Telehealth and Licensing Interstate Providers

By Kate Blackman

The health care workforce in most states is stretched to its limit. Significant workforce shortages are predicted to increase, particularly in primary care, and are especially pronounced in many rural and underserved areas.

Telehealth—a tool that uses technology to provide health care and other health services remotely—is seen by many as one solution to help improve access to care. Telehealth can leverage the existing health care workforce by expanding the reach of providers and making services more convenient. With technology’s ability to span borders, some states are looking at ways to streamline the licensing process so providers can practice more easily across state lines.

State Action

Licensure falls under the authority of the states. They determine provider qualifications, services and circumstances for providing health care, as well as how to protect patients within their borders.

Most states require that providers—including those providing telehealth services—be licensed in the state where the patient is receiving care. Typically, providers who wish to practice in other states can apply for full licenses in those states. In order to expand telehealth and other services beyond state borders, however, states are pursuing several options to facilitate interstate licensure.

Telehealth-specific licenses. For delivering services specifically through telehealth, some states grant temporary licenses or telehealth-specific licenses. At least nine states have special licenses related to telehealth. These allow health care professionals to provide services remotely across state lines, and typically include certain terms, such as agreeing not to set up a physical office in the state.

Reciprocity and endorsement. Other options for out-of-state practice, though used less often, include reciprocity and endorsement. Some states, such as Alabama and Pennsylvania, have agreements with other states to grant licenses to out-of-state physicians in states that reciprocally accept the home state license. Endorsement, as in Connecticut, simply allows an out-of-state physician to obtain an in-state license based on his or her home state standards.

Interstate compacts. Compacts are formed when a certain number of states enact the same legislation, with specific language facilitating interstate practice. Joining a compact is voluntary on the part of the provider. Both the home and other compact states maintain their authority to monitor health care professionals practicing within their borders. Com-
Pacts have the ability to expand provider networks, expedite help from out-of-state providers in the wake of disasters, and allow states to share information when needed. Concerns about interstate compacts include states’ ability to maintain authority over providers from other states and potential implementation costs.

Licensure compacts have been created for providers such as nurses, advance practice registered nurses and physicians. The Nurse Licensure Compact has been in existence for about 15 years with 25 participating states. The Nurse Compact creates a multi-state license similar to a driver’s license, where the license is recognized in the home state and other compact member states. In an effort to include more states, the compact’s language was updated, and nine states adopted the revised version in 2016. The updated compact will go into effect after 26 states adopt the new language, or by Dec. 31, 2018, whichever occurs first. A similar compact, the Advanced Practice Registered Nurse Compact, was also considered in 2016 sessions.

A compact for physicians was first introduced in 2015. The Federation of State Medical Boards’ (FSMB) Interstate Medical Licensure Compact creates an expedited process for eligible physicians to apply for licensure in other compact states. It is intended to allow for a less onerous and time-consuming process for physicians seeking licenses in multiple states (unlike the nurses’ compact, which creates one multi-state license). Though the compact enables full licensure, one of the goals was to increase access to care through telehealth. As of June 2016, 17 state legislatures had passed the medical licensure compact language, typically by large margins. Two representatives from each state that approves the compact sit on the Interstate Commission, which will provide the administration and oversight, including developing and enforcing rules.

Other examples of interstate compacts include one for Emergency Medical Services personnel, which was introduced in 2015 and has been enacted in seven states, as well as one each for psychologists and physical therapists. Those compacts were introduced in 2016 and have been enacted in one state and three states, respectively.

**Federal Action**

The Health Resources and Services Administration (HRSA) has provided grants to physician and psychologist organizations to promote cross-state practice via telehealth. The program supports various state professional licensing boards to develop and implement policies that will reduce barriers to providing health care services through telehealth. For example, one grant is currently supporting the Interstate Commission’s work under the Interstate Medical Licensure Compact.

**NCSL Contact and Resource**

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