



Illinois State Medical Society

January 9, 2013

Manuel Flores, Acting Secretary
Jay Stewart, Division Director
Illinois Department of Financial and Professional Regulation
320 W. Washington Street
Springfield, IL 62786

Dear Secretary Flores and Director Stewart:

I'm writing to follow up on our January 8 telephone conversation regarding ISMS opposition to SB 2580, Amendment 1, regarding supplemental funding for the medical licensing/disciplinary fund. While the Illinois State Medical Society wholeheartedly agrees with you in support of a strong and efficient medical licensing and disciplinary function, we diverge on the issue of how best to assure it, now and into the future.

We are very familiar with the proposed short-term legislative strategy of sweeping monies temporarily from other funds, in this instance the Local Government Tax Fund. As I mentioned during our call, that very strategy has been repeatedly employed by prior General Assemblies to empty the Medical Fund of almost \$9 million of its dedicated resources meant to cover current IDFPR operations. As a result, there is now no money left to conduct essential licensing and discipline-related regulatory oversight.

Even more objectionable to our physician members is the amendment's "payback" provision, which would surely necessitate a steep medical licensing fee increase in 2014 to cover return of the borrowed funds *and* continuing operational expenses for the Department's licensing/disciplinary function. As long as that payback provision remains in the measure, ISMS will oppose it.

Please understand that despite this opposition, ISMS is sympathetic to the challenges IDFPR faces in the absence of a funding infusion. We realize the Department is not at fault in creating the shortfall; however, allowing this transfer scheme to continue endlessly makes the Medical Fund ripe for further raids, prompting further increases in physician licensing fees. We must put a stop to it.

Secretary Flores and Director Stewart, I appreciate your time in hearing me out on this important issue. ISMS and our members are passionate about protecting the integrity of medical licensing and discipline and we will continue to urge the General Assembly to restore prior transfers used for unrelated purposes while advocating for adequate funding for you to conduct this essential activity. ISMS believes that to stabilize the situation, we should look at both the long-term funding needs of

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the Department's medical licensing/discipline function, coupled with a 10-year extension of the Medical Practice Act. That solution would take these annual debates off the table. I hope that despite our difference of opinion on this specific legislation, we can look forward to collaborative efforts in the future.

Sincerely,

Steven M. Malkin, M.D.
Chair, Board of Trustees
Illinois State Medical Society

cc: William N. Werner, M.D.
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