



Arizona Medical Board

9545 E. Doubletree Ranch Road, Scottsdale AZ 85258 • website: www.azmd.gov
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August 26, 2016

Governor

Douglas A. Ducey

Members

James Gillard, M.D.
Chair
Physician Member

R. Screven Farmer, M.D.
Vice-Chair
Physician Member

Jodi Bain, Esq.
Secretary
Public Member

Marc Berg, M.D.
Physician Member

Pamela E. Jones
Public Member

Teresa Connolly, D.N.P.
Public Member

Gary R. Figge, M.D.
Physician Member

Robert E. Fromm, M.D.
Physician Member

Lois E. Krahn, M.D.
Physician Member

Edward G. Paul, M.D.
Physician Member

Wanda Salter, R.N.
Public Member/R.N.

Executive Director

Patricia E. McSorley

The Honorable Douglas Ducey
Governor of Arizona
State Capitol
1700 West Washington Street
Phoenix, AZ 85007

RE: FY 2015-2016 ANNUAL REPORT

Dear Governor Ducey:

Please accept the attached Annual Report on behalf of the Arizona Medical Board (Board), submitted pursuant to A.R.S. § 32-1402(G).

We appreciate the opportunity to share key information regarding the Board, its mission and its accomplishments in the last fiscal year. The Board and its staff are committed to the core function of protecting Arizona citizens while continually striving to improve service and ensure due process of law. We are committed to accomplishing these goals while operating within the strict compliance of our current statutes and rules.

The Board and its staff continue to strive for efficiency and excellence in the regulatory oversight of the health professionals who are under the jurisdiction of this Board.

Respectfully,

Patricia E. McSorley
Executive Director

Enclosure

Cc:

Christina Corieri, Health and Human Services Policy Advisor
Members of the Arizona Regulatory Board of Physician Assistants
Members of the Health and Human Services Committee of the Senate
Members of the Health and Human Services Committee of the House of Representatives

ARIZONA MEDICAL BOARD



2015-
2016

Annual Report

Patricia E. McSorley, J.D.
Executive Director

Kristina A. Fredericksen, MPA
Deputy Director

9545 E. Doubletree Road
Scottsdale, AZ 85258

ARIZONA MEDICAL BOARD

BOARD MEMBERSHIP

The Arizona Medical Board ("Board") is committed to serving the public through the honest, fair, and judicious licensing and regulation of allopathic physicians ("MDs"). The Board is comprised of twelve members - eight physicians and four public members including a licensed registered nurse.

The Current Board Members:

**James M. Gillard, M.S., M.D.,
F.A.C.E.P., F.A.A.E.M.**
*Chair, Physician Member –
Term Expiration 7/1/2020*

R. Screven Farmer, M.D.
*Vice-Chair, Physician Member
Term Expiration 7/1/2018*

Jodi A. Bain, M.A., J.D., LL.M.
*Secretary, Public Member
Term Expiration 7/1/2016*

Marc D. Berg, M.D., F.A.A.P.
*Physician Member
Term Expiration 7/1/2017*

Donna Brister
*Public Member
Term Expiration 7/1/2016*

Teresa Connolly, D.N.P., R.N.
*Public Member
Term Expiration 7/1/2020*

Gary R. Figge, M.D.
*Physician Member
Term Expiration 7/1/2019*

Robert E. Fromm, M.D.
*Physician Member
Term Expiration 7/1/2017*

Lois E. Krahn, M.D.
*Physician Member
Term Expiration 7/1/2019*

Edward G. Paul, M.D.
*Physician Member
Term Expiration 7/1/2018*

Richard T. Perry, M.D.
*Physician Member
Term Expiration 7/1/2016*

Wanda J. Salter, R.N.
*Nurse/Public Member
Term Expiration 7/1/2020*

More information on individual Board Members is available at:

<http://www.azmd.gov/BoardMembers/index.aspx>

LICENSING

The Board issued 1,630 initial full MD licenses in Fiscal Year (“FY”) 2016, and averaged 19 days to approve a license. The Board also issued 1,406 Post-Graduate Training Permits, 46 miscellaneous licenses (Pro Bono, Locum Tenens, Teaching Licenses) and 681 dispensing certificates. The total number of licensed MDs in FY 2016 increased to 22,964 as compared to 22,432 in FY 2015.

Description	FY 2015	FY 2016
Initial Full MD Licenses	1137	1630
Average # of Days to Approve a License	27	19
Post Graduate Training Permits	1383	1406
Miscellaneous Licenses	46	46
Dispensing Certificates	716	681
Customer Satisfaction	82%	91%

The Arizona Governor’s LEAN Transformation Team selected the Board in April of 2015 to implement LEAN processes. This included identifying where efficiencies could be realized and working to remove non-value added steps within licensing processes. Agency staff set up a pilot program to illustrate the realization of a reduction in the number days necessary to confer a license on an applicant. The pilot program was successful. The Licensing Department continues to review and analyze data and its processes to maintain the efficiencies reached and look for new opportunities for effective streamlining.

In January of 2016, the Licensing Department and the Executive Team developed and implemented a hospital outreach program. The Board initiated a cooperative program with statewide hospital organizations to streamline the physician licensing process for these organizations. The purpose was to maintain the statutory integrity of the Board while continuing to provide excellent customer service to credentialists, the regulated physicians and the citizens of Arizona. Part of this outreach program included an invitation for hospital credentialists to visit the Board, attend educational programs on the licensing process and have a meet-and-greet with the licensing staff. The response from the hospital partners remains extremely positive. The Licensing Department plans to continue this partnership program in the upcoming fiscal year.

Additionally, in January of 2016, the Licensing Department introduced an on-line initial application portal. This new tool for physicians seeking licensure in Arizona can simplify and expedite the process. It is well received.

REGULATION/INVESTIGATION

The Board works to ensure the safe and competent delivery of health care to Arizona citizens by regulating MDs under the Arizona Medical Practice Act. The Board’s Investigations Department is responsible for investigating complaints and reports of unprofessional conduct of MDs throughout the state. When an investigation substantiates a violation of the Medical Practice Act, the Board uses its authority to review, educate, discipline, and, when appropriate, rehabilitate physicians to assure their fitness and medical competence.

The Board's complaint process is structured to ensure an impartial and unbiased investigation. The Board’s investigators devote much of their time to the serious responsibility of ensuring the public’s safety. Investigators are specially trained and certified to investigate complaints. This is done through the conducting interviews, collection of evidence, analyzing data, and formulating investigative reports as a means to objectively enforce the applicable Arizona statutes.

Ultimately, the Board is bound by its mission to protect the health, safety, and welfare of Arizonans. The actions the Board takes are reflective of that mission. In FY 2016, the Investigations Department initiated a total of 1,432 complaints. This is a 14.39% decrease compared to 1,638 in FY 2015. The Investigations Department ended FY16 with 598 open investigations.

MD	FY 2015	FY 2016
Open Investigations	759	598
Average Days to Complete an Investigation	151	176
Total Number of Investigations Opened	1,638	1,432

DISCIPLINARY ACTIONS

During FY 2016 the Board held a total of 39 meetings* in which 82 disciplinary actions were taken. Disciplinary actions taken against a licensee are public. Ultimately, the Board balances the need for physician discipline and remediation with its primary mission to protect the health and safety Arizona's citizens.

The disciplinary actions taken in FY 2016 include 18 Letters of Reprimand, 2 Decrees of Censure, 10 Practice Restrictions, 19 Probationary Orders, 13 Licenses Revoked/Surrendered, 1 Inactivation with Cause, 1 License Denial and 2 Summary Suspensions.

Meanwhile, the Executive Director ("ED") issued 16 Interim Practice Restrictions. In cooperation with the Arizona Attorney General's Office, the Board resolved 76% of all final disciplinary actions through consent agreements.

MD	FY 2015	FY 2016
Letter of Reprimand	15	18
Decree of Censure	1	2
Practice Restriction	1	10
Probation	18	19
Loss of License (Revocation/Surrender)	13	13
Interim Practice Restriction	15	16
Summary Suspension	6	2
Inactivation with Cause	1	1
Denial of Medical License	0	1

*Meetings represent: Regular Session, Special Teleconference, Joint Officers, Off-site Planning and Summary Action meetings.

**Please see *Appendix 1* for an illustration of the licensing and investigation statistics for FY 2010 through 2016.

HUMAN RESOURCES

For 2016 FY, Agency staff turnover included four full-time employees, one from the Board Operations Department, one in the Investigations Department, and two in the Licensing Department. This constitutes a 7.8% turnover rate.

Staff also included sixteen contracted employees for FY 2016. This was comprised of two from the Executive Office, one from the Board Operations Department, one from the Information Technology Department, and two from the Licensing Department.

The Board hired one full-time Investigator in FY 2016 (August 2015). This staff member completed Investigator training in September 2015 as required by Arizona Revised Statute (“A.R.S.”) § 32-1405.

INFORMATION TECHNOLOGY

The Information Technology Department (“IT”) remains committed to serving the business operations of the Board. IT provides agency-wide integrated solutions with an emphasis on superior customer service. The IT Department strives to ensure effective and efficient utilization of new and existing technology resources and investments.

In FY2016, significant time and effort was spent on protecting confidentiality, and integrity while improving the availability of Agency information resources. IT innovated by creating and rolling out the Virtual Desktop solution, enhanced network infrastructure solutions and successfully implementing an Online Initial MD Licensing Application for licensees.

Regarding standard Board operations, the Board received a total of 17,056 views to its Meeting Streaming Media Archive. This figure includes both live and archived Board Meeting videos.

Meanwhile, the Board's physician database made advancement focusing on improvement of the overall functionality of the business driven application. It acts as a repository for departments and a library archive. It is the primary application by which the Agency operates and through which public information is disseminated.

IT continues to develop options, applications and technological methods to automate and streamline current processes. IT successfully balances additional ways to leverage the Web for online service delivery which promotes increased efficiency while maintaining a high level of security.

Arizona Medical Board

FY 2010 - FY 2016

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
<u>LICENSING STATS</u>							
Number of Applications							
MD	1,358	1,563	1,463	1,554	1,537	1,478	1,700
PA	233	228	269	271	295	352	316
Total Applications	1,591	1,791	1,732	1,825	1,832	1,830	2,016
% Increase/Decrease to Previous FY		12.6%	-3.3%	5.4%	0.4%	-0.1%	10.2%
*Number of Licenses Issued							
MD	1,275	1,397	1,685	1,285	1,184	1,137	1,630
PA	217	204	302	279	283	334	306
Total Licenses Issued	1,492	1,601	1,987	1,564	1,467	1,471	1,936
% Increase/Decrease to Previous FY		7.3%	24.1%	-21.3%	-6.2%	0.3%	31.6%
*FY 2010 - 2012 - From Annual Report							
Average Days to Approve a License Application							
MD	22	34	16	13	33	27	19
PA	12	11	6	14	20	18	11
Average Days to approve a License Application	17	23	11	14	27	23	19
% Increase/Decrease to Previous FY		35.3%	-52.2%	27.3%	92.9%	-14.8%	-17.4%
Number of Active Licenses							
MD	20,822	21,388	22,108	22,430	22,557	22,432	22,964
PA	1,945	2,056	2,214	2,356	2,495	2,662	2,789
Total Active Licenses	22,767	23,444	24,322	24,786	25,052	25,094	25,753
% Increase/Decrease to Previous FY		3.0%	3.7%	1.9%	1.1%	0.2%	2.6%
<u>INVESTIGATIONS STATS</u>							
Average Day to Complete an Investigation							
MD	115	114	114	126	135	151	176
PA	104	123	123	127	127	124	154
Average Day to Complete an Investigation	110	119	119	127	131	138	158
% Increase/Decrease to Previous FY		8.2%	0.0%	6.7%	3.1%	5.3%	14.5%
Number of Open Investigations							
MD	299	321	339	340	665	759	598
PA	22	28	22	20	37	50	36
Total Open Investigations	321	349	361	360	702	809	634
% Increase/Decrease to Previous FY		8.7%	3.4%	-0.3%	95.0%	15.2%	-21.6%
Number of Complaints Opened							
MD	1,037	981	1,056	944	1,292	1,638	1,432
PA	84	99	82	60	84	135	111
Total Complaints Opened	1,121	1,080	1,138	1,004	1,376	1,773	1,543
% Increase/Decrease to Previous FY		-3.7%	5.4%	-11.8%	37.1%	28.9%	-13.0%
Employee Count	35	38	34	33	40	45	
Note: FY 2015 - In June, the Agency was able to hire 3 employees early for FY 2016. Otherwise, employee count would have been 42.							
OMC Costs							
(Outside Medical Consultants)	\$ 133,820	\$ 114,925	\$ 126,913	\$ 127,665	\$ 151,850	\$ 154,623	\$ 197,890
		-14.1%	10.4%	0.6%	18.9%	1.8%	28.0%