

I. RULEMAKING HEARING

PURPOSE: The purpose of the rulemaking hearing was to solicit comments on the Board's proposal to amend rules regarding fees pursuant to Tennessee Code Annotated Section 45204.

PROPOSED AMENDMENTS: Rule 1130.01.06 Fees amendments include:

1. New application fee increase to \$425
2. Initial licensure fee increase to \$350
3. Biennial licensure renewal fee increase to \$275
4. State regulatory fee of \$10 (unchanged)

NOTICE OF RULEMAKING: The notice of rulemaking hearing was published on January 27, 2025, on the Tennessee Administrative website. Additional notice was provided via email blast to all licensees and posted on the Board's website.

PUBLIC COMMENTS: No verbal public comments were received during the hearing.

WRITTEN COMMENTS: A formal written comment was submitted by Noranda French, Interim Fiscal Director, stating:

- The Board is managing its fiscal path cautiously
- The Board is currently on proper fiscal trajectory based on revenue trends
- While closing in the red is expected for odd years due to licensee renewal patterns
- The carryover will cover the deficit
- Fee increases may be premature at this time

BOARD DISCUSSION: The Board extensively discussed several factors influencing their decision:

1. Current reserve balance is approximately one-third of the recommended two-year operating expense reserve
2. Projected technology upgrade costs of \$174,000
3. Addition of new staff position (\$48,204 annual salary plus benefits)
4. Upcoming implementation of licensure compact
5. Historical patterns of alternating fiscal year deficits
6. Comparative fee structures of other healthcare regulatory boards

BOARD RESPONSE TO FISCAL DIRECTOR'S COMMENTS: The Board formally acknowledged Ms. French's analysis but determined to proceed with the fee increases based on:

1. Current reserve levels being significantly below recommended amounts
2. Anticipated capital expenditures including technology upgrades
3. Addition of full-time staff member
4. Need for long-term fiscal stability
5. Careful consideration of fee structures across other healthcare boards

VOTES AND MOTIONS:

1. Regulatory Flexibility Analysis: Motion to approve: Mr. White Second: Mr. Hull Action: Approved unanimously by voice vote
2. Economic Impact Statement: Motion to approve: Mr. White Second: Mr. Hull Action: Approved unanimously by voice vote
3. Rule Amendments for Fee Increase: Motion to approve: Mr. White Second: Mr. Hull Roll Call Vote:
 - Mr. Hull: Yes
 - Ms. Bennett: Yes
 - Ms. Hughes: Yes
 - Mr. Weathersby: Yes
 - Dr. Kasper: Yes
 - Ms. Patterson: Yes
 - Mr. White: Yes Action: Approved unanimously (7-0-0)

NEXT STEPS: The approved rules will be forwarded to:

1. Governor's Office for review
2. Attorney General's Office for legal review
3. Possible hearing before Legislative Committee on Government Operations

II. CONSIDERATION OF APPLICATIONS

- **Applicant:** Ms. Annsley Fields
- **Reviewing Board Member:** Ms. Patterson
- **Discussion:** Ms. Fields appeared before the Board to discuss pending charges related to a DUI and other misdemeanors. She expressed remorse and detailed the steps she has taken towards rehabilitation, including counseling and participation in relevant programs. Concerns were raised about her non-disclosure of the arrest to her PA program and the implications for her character reference.

BOARD DISCUSSION & DECISIONS:

- The Board discussed the ethical implications of Ms. Fields not informing her PA program of her arrest, despite having been advised by her attorney not to disclose the arrest pending legal proceedings.
- Dr. Barron, Medical Director for the Tennessee Medical Foundation, provided insights on the evaluation process for applicants with similar issues.

MOTIONS AND VOTES:

1. **Contingency Motion for Licensure Approval:**
 - **Motion by:** Mr. Hull
 - **Seconded by:** Mr. Weathersby
 - **Conditions:**

- Ms. Fields must undergo a Tennessee Medical Foundation (TMF) evaluation.
- Obtain an additional letter of recommendation from the Lipscomb PA Program Director, acknowledging the disclosure of her legal issues.
- **Outcome:** The motion was approved unanimously. Ms. Patterson will review the documents and decide on the application or defer it to the July meeting for further discussion if necessary.

- **Applicant:** Mr. Miles Mallicote
- **Reviewing Board Member:** Ms. Patterson
- **Discussion:** Mr. Mallicote appeared before the Board to discuss a DUI conviction that occurred during his clinical year. He expressed deep regret and detailed the steps he has taken towards rehabilitation, including completing a DUI education course and engaging in mentorship. Concerns were raised about his non-disclosure of the incident to his PA program and the implications for his character evaluation.

BOARD DISCUSSION & DECISIONS:

- The Board discussed the ethical implications of Mr. Mallicote not informing his PA program of his arrest and subsequent conviction, particularly in light of receiving a character reference from his program director who was unaware of the conviction.
- The Board expressed the necessity of a consistent approach similar to previous cases involving similar circumstances.

MOTIONS AND VOTES:

1. Contingency Motion for Licensure Approval:

- **Motion by:** Mr. Hull
- **Seconded by:** Mr. Weathersby
- **Conditions:**
 - Mr. Mallicote must undergo a Tennessee Medical Foundation (TMF) evaluation.
 - Obtain an additional letter of recommendation from the UT Health Science Center PA Program Director, acknowledging the disclosure of his legal issues.
- **Outcome:** The motion was approved unanimously. Ms. Patterson will review the documents and decide on the application or defer it to the next board meeting if necessary.

NEXT STEPS:

- Mr. Mallicote to provide the requested documentation and undergo a TMF evaluation.
- Ms. Patterson to review and decide on the application based on the additional information provided, with the possibility of further discussion in the next board meeting if necessary.

III. APPROVAL OF MINUTES

Mr. Weathersby proposed a motion to accept the minutes from the meeting held on January 17, 2025. This motion was seconded by Mr. Hull and subsequently approved by the board.

IV. DEPARTMENTAL REPORTS

Office of Investigation

Complaint Activity for Physician Assistants Key Highlights:

Complaint Activity Overview:

1. New Complaints:

- A total of 11 new complaints were opened for Physician Assistants in the early months of 2025.
- No new complaints were opened for Orthopedic Physician Assistants.

2. Closed Complaints:

- 6 complaints were closed for Physician Assistants, with 2 closed due to insufficient evidence and 4 successfully resolved.
- No complaints were closed for Orthopedic Physician Assistants.

3. Currently Open Complaints:

- There are 27 open complaints involving Physician Assistants.
- No open complaints for Orthopedic Physician Assistants.

4. Analysis of Newly Opened Complaints:

- Allegations include Unprofessional Conduct (52 cases) and Outside Investigation Scope (62 cases) for Physician Assistants.
- Complaints are predominantly from the Middle region (3 cases) and East region (1 case), with no complaints from the West, Out of State, or Unknown regions.

5. Orthopedic Physician Assistants:

- No complaint activity was reported for this group.

Administrative Office

Activities related to Physician Assistants from January 2025 to April 2025

Key Highlights:

1. New Applications and Licenses:

- A total of 224 new full applications were received for Physician Assistants.
- No temporary or upgrade applications were received.
- 8 reinstatements were processed.
- 1 new application was received for Orthopedic Physician Assistants.
- A total of 215 new licenses were issued.

2. Renewals:

- A total of 453 renewals were processed.

- 411 renewals were completed online, accounting for an average of 91% of total renewals.
3. **Active Licenses:**
- As of April 2025, there are 4,220 active Physician Assistant licenses.
 - There are 8 active Orthopedic Physician Assistant licenses.

Financial Report

Fiscal Year 2024 Final and Fiscal Year 2025 Mid-Year Report

Key Financial Highlights:

1. **Payroll Expenditures:**
 - FY2024: \$134,542.20
 - FY2023: \$121,492.27
 - FY2022: \$31,651.60

2. **Total Other Expenditures:**
 - FY2024: \$57,429.53
 - FY2023: \$61,996.23
 - FY2022: \$47,907.51

3. **Total Allocated Expenditures:**
 - FY2024: \$273,542.06
 - FY2023: \$268,568.69
 - FY2022: \$254,851.55

4. **Total Expenditures:**
 - FY2024: \$465,513.79
 - FY2023: \$452,057.19
 - FY2022: \$334,410.66

5. **Board Fee Revenue:**
 - FY2024: \$479,691.97
 - FY2023: \$411,815.00
 - FY2022: \$402,530.87

6. **Change in Financial Position:**
 - FY2024: \$14,178.18 (Increase)
 - FY2023: \$(40,242.19) (Decrease)
 - FY2022: \$68,120.21 (Increase)

7. **Reserve Balance:**
 - FY2024: \$313,329.39
 - FY2023: \$299,151.21
 - FY2022: \$339,393.40

Revenue Sources Overview for FY2024:

- Revenue is primarily sourced from First Registration, Renewal, Penalty for Late Renewal, Application Fees, Civil Penalties, Duplicate Wall Licenses, Permits, Case Cost Assessments, and Return Check Fees.

Administrative Policies (DHLR – No. 106.05):

- The board is informed if revenues are twice the expenditures for two consecutive fiscal years.
- The reserve balance should not exceed twice the three-year average of operating expenditures.
- Fee adjustments may be necessary to manage reserve balances and address concerns from the General Assembly.

FY2025 Year-to-Date Overview:

- Payroll Expenditures: \$96,617.18
- Total Other Expenditures: \$35,417.97
- Total Allocated Expenditures: \$177,102.73
- Total Expenditures: \$309,137.88
- Board Fee Revenue: \$293,438.11
- Change in Position: \$(15,699.77) (Decrease)
- Reserve Balance: \$297,629.61

V. CONDUCT NEW BUSINESS

Ratification of New Licenses

Dr. Kasper initiated a motion to approve all licenses, which was seconded by Mr. White. The board approved this motion.

VI. OFFICE OF GENERAL COUNSEL AND PRESENTATION OF DISCIPLINARY ORDERS

- **OGC Report:** Tracy Alcock briefed the board on several legislative updates affecting the PA board. Key points included the ongoing rulemaking process following the legislative session of 2024, the role of the task force under Public Chapter 1042, and the status of open disciplinary cases related to physician assistants. The Office of General Counsel currently has three open cases, and future board meetings may include contested case hearings or consent orders.
- **New Legislation:** Ms. Alcock highlighted legislation requiring executive sessions for discussions regarding health conditions of licensees or applicants, ensuring confidentiality.
- **Task Force Update:** The task force is in the rulemaking review process, and a final rulemaking hearing is anticipated. Due to the recent departure of board member Greg Cain, the board needed to elect a new representative for the task force.

BOARD DECISIONS:

- **Task Force Member Replacement:**
 - **Motion by:** Mr. Weathersby

- **Seconded by:** Mr. White
- **Decision:** The board unanimously approved the appointment of Ms. Tamara Bennett to replace Mr. Greg Cain on the task force. Ms. Bennett will participate in the final rulemaking hearing, ensuring continued PA representation.

DISCUSSION POINTS:

- The board engaged in a conversation regarding the PA interstate licensure compact and the role of PAs in the task force. There was an emphasis on the importance of PA representation to ensure that the compact reflects the unique aspects of the profession.
- Ms. Patterson provided insights into the compact's rules committee and the challenges faced in maintaining the intended scope of practice.

VII. CONSULTANT REVIEW

The board discussed the application process for licensure, focusing on ensuring efficient and thorough reviews. Key points included:

- **Application Submission:** Applicants can apply online through the LARS system or via paper application. The system allows applicants to submit required documentation and track deficiencies.
- **Processing and Review:** Dexter Hawkins, the board administrator, reviews applications within 72 hours of submission. He communicates deficiencies to applicants, who have 90 days to respond.
- **Documentation Requirements:** Applications require evidence of good moral character through two letters from medical professionals, transcripts, NCCPA certification, a declaration of citizenship, and a criminal background check.
- **Board Member Role:** Board members receive applications via email for review. They must complete their evaluations within 7-10 business days. If unable to review, members should notify Mr. Hawkins promptly.
- **Evaluation and Approval:** The application includes a checklist for board members to verify all documentation is complete. Members can approve, request an interview, or deny applications, with reasons provided for interviews.

TRAINING AND SUPPORT:

- Board members were encouraged to reach out to administrative staff for guidance, policy clarification, or legal counsel if needed during application reviews.
- The board discussed potential updates to the application process and system improvements with IT for more streamlined operations.

QUESTIONS AND DISCUSSION:

- The board engaged in a detailed discussion about the nuances of the application process, including handling conflicts of interest, evaluating character references, and ensuring consistent application of policies.
- New members were reassured that support is available from staff for any questions or concerns during the review process.

VIII. RULE REVIEW

The board discussed the review and potential updates to the PA rules, focusing on the following key areas:

1. PA Endorsement Application:

- The board considered the draft of the PA endorsement application, which is designed to align with new rules and legislative requirements.
- Members were invited to review the application thoroughly, with a focus on ensuring it meets the board's needs and expectations.
- Concerns were raised about the necessity of collaborative agreements and whether existing agreements needed to be revisited or updated.

2. Rules and Regulations Review:

- Tracy Alcock presented a redlined version of the PA rules, highlighting changes and additions in blue.
- Key areas of focus included definitions, qualifications for licensure, procedures for licensure, fees, continuing education, disciplinary actions, and advertising.
- A detailed discussion was encouraged, particularly on the sections regarding medical records and endorsement procedures.

3. Feedback and Future Actions:

- Board members were asked to review the rules and provide feedback via email to Tracy Alcock ahead of the next meeting in July.
- It was suggested that members prioritize reviewing the endorsement section and associated application to ensure clarity and completeness.
- The board agreed that the aim is to finalize and vote on the rules during the July meeting, with the goal of moving forward with the rulemaking process.

Public Comment

None

Mr. Hull motioned to adjourn the meeting, and Mr. White seconded the motion. The motion carried.

The Board ratified these meeting minutes at their July 18, 2025, meeting.