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## **Shirley Svorny: Why the Second-Best Solution – Redefining the Locus of Care – Is Needed for Telemedicine**

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Telemedicine is one of the most immediately needed high-bandwidth broadband applications, and it promises concrete and easy-to-see benefits. Yet its usage had limited by occupational licensing. In this policy report, CATO Institute Adjunct Scholar Shirley Svorny lays out the case for the best option (eliminating all governmental licensing), a second-best option (defining the locus of care as the location of the physician), and lesser-priority options (including a national telemedicine license, which is not a good idea).

One of the most promising areas of medical innovation is the expansion of telemedicine, where medical professionals treat patients across great distances using electronic communications. A significant barrier to telemedicine is the requirement that physicians obtain licenses from each state in which their current or potential patients are, or may be, located.

The best option is to eliminate government licensing of medical professionals altogether. Eliminating licensing would eliminate these barriers without compromising quality. State medical licensing boards often place the interests of physicians ahead of patient safety. Health insurers, medical malpractice liability insurers, hospitals, and others — many of whom are liable when a physician injures a patient, and all of whom seek to protect their reputations — would continue to protect patients by doing periodic, substantive reviews of physician skills and qualifications.

A second-best way to eliminate barriers to affordable, quality care would be for Congress to redefine the location of the interaction between patients and physicians from that of the patient to that of the physician. Digital patients would be no different from patients who travel across state lines or national borders for care. A physician would need only one license, and would be responsible for only one set of licensing laws governing the practice of medicine — that of his or her home state.

A third option is for individual states to open their markets to physicians licensed in other states, or to join other states in reciprocal agreements to honor each other's licenses.

Finally, the federal government could offer national telemedicine licenses, an option that would require a new federal agency, additional costs, and — like existing state licensing boards — would be vulnerable to capture by physician groups that seek to erect barriers to telemedicine.