House of Representatives

General Assembly

File No. 116

January Session, 2025

Substitute House Bill No. 6979

House of Representatives, March 18, 2025

The Committee on Public Health reported through REP. MCCARTHY VAHEY of the 133rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING PHYSICIAN RECRUITMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (b) of section 19a-88 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(b) Each person holding a license to practice medicine, surgery, podiatry, chiropractic or naturopathy shall, annually, during the month of such person's birth, register with the Department of Public Health, upon payment of the professional services fee for class I, as defined in section 33-182*l*, plus five dollars. Each person holding a license to practice medicine or surgery shall pay five dollars in addition to such professional services fee. Such registration shall be on blanks to be furnished by the department for such purpose, giving such person's name in full, such person's residence and business address and such other information as the department requests. <u>On and after January 1,</u>

2026, each person holding a license to practice medicine who has retired from the profession may renew such license. The fee for such license renewal shall be ten per cent of the professional services fee for class I, as determined in accordance with section 33-182*l*, or ninety-five dollars, whichever is greater. Any such license provided by the department at a reduced fee pursuant to this subsection shall indicate that the practitioner is retired.

Sec. 2. (NEW) (*Effective October 1, 2025*) For the purposes of subsection (b) of section 19a-88 of the general statutes, as amended by this act, the Commissioner of Public Health shall, not later than January 1, 2026, adopt regulations, in accordance with the provisions of chapter 54 of the general statutes. Such regulations shall include, but need not be limited to, (1) a definition of "retired from the profession" as that term applies to physicians, (2) procedures for licensed physicians, who have retired from the profession, to return to active employment, and (3) appropriate restrictions upon the scope of practice for such physicians who are retired from the profession, including restricting the license of such physicians to the provision of volunteer services without monetary compensation.

Sec. 3. (NEW) (*Effective October 1, 2025*) Any person licensed pursuant to section 20-13 of the general statutes, who is retired from the profession and whose license has become void pursuant to section 19a-88 of the general statutes, as amended by this act, may apply for reinstatement of such license pursuant to the provisions of section 19a-14 of the general statutes. The Commissioner of Public Health shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section. Such regulations shall include, but need not be limited to, (1) a definition of "retired from the profession" as that term applies to physicians, and (2) (A) eligibility requirements consistent with the provisions of subdivision (6) of subsection (a) of section 19a-14 of the general statutes, and (B) application procedures relating to license reinstatement. The commissioner may impose any conditions or restrictions upon the scope of practice of a physician whose license is reinstated pursuant to the

provisions of this subdivision, including, but not limited to, conditions or restrictions relating to the provision of volunteer services without monetary compensation.

Sec. 4. Subsections (a) to (c), inclusive, of section 20-11b of the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):

(a) Except as provided in subsection (c) of this section, each person licensed to practice medicine and surgery under the provisions of section 20-13 who provides direct patient care services shall maintain professional liability insurance or other indemnity against liability for professional malpractice. The amount of insurance which each such person shall carry as insurance or indemnity against claims for injury or death for professional malpractice shall not be less than five hundred thousand dollars for one person, per occurrence, with an aggregate of not less than one million five hundred thousand dollars.

(b) Each insurance company which issues professional liability insurance, as defined in subdivisions (1), (6), (7), (8) and (9) of subsection (b) of section 38a-393, shall on and after January 1, 1995, render to the Commissioner of Public Health a true record of the names and addresses, according to classification, of cancellations of and refusals to renew professional liability insurance policies and the reasons for such cancellation or refusal to renew said policies for the year ending on the thirty-first day of December next preceding.

(c) A person subject to the provisions of subsection (a) of this section shall be deemed in compliance with such subsection when providing primary health care <u>or behavioral health care</u> services at a clinic licensed by the Department of Public Health that is recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 or any successor internal revenue code, as may be amended from time to time, provided: (1) Such person is not compensated for such services; (2) the clinic does not charge patients for such services; (3) the clinic maintains professional liability insurance coverage in the amounts required by subsection (a) of this section for each aggregated forty hours

of service or fraction thereof for such persons; (4) the clinic carries additional appropriate professional liability coverage on behalf of the clinic and its employees in the amounts of five hundred thousand dollars per occurrence, with an aggregate of not less than one million five hundred thousand dollars; and (5) the clinic maintains total professional liability coverage of not less than one million dollars per occurrence with an annual aggregate of not less than three million dollars. Such person shall be subject to the provisions of subsection (a) of this section when providing direct patient care services in any setting other than such clinic. Nothing in this subsection shall be construed to relieve the clinic from any insurance requirements otherwise required by law.

Sec. 5. (NEW) (*Effective from passage*) The Commissioner of Public Health shall establish, within available appropriations, a student loan repayment program for health care providers who provide primary care and behavioral health services in the state. For the purposes of this section, "primary care" means the medical fields of family medicine, general pediatrics, primary care, internal medicine, primary care obstetrics or primary care gynecology, without regard to board certification. The commissioner may adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, to implement the provisions of this section, including, but not limited to, establishing eligibility criteria and obligations of program participants.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*October 1, 2025*	19a-88(b)
Sec. 2	*October 1, 2025*	New section
Sec. 3	*October 1, 2025*	New section
Sec. 4	*October 1, 2025*	20-11b(a) to (c)
Sec. 5	*from passage*	New section

Statement of Legislative Commissioners:

In Sections 2 and 3, "as amended by this act" was inserted after "section 19a-88 of the general statutes" for clarity; in Section 3, "section" was inserted before "19a-14" for consistency with standard drafting

conventions, and "scope of a practice" was changed to "scope of practice" for statutory consistency.

PH *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 $	FY 27 $
Public Health, Dept.	GF - Revenue Impact	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which creates a retired physician license and reinstates statutory authorization for a student loan repayment program, results in various revenue impacts to the Department of Public Health (DPH) as described below.

Section 1 allows retired physicians to renew their licenses at a reduced fee[1] ($95), starting January 1, 2026. A General Fund revenue loss is anticipated to result beginning in FY 26, dependent on the number of licensed physicians who elect to avail themselves of this opportunity. The revenue reduction will be $480 per retired physician renewal. Currently, 15,056 individuals hold physician licenses[2] in Connecticut. For illustration, about 6% of dentists currently hold retiree licenses. If a similar percentage of physicians choose to do so, an annualized revenue loss of approximately $433,440 would result. Since the provision is

[1] The proposed retired physician license renewal fee shall be the greater of: (1) 10% of the class I professional services fee (per CGS Sec. 33-182l), currently $565, or (2) $95. All licensed professionals practicing medicine also pay a $5 fee upon renewal that supports the assistance program for healthcare professionals (known as HAVEN), which is included in the fee amount.

[2] Physicians currently pay a $575 license renewal fee.

effective January 1, 2026, the revenue loss associated with the bill in FY 26 will be approximately half of the amount above ($216,720).

Section 2 requires the Public Health Commissioner to adopt regulations implementing the new retired physician licensure category. This has no fiscal impact. Existing regulations pertaining to other retired health professional licenses will provide a basis for the new regulations, allowing DPH to comply without undue burden.

Section 3 allows retired physicians whose licenses have become void due to nonrenewal to apply for reinstatement. A potential General Fund revenue gain beginning in FY 26 will result, to the extent that retired physicians apply for reinstatement, who would not otherwise have reapplied for licensure. The extent of the potential revenue gain depends on the number of reinstatements and the amount of the reinstatement fee. The bill does not specifically apply the retired physician renewal fee established in Section 1 to a retired physician seeking license reinstatement. It is therefore uncertain whether such an applicant would be required to pay the current initial licensure fee of $565 instead. The FY 26 impact will be three-quarters of the annual impact due to the section's October 1, 2026 effective date.

Section 4 exempts physicians from having to maintain malpractice insurance when providing volunteer behavioral health services at certain nonprofit clinics and results in no fiscal impact.

Section 5 reinstates statutory authorization for a student loan repayment program (SLRP) for in-state providers of primary care and behavioral health services. This has no direct fiscal impact as DPH currently operates an SLRP. The program currently receives no funding from the General Fund; it is supported by federal funding through an American Rescue Plan Act (ARPA) allocation as well as a grant from the federal Health Resources and Services Administration.

The Out Years

The ongoing fiscal impact identified above would continue into the future.

OLR Bill Analysis

sHB 6979

AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S RECOMMENDATIONS REGARDING PHYSICIAN RECRUITMENT.

SUMMARY

This bill requires the Department of Public Health (DPH), within available appropriations, to establish a student loan repayment program for in-state providers of primary care and behavioral health services. For this purpose, "primary care" includes family medicine, general pediatrics, primary care, internal medicine, and primary care obstetrics or gynecology, regardless of board certification. The bill allows the commissioner to adopt implementing regulations, including to set eligibility criteria and obligations of program participants. (A similar provision was inadvertently repealed last year.)

Starting January 1, 2026, the bill allows retired physicians to renew their licenses, at a reduced fee of 10% of the class I professional services fee or $95, whichever is greater. (The class I fee is $565; the annual renewal fee for physician licenses is $575.) DPH must indicate on the license that the physician is retired. The bill requires the DPH commissioner, by January 1, 2026, to adopt regulations (1) defining "retired from the profession" for this purpose; (2) providing procedures for retired physicians to return to active employment; and (3) setting appropriate restrictions on retired physicians' scope of practice, including restricting the license to providing unpaid volunteer services.

The bill also allows retired physicians whose licenses have become void due to nonrenewal to apply for reinstatement. It requires the DPH commissioner to adopt regulations on similar matters as noted above. (The existing reinstatement fee is $565.)

Lastly, the bill exempts physicians from having to maintain

malpractice insurance when providing volunteer behavioral health services at a nonprofit clinic that (1) provides free services and (2) maintains its own insurance in specified amounts.

EFFECTIVE DATE: October 1, 2025, except the provisions on the student loan repayment program are effective upon passage.

§ 3 — REGULATIONS ON REINSTATED PHYSICIAN LICENSES

Under the bill, DPH's regulations on license reinstatement for retired physicians must (1) define "retired from the profession" for physicians and (2) include eligibility requirements consistent with existing law and application procedures. Existing law allows DPH to deny applications for license reinstatement on various grounds, such as that the applicant failed to comply with laws and regulations governing the profession.

The bill also allows the commissioner to impose any conditions or restrictions upon a reinstated physician's scope of practice, including conditions or restrictions relating to volunteer services.

§ 4 — MALPRACTICE INSURANCE EXEMPTION

Existing law generally requires physicians who provide direct patient care to carry medical malpractice insurance of at least $500,000 per person, per occurrence with an aggregate of at least $1.5 million. But the law provides an exemption, under certain conditions, for volunteer physicians providing primary care services at a free clinic. The bill extends this exemption to volunteer physicians providing behavioral health care services at these clinics.

For the exemption to apply, the physician must be providing these services, for no compensation, at a DPH-licensed, tax-exempt clinic that (1) does not charge for its services; (2) maintains the $500,000/$1.5 million malpractice coverage required by law for each 40 hours (or fractional amount) of service these physicians provide; (3) carries additional malpractice coverage in these amounts on behalf of itself and its employees; and (4) maintains total malpractice coverage of at least $1 million per occurrence and $3 million in total. A physician covered by the exemption must still maintain legally required malpractice coverage

when providing services in any other situation.

Under existing law, a physician who permanently retires from practice having maintained the malpractice coverage required by law and then solely provides free services at a tax-exempt clinic does not lose the right to unlimited additional extended reporting period coverage (that is, coverage for claims made after the policy's expiration, sometimes referred to as "tail coverage").

COMMITTEE ACTION

Public Health Committee

Joint Favorable
Yea 26 Nay 6 (03/05/2025)