AN ACT

AMENDING SECTION 32-1432.04, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA MEDICAL BOARD.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 32-1432.04, Arizona Revised Statutes, is amended to read:

32-1432.04. Medical graduate transitional training permits; requirements; licensure; definitions

A. The board or, if delegated, the executive director of the board shall grant a one-year transitional training permit to a graduate of an allopathic school of medicine who is not otherwise eligible to apply for a license to practice or a training permit pursuant to section 32-1432.02 or 32-1432.03 in this state if the applicant meets both of the following conditions:

1. Within a two-year period immediately preceding initial application for a transitional training permit, was either:
   (a) Qualified to submit, and submitted, a valid application to an accredited internship or residency program but was not selected for a position.
   (b) Selected for a position described in subdivision (a) of this paragraph but ended participation in the program before completion for a reason that would not be considered grounds for disciplinary action pursuant to section 32-1451.

2. Successfully completed steps one and two of the United States medical licensing examination or equivalent exams.

B. The transitional training permit may be renewed for two additional one-year periods if the permittee, in the year preceding an application for renewal, submits complete and valid applications to at least three accredited primary care internship or residency programs and is not selected for an internship or residency position. The permittee shall provide the board with written documentation of the internship or residency program applications and the nonselections. A permittee may not hold a permit for an aggregate time period of more than thirty-six months.

C. The transitional training permit limits the permittee to function only under the supervision of a qualified physician within the setting of an eligible entity, which includes the following if located in this state:

1. A hospital or behavioral health facility that is licensed pursuant to title 36, chapter 4.
2. A patient care facility operated by or for any federally recognized American Indian tribe, the Indian health service, the United States veterans HEALTH administration, a prison or a school or university.
3. A community health center or a federally qualified health center.
4. A private office or clinic where a supervising qualified physician practices and that is not a pain management clinic as defined in section 36-448.01.
D. An eligible entity contracting with or employing a permittee shall:

1. Provide to the permittee, in collaboration with the supervising qualified physician, ongoing clinical training related to the services that may be delegated to the permittee by the supervising qualified physician.
2. Be responsible, along with the supervising qualified physician, for all aspects of the performance of a permittee.
3. Ensure that the health care tasks performed by a permittee are within the permittee’s scope of medical training, experience and competence and have been properly delegated and supervised by a qualified physician.
4. Ensure that during the permittee's first six months of full-time practice, all clinical encounters performed by the permittee are under the direct supervision of the supervising qualified physician. Subsequent encounters performed by the permittee after the initial six-month period may be under indirect supervision with direct supervision immediately available from the supervising qualified physician.
5. Ensure that all qualified physician supervision is documented.
6. Ensure that in all clinical or other patient encounters the permittee is clearly identified as a medical graduate in training.
7. Define the employment or contractual relationship with the permittee, including terms of compensation and benefits, billing and reimbursement and general and professional liability coverage.
8. Establish and document a process for evaluating the permittee's performance that includes a review by the supervising qualified physician of all medical records related to the clinical encounters performed by the permittee.

E. The supervising qualified physician may delegate to a permittee the performance of health care tasks that are of a nature typically delegated in an accredited internship or residency program, including the ability to provide delegated telehealth services that are of a similar nature, if all other conditions prescribed in this section are met.

F. Before employing or contracting with a permittee, an eligible entity shall notify the department of health services on a form prescribed by the department, or on an equivalent form from the entity, of all the following information:

1. The types and extent of medical training the entity plans to provide to the permittee.
2. The names of the qualified physicians who will supervise the permittee and the types of health care tasks that may be delegated to the permittee by those supervising qualified physicians.
G. An eligible entity shall post on its public website and submit to the department an annual report that includes all of the following:
   1. The number of permittees and supervising qualified physicians employed by or contracted with the entity.
   2. The length of time each permittee and supervising qualified physician has been employed by or contracted with the entity.
   3. The total number of hours of medical education provided to each permittee.
   4. The total number of hours of clinical care provided by each permittee.
   5. The number of permittees who obtained a match with an accredited internship or residency program.

H. Before supervising a permittee, a qualified physician shall notify the board in writing of the qualified physician's agreement to serve as a supervising qualified physician. The notification shall include the name of the permittee and the name and location of the eligible entity at which the supervision will occur.

I. Before the board issues or renews a training permit under this section, the applicant or renewing permittee shall comply with the applicable registration requirements of this article and pay the fee, which shall be the same as the fee prescribed for an approved internship pursuant to section 32-1436.

J. This section does not require any eligible entity or qualified physician to establish a program to employ or contract with permittees as described in this section or require any qualified physician to assume supervision responsibilities for a permittee.

K. A permittee under this section:
   1. Is subject to the disciplinary regulation of article 3 of this chapter.
   2. Per one-year period, shall participate in at least sixty hours of continuing medical education programs approved by the board.
   3. Shall notify the board on the permittee's acceptance to an accredited internship or residency program.

L. A supervising qualified physician under this section:
   1. Is responsible for all aspects of a permittee's performance whether or not the supervising qualified physician employs the permittee.
   2. Is responsible for supervising the permittee and ensuring that the health care tasks performed by the permittee are within the permittee's scope of medical training and experience, are appropriate to the permittee's level of competence and are properly delegated by the supervising qualified physician.
   3. May allow a permittee to administer or dispense drugs under the conditions of section 32-1491 if the controlled substance permit under which the drugs are dispensed is either the supervising qualified physician's or the eligible entity's permit.
4. May serve as a supervising qualified physician for only one permittee at any one time.

5. Shall notify the board, the eligible entity and the permittee in writing if the permittee exceeds the scope of the delegated health care tasks to allow the board to investigate.

M. IF A PERMITTEE HAS HELD A TRANSITIONAL TRAINING PERMIT FOR A PERIOD OF THIRTY-SIX MONTHS AND PROVIDES TO THE BOARD A LETTER OF RECOMMENDATION FROM EACH OF THE PERMITTEE’S SUPERVISING QUALIFIED PHYSICIANS, THE PERMITTEE, NOTWITHSTANDING SECTION 32-1422, SUBSECTION A, PARAGRAPH 2 AND SECTION 32-1424, IS ELIGIBLE FOR LICENSURE AS A DOCTOR OF MEDICINE ON SUCCESSFUL PASSAGE OF STEP THREE OF THE UNITED STATES MEDICAL LICENSING EXAMINATION WITH A SCALED SCORE OF AT LEAST SEVENTY-FIVE.

M: N. For the purposes of this section:

1. "Direct supervision" means the supervising qualified physician is physically present with the permittee and patient.

2. "Indirect supervision with direct supervision immediately available" means the supervising qualified physician is physically present within the hospital or other eligible entity site of patient care and is immediately available to provide direct supervision of the permittee.

3. "Permittee" means a person who holds a transitional training permit issued pursuant to this section.

4. "Qualified physician" means a physician who possesses a full and unrestricted license issued pursuant to this chapter to engage in the practice of medicine in this state and who is not currently under board discipline.