

State of Arizona  
Senate  
Fifty-second Legislature  
First Regular Session  
2015

# SENATE BILL 1258

AN ACT

AMENDING SECTIONS 32-1405 AND 32-1422, ARIZONA REVISED STATUTES; RELATING TO  
THE ARIZONA MEDICAL BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-1405, Arizona Revised Statutes, is amended to  
3 read:

4 32-1405. Executive director; compensation; duties; appeal to  
5 the board

6 A. Subject to title 41, chapter 4, article 4, the committee on  
7 executive director selection and retention established by section 32-1403  
8 shall appoint an executive director of the board who shall serve at the  
9 pleasure of the committee. The executive director shall not be a board  
10 member, except that the board may authorize the executive director to  
11 represent the board and to vote on behalf of the board at meetings of the  
12 federation of state medical boards of the United States.

13 B. The executive director is eligible to receive compensation set by  
14 the board within the range determined under section 38-611.

15 C. The executive director or the executive director's designee shall:

16 1. Subject to title 41, chapter 4, article 4 and, as applicable,  
17 articles 5 and 6, employ, evaluate, dismiss, discipline and direct  
18 professional, clerical, technical, investigative and administrative personnel  
19 necessary to carry on the work of the board. An investigator shall complete  
20 a nationally recognized investigator training program within one year of date  
21 of hire. Until an investigator completes a training program, the  
22 investigator shall work under the supervision of an investigator who has  
23 completed a training program.

24 2. Set compensation for board employees within the range determined  
25 under section 38-611.

26 3. As directed by the board, prepare and submit recommendations for  
27 amendments to the medical practice act for consideration by the legislature.

28 4. Subject to title 41, chapter 4, article 4, employ medical  
29 consultants and agents necessary to conduct investigations, gather  
30 information and perform those duties the executive director determines are  
31 necessary and appropriate to enforce this chapter.

32 5. Issue licenses, registrations and permits to applicants who meet  
33 the requirements of this chapter.

34 6. Manage the board's offices.

35 7. Prepare minutes, records, reports, registries, directories, books  
36 and newsletters and record all board transactions and orders.

37 8. Collect all monies due and payable to the board.

38 9. Pay all bills for authorized expenditures of the board and its  
39 staff.

40 10. Prepare an annual budget.

41 11. Submit a copy of the budget each year to the governor, the speaker  
42 of the house of representatives and the president of the senate.

43 12. Initiate an investigation if evidence appears to demonstrate that a  
44 physician may be engaged in unprofessional conduct or may be medically  
45 incompetent or mentally or physically unable to safely practice medicine.

1           13. Issue subpoenas if necessary to compel the attendance and testimony  
2 of witnesses and the production of books, records, documents and other  
3 evidence.

4           14. Provide assistance to the attorney general in preparing and sign  
5 and execute disciplinary orders, rehabilitative orders and notices of  
6 hearings as directed by the board.

7           15. Enter into contracts for goods and services pursuant to title 41,  
8 chapter 23 that are necessary to carry out board policies and directives.

9           16. Execute board directives.

10          17. Manage and supervise the operation of the Arizona regulatory board  
11 of physician assistants.

12          18. Issue licenses to physician assistant applicants who meet the  
13 requirements of chapter 25 of this title.

14          19. Represent the board with the federal government, other states or  
15 jurisdictions of the United States, this state, political subdivisions of  
16 this state, the news media and the public.

17          20. On behalf of the Arizona medical board, enter into stipulated  
18 agreements with persons under the jurisdiction of either the Arizona medical  
19 board or the Arizona regulatory board of physician assistants for the  
20 treatment, rehabilitation and monitoring of chemical substance abuse or  
21 misuse.

22          21. Review all complaints filed pursuant to section 32-1451. The  
23 executive director shall submit all medical complaints alleging harm as a  
24 result of patient care to a medical consultant for review. **THE EXECUTIVE  
25 DIRECTOR SHALL SUBMIT TO THE MEDICAL CONSULTANT ONLY THOSE MEDICAL COMPLAINTS  
26 THAT INVOLVE A STANDARD OF CARE ISSUE AND THAT REQUIRE MEDICAL TRAINING AND  
27 EXPERTISE TO DETERMINE WHETHER A VIOLATION HAS OCCURRED.** If delegated by the  
28 board, the executive director may also dismiss a complaint if the complaint  
29 is without merit. The executive director shall not dismiss a complaint if a  
30 court has entered a medical malpractice judgment against a physician. The  
31 executive director shall submit a report of the cases dismissed with the  
32 complaint number, the name of the physician and the investigation timeline to  
33 the board for review at its regular board meetings.

34          22. If delegated by the board, directly refer cases to a formal  
35 hearing.

36          23. If delegated by the board, close cases resolved through mediation.

37          24. If delegated by the board, issue advisory letters.

38          25. If delegated by the board, enter into a consent agreement if there  
39 is evidence of danger to the public health and safety.

40          26. If delegated by the board, grant uncontested requests for inactive  
41 status and cancellation of a license pursuant to sections 32-1431 and  
42 32-1433.

43          27. If delegated by the board, refer cases to the board for a formal  
44 interview.



1 the United States for an act that occurred in that jurisdiction and that  
2 constitutes unprofessional conduct pursuant to this chapter.

3 8. Pay all fees required by the board.

4 9. Complete the application as required by the board.

5 10. Complete a training unit as prescribed by the board relating to the  
6 requirements of this chapter and board rules. The applicant shall submit  
7 proof with the application form of having completed the training unit.

8 11. Have submitted directly to the board, electronically or by hard  
9 copy, verification of the following:

10 (a) Licensure from every state in which the applicant has ever held a  
11 medical license.

12 (b) All hospital affiliations and MEDICAL employment for the five  
13 years preceding application. Each hospital must verify affiliations or  
14 employment on the hospital's official letterhead or the electronic  
15 equivalent. IF THE APPLICANT IS EMPLOYED BY A HOSPITAL OR MEDICAL GROUP OR  
16 ORGANIZATION, THE BOARD SHALL ACCEPT THE VERIFICATIONS REQUIRED UNDER THIS  
17 SUBDIVISION FROM THE APPLICANT'S EMPLOYER.

18 12. Beginning September 2, 2014, have submitted a full set of  
19 fingerprints to the board for the purpose of obtaining a state and federal  
20 criminal records check pursuant to section 41-1750 and Public Law 92-544.  
21 The department of public safety may exchange this fingerprint data with the  
22 federal bureau of investigation.

23 B. The board may require the submission of credentials or other  
24 evidence, written and oral, and make any investigation it deems necessary to  
25 adequately inform itself with respect to an applicant's ability to meet the  
26 requirements prescribed by this section, including a requirement that the  
27 applicant for licensure undergo a physical examination, a mental evaluation  
28 and an oral competence examination and interview, or any combination thereof,  
29 as the board deems proper.

30 C. In determining if the requirements of subsection A, paragraph 4 of  
31 this section have been met, if the board finds that the applicant committed  
32 an act or engaged in conduct that would constitute grounds for disciplinary  
33 action, the board shall determine to its satisfaction that the conduct has  
34 been corrected, monitored and resolved. If the matter has not been resolved,  
35 the board shall determine to its satisfaction that mitigating circumstances  
36 exist that prevent its resolution.

37 D. In determining if the requirements of subsection A, paragraph 6 of  
38 this section have been met, if another jurisdiction has taken disciplinary  
39 action against an applicant, the board shall determine to its satisfaction  
40 that the cause for the action was corrected and the matter resolved. If the  
41 matter has not been resolved by that jurisdiction, the board shall determine  
42 to its satisfaction that mitigating circumstances exist that prevent its  
43 resolution.

44 E. The board may delegate authority to the executive director to deny  
45 licenses if applicants do not meet the requirements of this section.

1 F. Any credential information required to be submitted to the board  
2 pursuant to this article must be submitted, electronically or by hard copy,  
3 from the primary source where the document or information originated, except  
4 that the board may accept primary-source verified credentials from a  
5 credentials verification service approved by the board. The board is not  
6 required to verify any documentation or information received by the board  
7 from a credentials verification service that has been approved by the board.  
8 If an applicant is unable to provide a document or information from the  
9 primary source due to no fault of the applicant, the executive director shall  
10 forward the issue to the full board for review and determination. The board  
11 shall adopt rules establishing the criteria that must be met in order to  
12 waive a documentation requirement of this article.

13 Sec. 3. Rulemaking

14 The Arizona medical board is exempt from the rulemaking requirements of  
15 title 41, chapter 6, Arizona Revised Statutes, for one year after the  
16 effective date of this act to adopt rules relating to the implementation of  
17 this act and licensure and credentialing. The board shall provide public  
18 notice and an opportunity for public comment on proposed rules at least  
19 thirty days before a rule is adopted or amended.

20 Sec. 4. Request for information; credentialing and  
21 verifications

22 The Arizona medical board shall issue a request for information for  
23 proposals to outsource any or all of the credentialing or verification  
24 process relating to licensure.