

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 509

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DATE	D-PG	OFFICIAL STATUS
01/23/2025	152	Introduction and first reading Referred to Health and Human Services
01/27/2025	200	Author added Boldon
02/27/2025	532a	Comm report: To pass as amended and re-refer to State and Local Government
03/06/2025	641a	Comm report: To pass as amended and re-refer to Finance
04/10/2025		Comm report: To pass as amended Second reading

1.1 A bill for an act

1.2 relating to health; amending licensing requirements for graduates of foreign medical

1.3 schools; authorizing the commissioner of health to remedy certain violations by

1.4 employers of limited license holders; requiring employers of limited license holders

1.5 to carry medical malpractice insurance; requiring limited license holders to provide

1.6 periodic certification to the medical board; modifying application and license fees;

1.7 amending Minnesota Statutes 2024, sections 144.99, subdivision 1; 147.01,

1.8 subdivision 7; 147.037, by adding a subdivision.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 Section 1. Minnesota Statutes 2024, section 144.99, subdivision 1, is amended to read:

1.11 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections

1.12 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14),

1.13 and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385;

1.14 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98;

1.15 144.992; 147.037, subdivision 1b, paragraph (d); 326.70 to 326.785; 327.10 to 327.131;

1.16 and 327.14 to 327.28 and all rules, orders, stipulation agreements, settlements, compliance

1.17 agreements, licenses, registrations, certificates, and permits adopted or issued by the

1.18 department or under any other law now in force or later enacted for the preservation of

1.19 public health may, in addition to provisions in other statutes, be enforced under this section.

1.20 **EFFECTIVE DATE.** This section is effective January 1, 2026.

1.21 Sec. 2. Minnesota Statutes 2024, section 147.01, subdivision 7, is amended to read:

1.22 Subd. 7. **Physician application and license fees.** (a) The board may charge the following

1.23 nonrefundable application and license fees processed pursuant to sections 147.02, 147.03,

1.24 147.037, 147.0375, and 147.38:

- 2.1 (1) physician application fee, \$200;
- 2.2 (2) physician annual registration renewal fee, \$192;
- 2.3 (3) physician endorsement to other states, \$40;
- 2.4 (4) physician emeritus license, \$50;
- 2.5 (5) physician late fee, \$60;
- 2.6 (6) nonrenewable 24-month limited license, \$392;
- 2.7 (7) initial physician license for limited license holder, \$192;
- 2.8 ~~(6)~~ (8) duplicate license fee, \$20;
- 2.9 ~~(7)~~ (9) certification letter fee, \$25;
- 2.10 ~~(8)~~ (10) education or training program approval fee, \$100;
- 2.11 ~~(9)~~ (11) report creation and generation fee, \$60 per hour;
- 2.12 ~~(10)~~ (12) examination administration fee (half day), \$50;
- 2.13 ~~(11)~~ (13) examination administration fee (full day), \$80;
- 2.14 ~~(12)~~ (14) fees developed by the Interstate Commission for determining physician
- 2.15 qualification to register and participate in the interstate medical licensure compact, as
- 2.16 established in rules authorized in and pursuant to section 147.38, not to exceed \$1,000; and
- 2.17 ~~(13)~~ (15) verification fee, \$25.

2.18 (b) The board may prorate the initial annual license fee. All licensees are required to

2.19 pay the full fee upon license renewal. The revenue generated from the fee must be deposited

2.20 in an account in the state government special revenue fund.

2.21 Sec. 3. Minnesota Statutes 2024, section 147.037, is amended by adding a subdivision to

2.22 read:

2.23 Subd. 1b. **Limited license.** (a) A limited license under this section is valid for one

2.24 24-month period and is not renewable or eligible for reapplication. The board may issue a

2.25 limited license, valid for 24 months, to any person who satisfies the requirements of

2.26 subdivision 1, paragraphs (a) to (c) and (e) to (g), and who:

2.27 (1) pursuant to a license or other authorization to practice, has practiced medicine, as

2.28 defined in section 147.081, subdivision 3, clauses (2) to (4), for at least 60 months in the

2.29 previous 12 years outside of the United States;

3.1 (2) submits sufficient evidence of an offer to practice within the context of a collaborative
3.2 agreement within a hospital or clinical setting where the limited license holder and physicians
3.3 work together to provide patient care;

3.4 (3) provides services in a designated rural area or underserved urban community as
3.5 defined in section 144.1501; and

3.6 (4) submits two letters of recommendation in support of a limited license, which must
3.7 include one letter from a physician with whom the applicant previously worked and one
3.8 letter from an administrator of the hospital or clinical setting in which the applicant previously
3.9 worked. The letters of recommendation must attest to the applicant's good medical standing.
3.10 The board may accept alternative forms of proof that demonstrate good medical standing
3.11 where there are extenuating circumstances that prevent an applicant from providing letters.

3.12 (b) For purposes of this subdivision, a person has satisfied the requirements of subdivision
3.13 1, paragraph (e), if the person has passed steps or levels one and two of the USMLE or the
3.14 COMLEX-USA with passing scores as recommended by the USMLE program or National
3.15 Board of Osteopathic Medical Examiners within three attempts.

3.16 (c) A person issued a limited license under this subdivision must not be required to
3.17 present evidence satisfactory to the board of the completion of one year of graduate clinical
3.18 medical training in a program accredited by a national accrediting organization approved
3.19 by the board.

3.20 (d) An employer of a limited license holder must pay the limited license holder at least
3.21 an amount equivalent to a medical resident in a comparable field. The employer must carry
3.22 medical malpractice insurance covering a limited license holder for the duration of the
3.23 employment. The commissioner of health may issue a correction order under section 144.99,
3.24 subdivision 3, requiring an employer to comply with this paragraph. An employer must not
3.25 retaliate against or discipline an employee for raising a complaint or pursuing enforcement
3.26 relating to this paragraph.

3.27 (e) The board may issue a full and unrestricted license to practice medicine to a person
3.28 who holds a limited license issued pursuant to paragraph (a) and who has:

3.29 (1) held the limited license for two years and is in good standing to practice medicine
3.30 in this state;

3.31 (2) practiced for a minimum of 1,692 hours per year for each of the previous two years;

4.1 (3) submitted a letter of recommendation in support of a full and unrestricted license
4.2 containing all attestations required under paragraph (i) from any physician who participated
4.3 in the collaborative agreement;

4.4 (4) has passed steps or levels one, two, and three of the USMLE or COMLEX-USA
4.5 with passing scores as recommended by the USMLE program or National Board of
4.6 Osteopathic Medical Examiners within three attempts; and

4.7 (5) completed 20 hours of continuing medical education.

4.8 (f) A limited license holder must submit to the board, every six months or upon request,
4.9 a statement certifying whether the person is still employed as a physician in this state and
4.10 whether the person has been subjected to professional discipline as a result of the person's
4.11 practice. The board may suspend or revoke a limited license if a majority of the board
4.12 determines that the licensee is no longer employed as a physician in this state by an employer.
4.13 The licensee must be granted an opportunity to be heard prior to the board's determination.
4.14 Upon request by the limited license holder, the limited license holder may have 90 days to
4.15 regain employment. A licensee may change employers during the duration of the limited
4.16 license if the licensee has another offer of employment. In the event that a change of
4.17 employment occurs, the licensee must still work the number of hours required under
4.18 paragraph (d), clause (2), to be eligible for a full and unrestricted license to practice medicine.
4.19 The board may suspend or revoke a limited license if a majority of the board determines
4.20 that the licensee is no longer employed as a physician in this state by an employer. The
4.21 licensee must be granted an opportunity to be heard prior to the board's determination.

4.22 (g) In addition to any other remedy provided by law, the board may, without a hearing,
4.23 temporarily suspend the license of a limited license holder if the board finds that the limited
4.24 license holder has violated a statute or rule which the board is empowered to enforce and
4.25 continued practice by the limited license holder would create a serious risk of harm to the
4.26 public. The suspension shall take effect upon written notice to the limited license holder,
4.27 specifying the statute or rule violated. The suspension shall remain in effect until the board
4.28 issues a final order in the matter after a hearing. At the time it issues the suspension notice,
4.29 the board shall schedule a disciplinary hearing to be held pursuant to the Administrative
4.30 Procedure Act. The limited license holder shall be provided with at least 20 days' notice of
4.31 any hearing held pursuant to this subdivision. The hearing shall be scheduled to begin no
4.32 later than 30 days after the issuance of the suspension order.

4.33 (h) For purposes of this subdivision, "collaborative agreement" means a mutually agreed
4.34 upon plan for the overall working relationship and collaborative arrangement between a

5.1 holder of a limited license and one or more physicians licensed under this chapter that
5.2 designates the scope of services that can be provided to manage the care of patients. The
5.3 limited license holder and one of the collaborating physicians must have experience in
5.4 providing care to patients with the same or similar medical conditions. Under the
5.5 collaborative agreement, the limited license holder must shadow the collaborating physician
5.6 for four weeks, after which time the limited license holder must staff all patient encounters
5.7 with the collaborating physician. After that time, the collaborating physician has discretion
5.8 to allow the limited license holder to see patients independently and will require the limited
5.9 license holder to present patients at their discretion. However, the limited license holder
5.10 must be supervised by the collaborating physician for a minimum of two hours per week.
5.11 A limited license holder may practice medicine without a collaborating physician physically
5.12 present, but the limited license holder and collaborating physicians must be able to easily
5.13 contact each other by radio, telephone, or other telecommunication device while the limited
5.14 license holder practices medicine. The limited license holder must have one-on-one practice
5.15 reviews with each collaborating physician, provided in person or through eye-to-eye
5.16 electronic media while maintaining visual contact, for at least two hours per week.

5.17 (i) At least one collaborating physician must submit a letter to the board, after the limited
5.18 license holder has practiced under the license for 12 months, attesting to the following:

5.19 (1) that the limited license holder has a basic understanding of federal and state laws
5.20 regarding the provision of health care, including but not limited to:

5.21 (i) medical licensing obligations and standards; and

5.22 (ii) the Health Insurance Portability and Accountability Act, Public Law 104-191;

5.23 (2) that the limited license holder has a basic understanding of documentation standards;

5.24 (3) that the limited license holder has a thorough understanding of which medications
5.25 are available and unavailable in the United States;

5.26 (4) that the limited license holder has a thorough understanding of American medical
5.27 standards of care;

5.28 (5) that the limited license holder has demonstrated mastery of each of the following:

5.29 (i) gathering a history and performing a physical exam;

5.30 (ii) developing and prioritizing a differential diagnosis following a clinical encounter
5.31 and selecting a working diagnosis;

5.32 (iii) recommending and interpreting common diagnostic and screening tests;

- 6.1 (iv) entering and discussing orders and prescriptions;
- 6.2 (v) providing an oral presentation of a clinical encounter;
- 6.3 (vi) giving a patient handover to transition care responsibly;
- 6.4 (vii) recognizing a patient requiring urgent care and initiating an evaluation; and
- 6.5 (viii) obtaining informed consent for tests, procedures, and treatments; and
- 6.6 (6) that the limited license holder is providing appropriate medical care.
- 6.7 (j) The board must not grant a license under this section unless the applicant possesses
- 6.8 federal immigration status that allows the applicant to practice as a physician in the United
- 6.9 States.
- 6.10 **EFFECTIVE DATE.** This section is effective January 1, 2026.