped to continue its mission to protect the public. Health providers with actions are able to investigate quicker, receive adjudication timely, and if needed the Board can take remediation action. Arizona deserves Health Care professionals that are fully vetted and who practice safely.

Arizona Board of Osteopathic Examiners in Medicine and Surgery

FY 2025 Budget Justification

PROGRAM/SUBPROGRAM: Arizona Board of Osteopathic Examiners

ISSUE TITLE: Decision Package 6 – Interagency Service Agreements with the Central Services Bureau and the Attorney General’s Office

DESCRIPTION:

The Arizona Legislature included a salary increase of ten percent to all state employees effective July 7, 2022. The Board current holds an Interagency Service Agreement (ISA) with the Central Services Bureau (CSB), a division of the Department of Administration, that provides accounting and other various shared services to the Board. This decision package addresses the increased costs associated with ISA.

PROPOSED SOLUTION:

The Board needs approval for additional on-going funding to address the increased costs associated with the services provided by CSB and the Attorney General’s Office to the Board.

To achieve this solution, we request on-going funding for the Agency to continue to utilize service from the Central Services Bureau and the Attorney General’s Office. In FY25, the Board is requesting the funding to address the increase costs to the ISAs associated with the State Employee Salary increases that occurred on July 7, 2022.

An increased funding is needed in the amount of \$20,000.00 to address the costs associated with the services Central Services Bureau (CSB) provides to the agency. An increased funding is needed in the amount of \$10,200.00 to address the costs associated with the services of the Attorney General’s Office provides to the agency.

UNSUCCESSFUL OPTIONS:

Without additional resources, the Board will be unable to pay the full cost associated with the services provided by the Central Services Bureau and the Attorney General’s Office. We have considered all other options, but none will protect the efficiency and service we currently provide.

The alternative is for Central Services Bureau and the Attorney General’s office to reduce services which they are required to provide. Arizona’s osteopathic medical workforce needs our ongoing commitment to providing high-quality, responsive service to a growing industry in a manner that protects the public.

IMPACT OF NOT FUNDING:

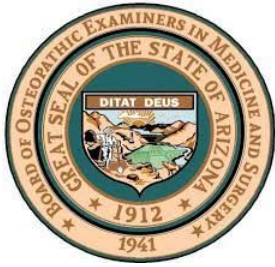
The Board has carefully implemented every possible way to enhance our service and efficiency, following the Arizona Management System. Additional funding allows the Agency to utilize increased services from the Central Services Bureau and keep our administrative costs low.

AGENCY MISSION OR GOALS:

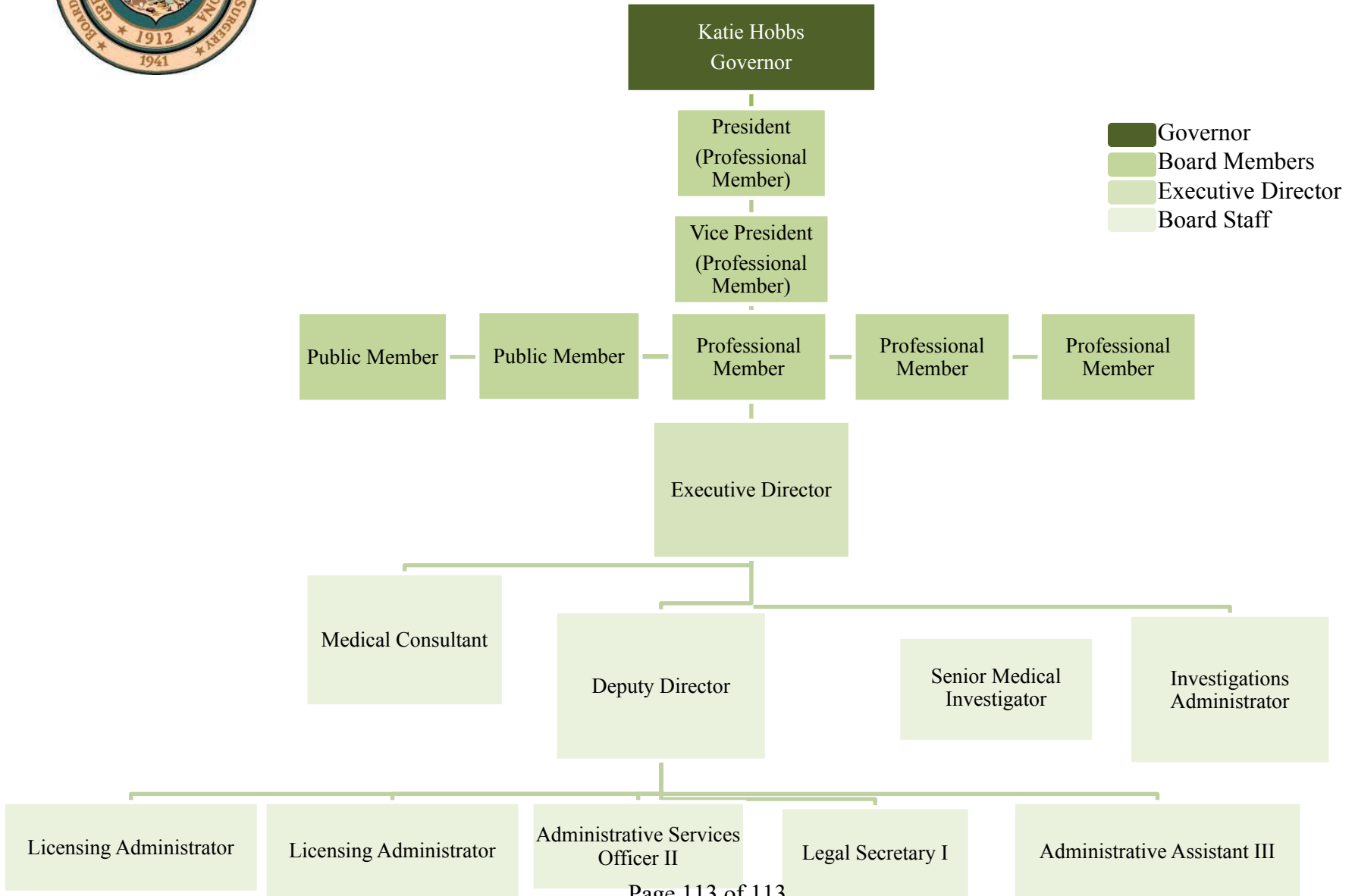
The mission of the Agency is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession.

Goal: Quickly address accounting procedures that minimize costs and eliminate potential financial errors within the agency as well as improve customer service responsiveness and maintain efficiencies found in with the Arizona Management System for the benefit of the Osteopathic Profession and the Citizens of the State of Arizona.

Goal: To investigate complaints in a timely manner.



Arizona Board of Osteopathic Examiners in Medicine and Surgery Organizational Chart



- Governor
- Board Members
- Executive Director
- Board Staff

Agency Summary

Board of Osteopathic Examiners

Justin Bohall, Executive Director

Phone: 6027712522

A.R.S. §§ 32-1800 et seq.

Mission:

The mission of the Board is to protect the public by setting educational and training standards for licensure, and by reviewing complaints made against osteopathic physicians, interns, and residents to ensure that their conduct meets the standards of the profession, as defined in law (A.R.S. § 32-1854)."

Description:

The Board of Osteopathic Examiners regulates Osteopathic Physicians in Arizona. The Board is responsible for the licensure of Osteopathic Physicians and Residents, the enforcement of standards of practice, and the review and adjudication of complaints. The Board protects the public by setting educational and training standards for licensure and by reviewing complaints made against Osteopathic Physicians, interns, and Residents to ensure that their conduct meets the standards of the profession, as defined by A.R.S. § 32-1854.

Agency Summary: (\$ Thousands)

Program	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
► Licensing and Regulation	1,295.4	1,398.6	2,006.2
Agency Total:	1,295.4	1,398.6	2,006.2

Funding:

	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Other Appropriated Funds	1,295.4	1,398.6	2,006.2
Total Funding	1,295.4	1,398.6	2,006.2

FTE Positions	10.0	10.0	14.0
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5 Year Plan

Issue 1 Identifying and resolving pending complaints on a more timely basis.

Description: The Board is continuing to receive a large number of complaints and will need to work to investigate those new complaints as well as existing complaints in a timely manner.

Solutions:

The Board has approved a policy and procedure to streamline the complaints process. The process focuses on internal operations that can be elevated to reduce investigations time. Additionally, staff is restructuring the administrative duties to allow for the Investigator and Medical Consultant to focus on case investigation rather than the administrative items. In FY24, the Agency will hire an additional FTE to assist in the Investigative and Hearings process by aiding in the preparation and organization of documents, legal hearing notices and other administrative items. The Agency is also requested additional funding for the utilization of more Outside Medical Consultants to aid in the adjudication of complaints due to increasing complexity of the cases before the Board. The Board has also implemented a more modern database capable of managing complex investigations and streamlining processes.

Issue 2 Complaints are taking more than 180 days to resolve and the Auditor General has set a guideline of 180 days or less to r

Description: Our goal is to reduce the average number of days to investigate and resolve a complaint to an average of 180 days or less. We recognize that some complaints, due to the difficulty of the case, require further investigation, evaluation or chart review after the Board reviews the matter initially. We are trying to identify these cases before they go to the Board in anticipation of their request. Other factors such as continuances at the request of the licensee can also extend the timeframes for resolving these cases. With the consolidation of many medical offices, plans and hospitals, we are finding it is more difficult to get timely responses to requests for records and subpoenas. This outside delay is affecting our internal process and slowing down our resolution timeframes. On average, we should meet the timeframes. Cases that go for an Investigative Hearing or that are sent to the Office of Administrative Hearings can take a longer period of time to resolve as these cases may result in a revocation or a suspension of greater than 12 months of a license. However, we will continue to strive to timely resolve such cases as quickly as possible. We are offering more Consent Agreements for surrender versus taking the matters to hearing. Again, this is a critical item to our Board as it affects the public and our licensees. When we identify a serious case involving possible immediate danger to the public, the Board addresses these matters on an immediate basis and with possible summary suspensions.

Solutions:

We continue to reduce the outstanding number of complaints and we are receiving a large number of new complaints. We continue to evaluate our processes to determine if there are methods or processes available to us to increase our complaint resolution rate. The Board has established a new policy and procedure for staff to implement. The goal of this policy will be to reduce case load and investigation time drastically. Staff continues to work towards reducing the average timeframe on complaints however due to increased licensing numbers the number of complaints has also increased. Additionally, the complexity of cases has drastically increase requiring additional time to gather evidence and medical records from an already stretched healthcare system. The Agency is requested additional funding to aid in the reduction of investigative timelines. The Board has also implemented a more modern database capable of managing complex investigations and streamlining processes.

Issue 3 Our agency efficiently processes applications while continuing to meet with statute, rule and timeframe requirements. We

Description: The Board strives to make improvements in an processes and policies. Staff has restructured the licensing division and now has two dedicated licensing administrators assisted by a full time staff assistant to process licensing applications.

Solutions:

In July of 2022, The Board launched an online application portal to reduce application delays. The Board plans to migrate to an enhanced database which will allow for the more Applications and processed to be completed online. This will reduce delays in that time-frames and allow for more transparency and more streamlined processes. The Board has recently completed the transition to the enhanced database. Staff notes a general reduction in application time frames including the processing of an application from receipt to issuance in less than calendar 15 days.

Resource Assumptions

	FY 2026 Estimate	FY 2027 Estimate	FY 2028 Estimate
Full-Time Equivalent Positions	14.0	15.0	15.0
General Fund	-	-	-
Other Appropriated Funds	2,006.2	2,086.2	2,086.2
Non-Appropriated Funds	-	-	-

Federal Funds

- - -

◆ **Goal 1** To issue and renew licenses promptly and in an effective manner

Performance Measures	FY 2022 Actual	FY 2023 Estimate	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Number of new and existing licenses	4,409	4,650	4,742	4,950	5,445
Number of applications for new license received (does not include Post Graduate permits or dispensing registrations)	645	650	823	700	800
Number of new licenses issued	644	550	803	600	650
Average days to issue new license	1	3	2	3	3
Percentage of renewals done online vs. paper/ manually	100	99	100	100	100

◆ **Goal 2** To investigate and resolve complaints in a timely manner

Performance Measures	FY 2022 Actual	FY 2023 Estimate	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Complaints received	288	360	271	300	300
Complaints investigated	361	330	251	250	250
Licensees who had disciplinary action taken	15	20	17	20	20
Average calendar days to resolve a complaint	179	180	176	180	180
Average calendar days to investigate a complaint	138	120	123	120	120
Number of complaints closed/resolved	301	330	251	250	250

◆ **Goal 3** To administer the agency efficiently and provide customer service to the public

Performance Measures	FY 2022 Actual	FY 2023 Estimate	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Administration as percent of total cost	4	8	9	9	9
Customer satisfaction rating (1-5)	4	4	5	4	4

Agency 5 Year Plan

OSA Board of Osteopathic Examiners

Issue 1 Identifying and resolving pending complaints on a more timely basis.

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Non-Appropriated Funds	-	-	-
Federal Funds	-	-	-