

Kansas Department of

Social and Rehabilitation Services

Janet Schalansky, Secretary

House Health and Human Services Committee

March 17, 2004

Senate Bill 426 - Institutional Licenses

Division of Health Care Policy

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Chairperson Morrison and members of the committee, thank you for the opportunity to speak to you about Senate Bill 426. My name is Elizabeth Phelps, and I am the Attorney for Osawatomie State Hospital, a state mental health hospital managed by the Department of Social and Rehabilitation Services (SRS). On behalf of SRS, I offer support of this bill.

Since the inception of the institutional license option, SRS has made good use of it. Within its state hospitals, SRS currently employs 15 physicians who hold institutional licenses with the Kansas State Board of Healing Arts. Nine are employed at Larned State Hospital; three at Osawatomie State Hospital; two at Rainbow Mental Health Facility; and one at Parsons State Hospital and Training Center.

In providing patient care at these hospitals, often to Kansans at their most vulnerable and in situations of acute illness and crisis, we take very seriously our job of providing high quality patient care, in safe and effective treatment settings, and in ways that demonstrate fiscal responsibility. We support this bill because it does a good job of supporting those important public interests.

When physicians are employed at a state institution, their services are managed by an array of features, including:

- The significant qualifications included in this statute, being the medical education, post-graduate training and continuing medical education.
- An employment contract which requires both pre- and post-employment training, as well as ongoing solid performance outcomes.
- A service setting that supports each physician's work with on-site presence and supervision by a medical/clinical director holding a full medical license; colleagues with full medical licenses; and/or a limited scope of practice, primarily related to psychiatric/mental health services.

Particularly during times of economic difficulty, our state hospitals have limited success in funding salaries that can attract and retain fully licensed physicians. Certainly we do that when we can. The option of institutional licenses allows Kansans to take

advantage of the safeguards inherent in our state hospital settings and employ physicians who can fully meet the treatment needs of our patients.

The changes to the institutional license option contained within this bill strengthen its value:

- By removing the prior limitation of two years (in many instances subject to extension), we are allowed to continue in longer-term relationships with physicians in this status, thus making good use of the training and experience acquired in our state hospitals and returning that investment into enhanced patient care. Because of such reasons as cultural or language barriers, or the passage of time between formal education and testing, the two year limit previously existing can, and has, served as an automatic disqualifier of an otherwise capable physician, well trained to meet the needs of our patients.
- By including the two-year post-graduate training requirement, we are assured of this as a minimum standard for future holders of institutional licenses, and we are in no way limited from including additional training requirements – above and beyond this – in employment contracts with these physicians when appropriate.

This option is functional and effective in meeting the needs of patients in our state hospitals. And Kansas is not alone in making use of institutional licenses for physicians in limited settings where other safeguards are present and needs are high. According to information from the Federation of State Medical Boards, there are at least ten other states which issue institutional licenses. This option, as governed by Senate Bill 426, is effective for Kansans.

We encourage you to favorably consider this bill, and thank you for your consideration. This concludes my testimony, and I would be happy to stand for any questions.