

have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

There are no costs associated with the proposed regulatory action. The proposed amendments only clarify the requirements that applicants need to meet in order to maintain their licensing applications in active status and avoid having their applications deemed abandoned by the board.

The Board has determined that this regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business:

The Medical Board of California is certain that there are no cost impacts to this proposed rulemaking.

Effect on Housing Costs: None

EFFECT ON SMALL BUSINESS

The Board has determined that the proposed regulations would not affect small businesses. This proposed regulation will only have an impact on those applying for licensure as a physician and surgeon.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative it considered to the regulation or that has otherwise been identified and brought to its attention would either be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposal described in this Notice. Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Board has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based. Copies of the initial statement of reasons and all of the information upon which the proposal is based may be obtained from the person designated in the Notice under Contact Person or by accessing the Board's website:

http://www.medbd.ca.gov/laws/regulations_proposed.html.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the person designated in this Notice under Contact Person or by accessing the Board's website:

http://www.medbd.ca.gov/laws/regulations_proposed.html.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below, or by accessing the Board's website:
http://www.medbd.ca.gov/laws/regulations_proposed.html.

CONTACT PERSON

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name: Fayne Boyd, Licensing Manager
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The backup contact person is:

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Website Access : Materials regarding this proposal can be found at
http://www.medbd.ca.gov/laws/regulations_proposed.html.

**Medical Board of California
Specific Language of Proposed Changes
Abandonment of Application Files**

Amend section 1306 in Article 2 of Chapter 1 of Division 13, Title 16 Cal.Code Regs. to read as follows:

1306. (a) An application shall be denied without prejudice when- ~~deemed abandoned if an applicant does not exercise due diligence in the completion of~~ fails to complete the application. "Failure to complete the application" ~~within one year constitutes failure to exercise due diligence.~~ means that the applicant:

(1) Did not submit all required supporting documents and information within 365 days from the date of written notification from the board of the documents needed to complete the application; or

(2) Unless otherwise authorized by the board, did not undergo a required evaluation within six months from the date of written notification from the board of the need to undergo an evaluation; or

(3) Failed to pay the required license fees within 365 days of notification that his/her application was otherwise complete; or

(4) Failed to either pass or re-take Step 3 of the USMLE within one year from the date of written notification by the board; or

(5) Failed to remedy clinical rotation deficiencies within one year from the date of notification by the board; or

(6) Failed to show progress toward licensure, as demonstrated by proof of acceptance of enrollment in an approved postgraduate training program within three year from the date of application and completion within three years thereafter of the training required for licensure.

(b) An application submitted subsequent to the abandonment of a former application shall be treated as a new application, and the applicant must meet all licensure requirements in effect at the time of the subsequent application.

(c) An applicant shall report any change of address to the board within 30 working days.

(e) An applicant shall update his or her application upon request of the board, but not more frequently than once every 365 days.

NOTE: Authority cited: Section 2018, Business and Professions Code. Reference: Sections 2082, 2141 and 2435, Business and Professions Code.

MEDICAL BOARD OF CALIFORNIA
INITIAL STATEMENT OF REASONS

Hearing Date: July 30, 2010

Subject Matter of Proposed Regulations: Abandonment of Application Files

Amend Section 1306 in Article 2 of Chapter 1, Division 13, of Title 16.

Specific purpose of each adoption, amendment, or repeal:

Amend Section 1306 in Article 2 of Chapter 1, Division 13, relating to abandoned applications.

The Medical Board of California (Board) proposes to amend Section 1306 to:

- 1) Clarify that an application will be deemed abandoned if the applicant failed to do any of the following, as applicable:
 - A) Submit the required supporting information and documents to the board within 365 days; or
 - B) Unless otherwise authorized by the board, undergo a required evaluation within six months from the date of written notification from the board of the need to undergo an evaluation; or
 - C) Pay the required license fees within 365 days of notification that his/her application was otherwise complete; or
 - D) Either pass or re-take Step 3 of the USMLE within one year from the date of written notification by the board; or
 - E) Remedy clinical rotation deficiencies within one year from the date of notification by the board; or
 - F) Show progress toward licensure, as demonstrated by proof of acceptance of enrollment in an approved postgraduate training program within three years from the date of application and completion within three years thereafter of the training required for licensure.
- 2) Specify that an application submitted subsequent to the abandonment of a previous application will be treated by the board as a new application, and that the applicant must meet all licensure requirements in effect at the time of the subsequent application, including the payment of any required fees.
- 3) Require the applicant to notify the board of any change of address within thirty days.

- 4) Require that an applicant update his or her application upon the request of the board but no more frequently than once a year.

Factual Basis/Rationale:

The existing language in Section 1306 is inadequate as it does not clearly describe the circumstances under which the Board will treat an applicant as abandoned.

Every year, dozens of applicants elect not to proceed with their applications for a variety of reasons but do not inform the Board of their intent. These dormant applications strain the Board's resources, as the Board must store them at its headquarters. In addition, Board staff must re-review these applications annually to determine if the applicant's status has changed and then contact the applicants to ask if they intend to pursue California licensure in the near future. In some cases, applicants even call the Board and request that their file be kept open and active even though no progress has been made in satisfying the licensure requirements for several years.

Often times, applicants have moved several times without notifying the Board. Consequently, when the Board attempts to notify a physician of a deficiency in his or her application, the net result is a returned letter and then staff will diligently review the file or call the applicant's employers or training institution to see if there is another address that can be utilized. This additional workload expended on uninterested, unreachable physicians redirects the Board's resources away from current applicants.

The obsolete terminology in Section 1306 may confuse applicants. The language does not clearly notify applicants of their responsibility to meet the licensing requirements within the one-year timeframe or that failure to meet these requirements within the prescribed timeframe will lead to closure of their application. In fact, the current language stating an application will be "denied without prejudice" may cause applicants to mistakenly fear the Board will take action against them for failure to proceed to licensure. However, the closure of an application is a routine administrative matter.

Amending Section 1306 will benefit both the Board and applicants by clarifying both parties' responsibilities. Once the amendments take effect, the Board will be able to focus the Board's resources on applicants who are diligently pursuing licensure in California.

Underlying Data:

The Board relied on the statistical data below to determine that the Board's caseload of pending licensing applications may contain a significant number of abandoned applications. The table below breaks down the number of applications pending as of April 6, 2010. If an application has been pending for more than three years, there is a high likelihood the applicant is having unusual difficulties meeting the licensing requirements and has abandoned his or her application for this reason. Alternatively, the applicant may have obtained licensure in another state and has no further interest in practicing in California, but has not notified staff to close his application.

Age of Pending Applications	US	IMG	PTAL	Total Pending Applications
5+ Years	44	327	68	439
4 - 5 Years	45	299	147	491
3 - 4 Years	68	106	626	800
2 - 3 Years	119	207	915	1241
1 - 2 Years	283	246	1030	1559
0 - 1 Year	1968	567	1179	3714
	2527	1752	3965	Total = *8244

*1,528 Postgraduate Training Authorization Letters (PTALs) were recently issued and flagged; therefore, total number of pending applications is 6,716.

Business Impact:

This regulation will not have a significant adverse economic impact on businesses. This initial determination is based on the following facts or evidence/documents/testimony:

This regulation impacts only persons applying to the Medical Board for a physician and surgeon license.

The proposed regulation has no business or economic impact.

Specific Technologies or Equipment:

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Alternatives:

No reasonable alternative to the regulation would be either more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.