

California's medical board can't pay its bills, but doctors resist proposed fixes

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California doctors and state lawmakers are squaring off once again over the future of the Medical Board of California, which is responsible for licensing and disciplining doctors and has been criticized by patient

advocates for years for being too lax.

A bill before the legislature would significantly increase the fees doctors pay to fund the [medical board](#), which says it hasn't had the budget to carry out its mission properly. It would also mandate new procedures for investigating complaints.

Patient advocates say the board, which oversees about 150,000 physicians and surgeons with active licenses in the state, is hamstrung by a lack of funding and clunky processes, and that its shortcomings pose a risk to the public by allowing bad doctors to continue practicing. The board opened only about 1,000 investigations out of nearly 10,000 complaints last year, according to its 2022 [annual report](#).

But the California Medical Association, which represents physicians, is again fighting proposed increases in the fee, which was unchanged for more than a decade before being raised in 2021 after a contentious debate. Now lawmakers want to boost the license renewal fee to \$1,289 every two years, up from \$863 currently.

The doctors' lobby largely defeated the 2021 efforts to strengthen the board, and critics say the group is trying to whittle away the board's power by depriving it of funding.

The legislation, sponsored by Sen. Richard Roth, a Riverside Democrat, would also require board staff to interview patients or families before closing their complaints, create a unit to better facilitate communications, and improve efficiency by changing procedures and adjusting standards of evidence for investigations.

Another provision would allow patients and relatives to make a statement during the investigation about how a doctor's negligence or misconduct affected them—similar to crime victims speaking during a sentencing

hearing in criminal court.

The bill faces a pivotal vote in the state Assembly's Appropriations Committee this month.

Most California licensing boards are funded through license fees. Currently, dentists pay \$668 for a two-year license renewal, plus other permitting fees such as \$325 for general anesthesia or \$650 for oral surgery. Attorneys actively practicing in California pay \$510 annually.

But the medical association insisted in a memo that it "cannot agree to a fee increase of nearly 50% that will primarily go toward building a multimillion-dollar reserve fund and future programs for the Medical Board."

"If the bill is passed in its current form, it would have vast, [negative impacts](#) on the practice of medicine and [health care delivery](#) in California," it added.

George Soares, a legislative advocate for the California Medical Association, told lawmakers last month that the association would be willing to accept a fee increase, but that \$1,289 is too much—more than double the national average for state medical licenses. A July working paper from the National Bureau of Economic Research found that physicians' annual earnings average \$350,000 across the U.S.

The medical board supports the bill and says a fee hike is needed to cover operations, repay millions of dollars in loans, and establish a three-month reserve. Over the past two years, the Department of Consumer Affairs, which is responsible for the operations of the medical board and other licensing boards, has had to backfill the board's \$79 million budget, using a total of \$18 million in loans from Bureau of Automotive Repair license fees to cover the gap.

"The simple reality is that the board is not able to pay its bills," a spokesperson for the medical board read from a joint statement from Randy Hawkins, the vice president of the board, and Richard Thorp, a former president of the California Medical Association and current member of the board, at a committee hearing last month.

"We are physicians in private practice, and this fee increase will impact us personally, albeit at an increased cost of less than \$20 per month," the statement read. "We do not see this as a burden but rather as an investment into the organization that helps ensure that physicians have the confidence of the patients that we are privileged to treat."

Roth points out that the medical board, which is composed of eight physicians and seven members of the public, has little control over staffing costs. Its 169 employees work for the state and are covered by labor agreements negotiated by statewide employee unions.

Consumer advocates say the opposition from the doctors' lobby is part of a years-long effort to weaken the board and deprive it of adequate funding.

A report about the medical board's operations conducted by a [consulting firm](#) that serves as the enforcement monitor for the board, Alexan RPM Inc., underscored the board's financial challenges and recommended adopting automatic annual fee increases tied to the consumer price index, or something similar. Some lawmakers suggested the fees could be determined on a sliding scale based on doctors' income.

Critics have complained for years that the medical board doesn't hold doctors accountable often enough. Families that file complaints against doctors frequently go years without updates on the status of investigations, and often aren't told why when their complaints are rejected.

"This is kind of the culmination of two things: patient advocacy trying to make changes and a few years of very recent, direct pushes by the legislature," said Carmen Balber, the executive director of Consumer Watchdog, a consumer and patient advocacy organization.

The California Medical Association has already blunted some aspects of the bill, including securing the removal of a provision to add two more members of the public to the board, which would have made it a public-member majority instead of its current physician majority.

The association is also opposed to a provision currently in the bill that would lower the standard of proof for disciplining doctors in instances besides those in which they could lose their licenses.

Tracy Dominguez, a Bakersfield resident whose daughter, Demi, and grandson, Malakhi, died in 2019 from complications of severe preeclampsia, is among those advocating for reforms.

One of the physicians who treated Dominguez's daughter prior to her death had already been accused by the medical board of gross negligence that led to the death of a young mother, according to medical board documents. Advocates at Consumer Watchdog allege his negligence had already caused death or permanent injury of other mothers and babies he treated, and that he was already banned from practicing in some hospitals at the time he treated Demi Dominguez but had been allowed to keep his license.

Tracy Dominguez said she hopes changing evidentiary standards and strengthening the medical board overall "will put dangerous doctors away."

And a chance to provide a victim impact statement would be important for families hurt by medical neglect, she added. It would be "an

opportunity for them to hear from the family, directly—to know that she was a person, not just a number."

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