

FACT SHEET

BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS REQUEST FOR LEGISLATION

The Board licenses 85 homeopathic physicians who are M.D.'s and D.O.'s that practice alternative forms of medicine. ARS 32-2901(22) defines the practice of homeopathic medicine that includes homeopathy, acupuncture, minor surgery, nutrition, neuromuscular integration therapy, orthomolecular medicine, pharmaceutical medicine, and Chelation therapy.

The Board also registers 22 homeopathic medical assistants that practice under the supervision of a homeopathic physician.

Beginning in January, 2015 the Board will license homeopathic doctors who will practice homeopathic and nutritional medicine. The Board anticipates that 8 – 10 individuals will seek the new license.

Authority of the Board to collect fees is found in the following statutes: ARS 32-2904(3), ARS 32-2904(8), ARS 32—2914.

Why is the board seeking the legislative change?

1. Fees were last set by legislature in 1995
2. Board has reached caps as set in statute
3. New fees are necessary to address the true cost of licensure

What will the legislation accomplish?

1. The Board is seeking authority in ARS 32-2914 for 5 new fee categories: re-examination fee, continuing education review of sponsored educational seminars; license issue fee to be equivalent to the true cost of an annual license; late renewal of a homeopathic medical assistant registration, and a fee to cover the cost of certifying the status of a homeopathic license or registration.
2. The Board is also seeking authority in ARS 32-2914 to increase fee caps on some of the existing fee categories as indicated in the proposed legislation. The cap indicated in the proposed legislation is the highest amount the Board could charge for an application, renewal, examination, or service. Before a change to a fee was initiated and assuming the caps are approved by the legislature, the Board must submit a rulemaking to GRRC in order to actually change a fee. Attached is a list of the current fees charged by the Board.
3. The Board is including language in ARS 32-2913 regarding payment of a re-administration of examination fee if a prospective licensee fails the written examination and must retake the

examination. Previously, no re examination fee was charged. This is unrealistic and a fee should be charged to cover the costs related to administration of another examination when the applicant fails on their first attempt.

4. The Board is removing obsolete language from ARS 32-2915. Renewals are currently based on the month of licensure. Previously, renewals were completed at the end of the calendar year and the language describing the change from the previous renewal cycle is being eliminated.

Discussion:

The current fees charged by the Board as set forth in their rules are capped at the highest amount allowed by statute. The Board has experienced a 14% reduction in revenue from 2009 to 2012. The reduction is a combination of forces including the effects of the economy, an older licensed population, and to an extent, 2009 legislation that granted a broad exemption to practice homeopathy as a spiritual practitioner. Cash was swept between 2009 and 2012 to assist with balancing the state budget. These forces combined to create negative cash flow beginning June, 2013.

The Board expects new revenue in 2015 once homeopathic doctors are eligible to be licensed.

How has the Board already addressed the funding issue ?:

1. Board members have not claimed per diem since 2010.
2. The Board employs one staff member serving as their executive director. Since August, 2012, she has taken one furlough day per month through October, 2012. Effective November, 2012 the executive director, with Board approval, reduced work hours to half time and additional savings have been realized since the Board no longer contributes to health and dental insurance premiums.
3. The Department of Administration agreed to receive rent and joint office costs in the third quarter of the fiscal year. (**NOTE: these costs are now paid and up to date as a result of cost savings utilized through reduced staff work hours**).
4. In their budget submittal this year the Board requested consideration of a return of cash swept between 2009 and 2012 in the amount of \$4900.

Why Seek Legislation When the Board has already taken major steps to address the deficiency?

1. The new fee categories listed in the proposed legislation are necessary to address the real cost of providing service to licensees.
2. All states charge a small fee to verify a license status.
3. New applicants should not expect that a re-examination after failing the test would be free. There are costs associated with the re-administration of the examination that include staff

time associated with the three hours it takes to proctor the examination , communications back and forth, and room reservations.

4. Sponsors of continuing education charge fees to individuals that attend seminars. There is considerable preparation time relative to preparing an application for a sponsored continuing education for board review.
5. The majority of state licensing boards charge a nominal fee to certify the current status of a professional license issued to doctors that are seeking to obtain another medical license in one of the other states.
6. Finally, the issuance of license fee is untenable. An initial license for a homeopathic physician is issued for one year. The issuance of license fee is currently capped at \$250 and the Board should recoup the actual cost of the annual license which is \$1000.