

# Legislative Analysis



## MAINTENANCE OF CERTIFICATION REQUIREMENTS FOR PHYSICIANS

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bills 4134 and 4135 (H-2) as reported from committee**

**Sponsor: Rep. Edward J. Canfield, D.O.**

**Committee: Health Policy**

**Complete to 12-4-18**

Analysis available at  
<http://www.legislature.mi.gov>

*(Enacted as Public Acts 486 and 487 of 2018)*

### **BRIEF SUMMARY:**

House Bill 4134 would add a section to Part 161 (General Provisions) of the Public Health Code. The section would provide that a physician would not need to maintain a national or regional certification not specifically required in Article 15 of the Code before receiving a Michigan license.

House Bill 4135 would add a section to Chapter 22 (The Insurance Contract) of the Insurance Code to provide that an insurer or health maintenance organization (HMO) could not require as the sole condition for paying a claim that certain physicians maintain a national or regional certification not specifically required by Article 15.

**FISCAL IMPACT:** House Bills 4134 and 4135 would not likely have a significant fiscal impact on the state or local units of government.

### **THE APPARENT PROBLEM:**

Board certification for medical doctors (M.D.s) is coordinated and run by the American Board of Medical Specialties (ABMS) and its 24 member boards. For osteopathic doctors (D.O.s), board certification is run by the American Osteopathic Association (AOA) and its 18 specialty certifying boards, offering certifications in 29 primary specialties and 77 subspecialties. (D.O.s may choose to complete a residency training program accredited by ABMS and be certified by AOA and ABMS.) Podiatrists, dentists, oral surgeons, and chiropractors also have their own applicable certifying bodies.

From the ABMS's founding in 1933 until 1990, board certification was a lifetime credential—an additional endorsement after four years of premedical education at a college or university, four years of medical school, three to five years of residency, and additional requirements depending on a physician's specialty. In 1990, the American Board of Internal Medicine (a member board within the ABMS) started requiring physicians to retake certification exams every 10 years, and other specialties soon followed. Now, as part of the "maintenance of certification," or MOC, requirements, physicians often must complete weekly examinations, with a complex set of requirements every two to three years. According to committee testimony, these requirements can cost about \$2,000 every 10 years, not counting the costs of test prep courses, materials, and travel expenses, as well as the cost of having to close their practices when they take the test. Failure to take any of these steps results in loss of certification.

While board certification is technically optional, hospital privileges and malpractice insurance are increasingly contingent on board certification. Moreover, the public perception is that a board-certified physician is more capable and more desirable than one who has foregone certification.

### ***THE CONTENT OF THE BILLS:***

#### **House Bill 4134 (proposed MCL 333.16147)**

Under House Bill 4134, the proposed Section 16147 of the Public Health Code would state that, in spite of any provision in the Code to the contrary, the Department of Licensing and Regulatory Affairs (LARA), the Michigan Board of Medicine, or the Michigan Board of Osteopathic Medicine and Surgery could not require one of its licensed physicians or applicants for a license to maintain a national or regional certification not specifically required in Article 15, before granting a license or license renewal.

#### **House Bill 4135 (proposed MCL 500.2212d)**

The proposed Section 2212d of the Insurance Code would provide that maintenance of national or regional certification by an allopathic (M.D.) or osteopathic (D.O.) physician in the medical specialties of family practice, internal medicine or pediatrics could not be the sole condition precedent to the payment or reimbursement of a claim. This prohibition would apply to an insurer that delivers, issues for delivery, or renews in this state a health insurance policy issued under Chapter 34 (Disability Insurance Policies), as well as an HMO that issues a Health Maintenance Contract under Chapter 35 (Health Maintenance Organizations).

### ***ARGUMENTS:***

#### ***For:***

According to bill proponents, board certification organizations operate monopolies which infringe upon a physician's ability to treat patients. Board certification is regarded by patients as the "gold standard," with no understanding of the MOC requirements involved.

There is a worsening doctor shortage in the United States, and the bill's supporters argue that burdensome, time-consuming, and expensive MOC requirements create a disincentive to continue practicing medicine. As doctors approach retirement age, they confront the choice of spending thousands of dollars and studying for months to pass an exam, or retiring. For many, it is an increasingly easy decision.

Moreover, the tests are historically grueling, and many physicians believe that the tests have become increasingly difficult to pass. Because ABMS receives additional fees when a physician fails and must retake a test, "[o]ne could argue they have a perverse incentive to come up with questions that are challenging in a way that is not beneficial to me, but is beneficial to the board."<sup>1</sup>

---

<sup>1</sup> "Board Certification and Fees Anger Doctors": <http://well.blogs.nytimes.com/2015/04/13/board-certification-and-fees-anger-doctors/>

***Against:***

Opponents argue that the public at large benefits from the knowledge that a doctor is current on medical procedures and has the highest level of licensure possible. Medical decisions are often the most important and most stressful of a person's life, and licensing companies simplify the process and offer the assurance that certified doctors represent the "gold standard" in medical expertise.

***POSITIONS:***

Representatives of the following organizations testified in support of the bills:

- Michigan Podiatric Medical Association (5-24-18)
- Michigan Osteopathic Association (5-24-18)
- Michigan State Medical Society (5-24-18)
- Michigan Allergy and Asthma Society (5-24-18)
- National Board of Clinical Medicine (5-24-18)

The following organizations indicated support for the bills:

- Michigan Academy of Family Physicians (5-24-18)
- Michigan Chapter of the American Academy of Pediatrics (5-24-18)
- Michigan Psychiatric Society (12-4-18)

Representatives of the following organizations testified in opposition to HB 4135:

- Blue Cross Blue Shield of Michigan (5-24-18)
- Michigan College of Emergency Physicians (5-24-18)
- American Board of Emergency Medicine (12-4-18)

The Michigan Association of Health Plans indicated opposition to the bills. (12-4-18)

The following organizations indicated opposition to HB 4134:

- American College of Obstetricians and Gynecologists (5-24-18)
- American College of Cardiology, Michigan Chapter (5-24-18)
- Michigan College of Emergency Physicians (5-24-18)

The American Board of Medical Specialties indicated opposition to HB 4135. (5-24-18)

Legislative Analyst: Jenny McInerney  
Fiscal Analyst: Marcus Coffin

---

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