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OUT-OF-STATE PHYSICIANS TO AUTHORIZE DISABLED PARKING PERMITS

House Bill 4550 with committee amendment First Analysis (4-18-01)

Sponsor: Rep. Gene DeRossett
Committee: Transportation

THE APPARENT PROBLEM:

A disabled person's application to the secretary of state for a parking sticker must be signed by a physician who is licensed to practice in the State of Michigan. According to committee testimony, this clause was added to the law in 1994 in an effort to prevent fraudulent applications.

The *Monroe Evening News* (3-8-01 and 3-31-01) reports that Michigan residents who live near other states' borders and who work in other states have encountered difficulties with the requirement that only Michigan-licensed physicians can sign their applications for disability parking permits. Because their employers are out-of-state, their health insurance benefits also are available from out-of-state, generally from health maintenance organizations located in the same city as their employers. Further and according to committee testimony, Michigan residents who have received medical care from specialists in other states report their care-givers cannot authorize their applications for disability parking permits. Indeed, legislators who represent districts whose boundaries abut Ohio, Indiana, Illinois, and Wisconsin recently have reported that their constituents have been denied parking stickers because their disabilities have been confirmed by primary care physicians who are licensed to practice law in those states. See *BACKGROUND INFORMATION* below.

In order to detect fraud in the current application process, an audit of the disability parking permit program was conducted by the secretary of state in May 2000. The findings of that audit indicate that in a test sampling that consisted of 460 applications for new disability parking permits, 97 percent were properly signed by physicians licensed in Michigan. However, nine of the physicians sampled who completed an application on behalf of their patients were licensed in another state---six were from Indiana; one was from Ohio; one was from Georgia;

and, one was from Texas. [Further, four of the applications were improperly signed by nurses or physician's assistants, and one was signed by a physician with a suspended Michigan license.] Each person with an invalid disabled parking permit application was given the option of providing a new form with a Michigan physician's signature within 30 days. Generally this was accomplished when an applicant's out-of-state doctor made a temporary treatment referral to a physician in Michigan.

Some have argued that the in-state-only physician verification requirement is unnecessary to prevent fraud. Further, the requirement is clearly inconvenient for Michigan residents who live near the borders of the state, and who work and receive their health care services in nearby states. Legislation has been introduced to allow out-of-state physicians who diagnose and treat Michigan residents' illnesses to diagnose and confirm a disability when their patients apply for a disability parking permit.

THE CONTENT OF THE BILL:

House Bill 4550 would amend the Michigan Vehicle Code to allow the secretary of state to accept an application for a windshield placard, special registration plate, or free parking sticker from a disabled person, if that application was signed by a physician licensed to practice in another state. However, the application would have to be accompanied by a copy of that physician's current medical license. Currently, the law specifies that an application must be certified by a physician licensed to practice in this state (with certain exceptions). That physician attests to the nature and estimated duration of the applicant's disabling condition, and verifies that the applicant qualifies.

MCL 257.675

House Bill 4550 (4-18-01)

BACKGROUND INFORMATION:

Two other bills to allow out-of-state physicians to sign applications for disability parking permits have been introduced during this legislative session: House Bill 4542, referred to the House Committee on Health Policy; and, Senate Bill 362, referred to the Senate Committee on Transportation and Tourism.

FISCAL IMPLICATIONS:

The House Fiscal Agency notes that the bill has no apparent state or local fiscal impacts. (4-16-01)

ARGUMENTS:**For:**

The bill would enable Michigan residents who live near the state's border and receive their medical care from out-of-state physicians to rely on those physicians' confirmation of their disability status when application for a disability parking permit is made to the Office of the Secretary of State in Michigan. These residents' inability to have their disabilities certified by their primary care physicians is an unreasonable hardship. Further, the provision of the law poses a regulatory restraint that serves no public purpose.

Against:

According to committee testimony, many states do not yet keep an electronic inventory of those licensed to practice medicine in their states. Consequently, verifying a current license for a physician from out of state by tracking his or her medical license number may well be difficult for the Office of the Secretary of State when it processes applications for disability parking permits signed by out-of-state doctors. Although the legislation would require applicants to request a copy of an out-of-state physician's medical license and attach it to their application containing that physician's verification signature, fraudulent applications remain a possibility. Furthermore, any proliferation of fraudulent applications for disability parking permits could exacerbate the problem of too few parking places available for disabled people.

Response:

There is a legitimate concern within the disability community regarding the potential for abuse of the handicapped parking system. However, leaders of the community cite the chief problem as one in which compliant physicians certify applications for individuals who do not have significant disabilities, but who nonetheless seek the convenience of handicapped spaces. Those leaders urge that the

problem of too-compliant physicians not be confused with the problem of unnecessary restrictions for out-of-state physicians whose patients have genuine need of disability parking permits.

POSITIONS:

The Office of the Secretary of State supports the bill. (4-18-01)

The Bedford Township Board in Monroe County supports the bill. (4-18-01)

The Michigan Association of Centers for Independent Living supports the bill. (4-11-01)

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.