EXHIBIT D-2

STATE MEDICAL BOARD

SUBJECT: Regulation 38; Governing Telemedicine

<u>DESCRIPTION</u>: This establishes a requirement for physicians to provide telemedicine services.

<u>PUBLIC COMMENT</u>: A public hearing was held on June 9, 2016, and the public comment period expired on that date.

Letters of support were received from the Arkansas Medical Society and a letter in support with the following signatures: Arkansas State Chamber of Commerce Associated Industries of Arkansas, Inc., Arkansas Trucking Association, Arkansas Freedom Fund for Veterans, America's Car Mart, Inc., American Fidelity General Agency, Inc., Carelink, the Central Arkansas Area Agency on Aging, Franklin Electric Co., Inc., Freshbenies, Martin Resource Management Corporation, National Multiple Sclerosis Society, New Benefits, Legacy Capital Group Arkansas, Parkinson's Action Network, Teladoc, TelaMedPlus, and United Spinal Arkansas.

The proposed effective date is August 1, 2016.

CONTROVERSY: This is not expected to be controversial.

FINANCIAL IMPACT: There is no financial impact.

LEGAL AUTHORIZATION: These rules implement Act 887 of 2015, the "Telemedicine Act." This act required state licensing and certification boards for healthcare professionals to amend their rules where necessary to comply with the act.

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QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

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	EPARTMENT/AGENCY IVISION	Arkansas Stat	e Medic	zai Board	1			
				 			PR 29	201i)
	IVISION DIRECTOR	Peggy Pryor (Secretar	y D	UREAL	JOF
	ONTACT PERSON	Kevin M. O'D					TIVER	ESEARCH
	DDRESS	211 S. Spring	Street,	Little Ro	ck, AR 7	2201		•
	HONE NO. $501-372-4$							r@htolaw.com
N	AME OF PRESENTER A	T COMMITTE	EE MEI	ETING	Kevin l	M. O'Dwye	r	
PΙ	RESENTER E-MAIL _							
		<u>II</u>	NSTRU	<u>CTION</u>	<u>S</u>			,
C.	 3. Please answer each question completely using layman terms. You may use additional sheets, if necessary. 3. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below. 4. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to: Donna K. Davis Administrative Rules Review Section Arkansas Legislative Council Bureau of Legislative Research One Capitol Mall, 5th Floor Little Rock, AR 72201 							
**	, *************		*****	*****	*****	******	*****	****
1.	What is the short title of the	nis rule? Regul	ation 38	, Govern	ning Tele	medicine		
2.	What is the subject of the	proposed rule?	To esta teleme	ablish a i dicine se	equireme rvices.	nt for phys	icians to	provide
3.	Is this rule required to com	ply with a feder	al statu	te. rule. o	or regulati	ion? Y	es	No 🔀
			deral rule, regulation, and/or statute citation.				103 [_]	110 2
4.	Was this rule filed under the emergency provisions of the Administrative Procedure Act?					Yes 🗌	No 🔀	
	If yes, what is the effective date of the emergency rule? N/A							
	When does the emergency	rule expire?	N/A					
	Will this emergency rule be the Administrative Proced	e promulgated u ure Act?	ınder the	e permar	ent provi		es 🔲	No 🛛

5.	. Is this a new rule? Yes No I If yes, please provide a brief summary explaining the regulation.				
	Does this repeal an existing rule? Yes No No No If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.				
	Is this an amendment to an existing rule? Yes \(\subseteq \text{No \textsuperscript{\textsuperscript{\text{No \textsuperscript{\text{No \text{\text{Equiv}}}}}} \) If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."				
6.	Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. §17-95-303 (2)				
7.	What is the purpose of this proposed rule? Why is it necessary? Telemedicine has been introduced				
8.	Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). www.armedicalboard.org				
9.	Will a public hearing be held on this proposed rule? Yes ⊠ No □				
	If yes, please complete the following:				
	Date: 9 June 2016				
	Time: 8:30 a.m.				
	Offices of the Arkansas State Medical Board, 1401 W. Capitol Ave. Suite 340, Place: Little Rock AR 72201				
1Λ	When does the multiple comment as it is a second se				
	When does the public comment period expire for permanent promulgation? (Must provide a date.)				
<u></u>	anc 2010				
11.	What is the proposed effective date of this proposed rule? (Must provide a date.)				
	August 2016				
12.	Do you expect this rule to be controversial? Yes No No				
	If yes, please explain.				
	A> E				
13.	Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.				
Ar	kansas Medical Society; Arkansas Osteopathic Association				

FINANCIAL IMPACT STATEMENT

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PLEASE ANSWER ALL QUESTIONS COMPLETELY APR 29 2015

DEPARTMENT		IMENT	Arkansas State Medical Board			BURFAU OF		
DIVISION		ON			LE		/E RESEARCH	
PE.	RSO	N COMPLE	TING THIS ST	ATEMENT Kev	in M. O'Dwyer, Attor			
TE.	LEPI	HONE NO.	501-372-4144	FAX NO. 501-372	2-7480 EMAIL : <u>kod</u>	wyer@htola	w.com	
To Sta	comp teme	oly with Ark. nt and file tw	Code Ann. § 25 o copies with th	i-15-204(e), please of e questionnaire and	complete the following proposed rules.	g Financial I	mpact	
SH	ORT	TITLE OF	THIS RULE	Regulation 38, Go	verning Telemedicine	;		
1.	Does	s this propose	ed, amended, or	repealed rule have a	financial impact?	Yes 🗌	No 🔀	
2.	Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No						No 🗌	
3.	In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered?			Yes 🔀	No 🗌			
	If an	If an agency is proposing a more costly rule, please state the following:						
	(a)	(a) How the additional benefits of the more costly rule justify its additional cost; N/A						
	(b)	The reason to N/A	for adoption of t	he more costly rule;	, , , , , , , , , , , , , , , , , , , ,			
	(c)	Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and; N/A						
	(d)	Whether the reason is within the scope of the agency's statutory authority; and if so, please explain. N/A						
4.	If the purpose of this rule is to implement a federal rule or regulation, please state the following:							
	(a)	(a) What is the cost to implement the federal rule or regulation?						
	<u>Cu</u>	rent Fiscal	<u>Year</u>		Next Fiscal Year			
	Fed Cas Spe	neral Revenue eral Funds h Funds cial Revenue er (Identify)			General Revenue Federal Funds Cash Funds Special Revenue Other (Identify)	N/A		

Total			Total					
(b)	What is the ad-	ditional cost of the state	rule?					
<u>Cı</u>	Current Fiscal Year		Next Fiscal Year					
Fe Ca Sp Ot	ash Funds	N/A	Cash Funds Special Revenue Other (Identify)	N/A				
the	nat is the total es proposed, amen plain how they an	ided, or repealed rule? I	ar to any private individual, entity dentify the entity(ies) subject to the	y and business subject to he proposed rule and				
	ent Fiscal Year		<u>Next Fiscal Ye</u>	Next Fiscal Year				
			\$					
N/A								
Curre	ent Fiscal Year		<u>Next Fiscal Ye</u> \$	<u>ar</u>				
or pri	With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined? Yes No							
tin	If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:							
(1)	a statement of	the rule's basis and purp	ose;					
(2)	the problem the		ks to address with the proposed rule, including a statement of whether					
(3)		f the factual evidence that the agency's need for the						

- (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

SUMMARY

Proposed Regulation 38 Governing Telemedicine

To establish a requirement for physicians to provide telemedicine services.

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BUREAU OF

LEGISLATIVE RESEARCH