



# OHIO LEGISLATIVE SERVICE COMMISSION

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## Fiscal Note & Local Impact Statement

**Bill:** S.B. 259 of the 132nd G.A.

**Status:** As Reported by Senate Health, Human Services, & Medicaid

**Sponsor:** Sen. Hackett

**Local Impact Statement Procedure Required:** No

**Subject:** Revises the law regulating physician assistant practice

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### State & Local Fiscal Highlights

- The State Medical Board might realize a minimal decrease in administrative costs since it will no longer have to perform certain duties, such as establishing a formulary for physician assistants. However, as a result of the changes relating to physician assistant practice, there could be costs for any additional complaints received or investigations conducted. The Board could also realize an increase in penalty revenue.
- The State Medical Board could realize an increase in license fee revenue if the number of physician assistants who practice in another jurisdiction, are in the armed forces, or are in the U.S. Public Health Service Commissioned Corps seeking licensure increases as a result of the replacement of the three-year service requirement to a two-year requirement or examination options..
- The State Medical Board could realize a decrease in reimbursements for members of the Physician Assistance Policy Committee since the number of pharmacist members is reduced and video and conferencing is allowed.

### Detailed Fiscal Analysis

The bill makes a number of revisions regarding the law regulating the practice of physician assistants. These are discussed below.

#### Physician assistant practice

##### Prescriptive authority and furnishing samples

The bill potentially expands the authority of physician assistants to prescribe drugs by eliminating the State Medical Board's authority to adopt a physician assistant formulary. While the bill eliminates the formulary, the Board maintains its authority to adopt rules governing physician-delegated prescriptive authority. The bill also requires the Board to issue a prescriber number to each physician assistant who is authorized to prescribe under a supervision agreement with a physician. The bill permits a physician assistant to delegate to another person the task of administering a drug only if the

physician assistant is authorized to prescribe that drug. Additionally, the bill eliminates a provision requiring the Medical Board to establish standards and procedures for physician assistant delegation of drug administration.

The bill also removes a requirement that the drugs and therapeutic devices personally furnished as samples be in the physician assistant's physician-delegated prescriptive authority. This allows a physician assistant to personally furnish samples that are not in the physician assistant's physician-delegated prescriptive authority as long as other conditions, unchanged by the bill, are met.

### **Supervision agreements**

Currently, each physician assistant and supervising physician must enter into a supervision agreement. Once the Medical Board approves the agreement, the physician may begin supervising the physician assistant. The bill eliminates the requirement that physician assistant supervision agreements be submitted to the Medical Board for approval. The bill also increases from three to five the number of physician assistants that a physician may supervise at any one time.

Additionally, the bill increases a civil penalty from up to \$1,000 to up to \$5,000 if it finds that a physician assistant is not complying with a supervision agreement or that a physician is not supervising a physician assistant in conformance with their agreement. It also adds that a physician is subject to the penalty for failing to comply with any provision of the law governing supervision agreements.

### **Fiscal impact**

It is possible that the State Medical Board could see a minimal reduction in administrative costs since it will no longer have to establish the formulary, establish standards and procedures relating to the delegation of drug administration, or approve supervision agreements. The Board could also realize an increase in revenue due to the increase in civil penalties. This amount will depend on the number of violations related to supervision agreements. However, if there are any additional complaints resulting from this expansion of practice, the Board may realize an increase in costs to conduct additional investigations. If a physician assistant is able to perform additional services, local and state health programs could realize a savings since physician assistants are typically reimbursed at a lower rate than physicians.

### **Out-of-state, military, and U.S. Public Health Service physician assistants**

Currently, a physician assistant who has practiced for at least three consecutive years in another jurisdiction, in the armed forces, or the U.S. Public Health Service Commissioned Corps may acquire Ohio licensure. This three-year service requirement is in lieu of the requirement that the physician assistant have certain educational degrees. The bill replaces this requirement with options of practicing for at least two years, passing an examination or assessment, or having other limitations placed on the license. The bill also authorizes a military or U.S. Public Health Service physician assistant to be supervised by any licensed physician (not only the supervising

physician) during the first 500 hours of prescriptive authority and exempts such a physician assistant from the supervision requirement if he or she practiced in the military or U.S. Public Health Service for not less than 1,000 hours.

### **Fiscal impact**

The State Medical Board could realize an increase in the number of individuals seeking licensure as physician assistants as a result of this replacement. As such, the Board could realize an increase in license fee revenue, as well as a corresponding increase in administrative costs to process the licenses and regulate additional licensees.

### **Medical Board Physician Assistant Policy Committee**

The bill reduces to one (from two) the number of pharmacists on the Medical Board's Physician Assistant Policy Committee and authorizes the Committee to meet through videoconferencing and teleconferencing. The bill also allows the Committee to meet as necessary rather than at least four times a year.

### **Fiscal impact**

Members of the Physician Assistant Policy Committee may be reimbursed for necessary and actual expenses incurred in the performance of official duties as a member. The bill's provisions to reduce the number of members and to permit video and teleconferencing may reduce reimbursement costs for the Board.