



Testimony of Pennsylvania Department of State  
Senate Consumer Protection and Professional Licensure Committee  
April 24, 2023

Thank you for the opportunity to testify before the committee on licensing for health care professionals by the Department of State's (Department) Bureau of Professional and Occupational Affairs (BPOA). As you are aware, BPOA oversees 29 boards and commissions and regulates more than 1,000,000 individuals and businesses spanning nearly 130 occupations and professions.

Since taking office, Governor Shapiro has made customer service the top priority for the Department and the Administration. We have heard from hospitals and healthcare systems of the shortages they are facing in getting healthcare professionals in the workforce. We have heard from the applicants themselves, whether they are nurses, barbers, or engineers, of the need to be able to start their careers. They cannot begin to work without their license. There are several actions that the Department is taking to help improve the time it takes to process an application. These include both immediate and longer-term initiatives.

Executive Order 2023-07 directed each state agency to compile a catalog of all the licenses, certifications, and permits it issues. The Department has completed this list and, working with the Governor's Office, will establish the ideal processing time for each application. If the Department fails to respond to an applicant in that time frame, the application fee will be returned to the applicant.

This policy holds the Department accountable to ensure that applications are being reviewed timely. The Department recognizes that the applicants would rather their license be issued than

their application fee returned. They want to be able to start working, earn their livelihood, and treat patients.

One common complaint that the Department hears from licensees, employers, our staff, and the General Assembly is that the existing PALS system is antiquated and is not user friendly. The Department is in the process of replacing the current system. Currently, we are drafting a Request for Proposals (RFP) for the replacement system. A project management consultant was retained in late 2022 to assist with drafting the RFP. We expect the RFP to be issued later this year.

The new system will address many of the issues that lead to longer processing times in the current system. For example, some delays currently arise from when applicants submit incomplete applications. Often an applicant believes they have submitted the completed application, but items are still outstanding that are necessary to complete the review. The new system will not allow an applicant to submit an incomplete application. This will eliminate time between when an applicant submits their application, and the respective board is waiting for all the required documents to issue the license. This will also cut down on the need to review the same application multiple times, allowing board staff to review more applications over the same period. In addition to this change, the new system will automate as much of the review process as possible, increasing the agency's efficiency.

The Governor's proposed budget includes a request for \$15 million from the Professional Licensure Augmentation Account for the new PALS system. It is important to note that BPOA oversees the granting and renewal of over 1,000,000 licenses. The PALS replacement is an investment that will allow current and future licensees to submit applications more easily and more quickly and for the Department to process those applications faster.

As we await the new PALS system, we are still focusing on ways to improve licensing now. For example, the Department made a change last fall that will impact new nursing graduates who are applying for their authorization to test and receive temporary practice permits (TPPs). Previously, before authorizing a new nursing graduate to test, the State Board of Nursing would need to review the applicant's criminal history check and child abuse continuing education. The Department has now streamlined this process, allowing aspiring nurses to test faster. Graduates of in-state nursing programs that the State Board of Nursing has approved will be eligible to test and issued their TPPs immediately once they have submitted their application in PALS and the board has received their education verification from their nursing program. The Board still will review an applicant's criminal history check and child abuse continuing education before issuing the license.

This change, based on legislation introduced by Chairwoman Boscola and Senator Collett in the Senate and Representative Keefer in the House, was implemented in the fall. While this change only affects a single board—the Board of Nursing—it is a meaningful change for tens of thousands of Pennsylvanians. In 2022, the Department received 33,182 applications for initial nursing licensure. As we approach May when we have significant numbers of nursing students graduating, this change will allow them to test more quickly and begin working with their TPPs.

The changes mentioned above will all help improve processing times, but the biggest impact on improving processing times made by filling vacancies and retaining staff. No matter what technology changes and accountability measures the Department implements, a staff person still needs to review each application. Currently, over 50% of the positions at the Board of Nursing are vacant, as well as over 40% of the positions in the Medicine, Osteopathic Medicine, Podiatry division and the Health licensing division (Psychology, Physical Therapy, Dental, Chiropractic, Massage Therapy, Nursing Home Administrator, Occupational Therapy, Optometry, Pharmacy, Podiatry, Social Work, Speech, and Veterinary).

Since starting with the Department, Acting Secretary Schmidt has made filling these positions a priority for the agency. We are working with the Office of Administration to improve the time it takes to fill a position and to ensure a more efficient hiring process as we move to fill these vacancies. The Department is also bringing in additional temporary staff to assist during the upcoming months as we approach graduation season.

Finally, implementation of the healthcare related licensure compacts is a top priority for the Department. Pennsylvania is eager to join its peers in implementing efficient interstate licensing procedures for healthcare professionals. While entrance in the compacts may not directly change licensure time, it will certainly improve the ease with which licensed health care professionals from outside of the Commonwealth can join the workforce within the Commonwealth.

Both the initial implementation of the compacts and continuous operation of the procedures for expedited licensure will require coordination between the Department of State, the Pennsylvania State Police, and our federal partners at the FBI. These partners are working together to ensure Pennsylvania's smooth and expedient transition to becoming a full participant in the interstate licensing compacts. The Department understands the importance of ensuring that applicants receive timely decisions and are subject to procedures that work efficiently. It is working expeditiously to implement the compacts.

The Department and BPOA have a responsibility to protect the health and safety of the public and to maintain the integrity of the professions under the jurisdiction of the 29 licensing boards and commissions. We remain committed to fulfilling that critical responsibility while being responsive to the needs of our licensees, hospitals and health systems and the residents of the Commonwealth. Thank you for the opportunity to appear before the committee today.