

AOTA–NBCOT[®] Joint Initiative: Developing the Occupational Therapy Licensure Compact

Chuck Willmarth, Shaun Conway



Chuck Willmarth, CAE, is Vice President, Health Policy and State Affairs, American Occupational Therapy Association, North Bethesda, MD; cwillmarth@aota.org



Shaun Conway, OTR, is Senior Director, External and Regulatory Affairs, National Board for Certification in Occupational Therapy, Gaithersburg, MD; sconway@nbcot.org

This article explains the need for a licensure compact in the occupational therapy profession and describes the joint American Occupational Therapy Association (AOTA) and National Board for Certification in Occupational Therapy (NBCOT[®]) initiative to develop and implement the compact. Despite uniformity in occupational therapy licensure laws across the states, the ability to obtain and maintain licenses in multiple jurisdictions remains complicated and time consuming. Occupational therapy practitioners will benefit from an improvement to the existing state licensure system that would allow them to obtain a privilege to practice in multiple states through an interstate licensure compact. The licensure compact will be implemented by a commission composed of state regulators from each participating state. In September 2019, AOTA and NBCOT issued a joint statement announcing that the two organizations would be collaborating to support the development of an interstate licensure compact for occupational therapy. This article highlights the need for the Occupational Therapy Licensure Compact, the process used to develop the compact's language, and the state legislative progress made to date. It also outlines the next steps needed to advance Occupational Therapy Licensure Compact legislation as well as efforts needed to operationalize the Occupational Therapy Compact Commission.

Willmarth, C., & Conway, S. (2022). Health Policy Perspectives—AOTA–NBCOT[®] joint initiative: Developing the Occupational Therapy Licensure Compact. *American Journal of Occupational Therapy*, 76, 7601070010. <https://doi.org/10.5014/ajot.2022.761002>

The American Occupational Therapy Association (AOTA) and state occupational therapy associations have advocated for more than for 40 years to enact occupational therapy licensure laws in all 50 states, the District of Columbia, Puerto Rico, and Guam on behalf of occupational therapists and occupational therapy assistants. Each licensure law establishes licensure requirements for occupational therapists and occupational therapy assistants. Across state laws

for both levels, there is remarkable uniformity in terms of the core requirements for education, field-work, and certification examination. This uniformity allows for mobility—a practitioner can move from state to state and obtain a license to practice in the new state. Despite near uniformity in licensure requirements across states, however, obtaining and maintaining licenses in multiple states is a burdensome, expensive, and complex process.

Under the existing licensure system, occupational therapy practitioners must apply for a license in each jurisdiction in which they intend to practice, whether in person or virtually through telehealth. For example, a home health practitioner who provides occupational therapy services to clients in their homes in the District of Columbia, Maryland, and Virginia would need a license in each jurisdiction. As mentioned, although the core licensing requirements are the

same, each jurisdiction has its own licensure process and application timeframe. Some states require primary-source verification that applicants meet education and certification exam requirements. Other states require applicants to provide verification from every state in which they have held a license in the past. The situation is even more complicated with respect to licensure renewal; practitioners must maintain continuing education or continuing competence requirements for each state in which they are licensed. Unlike the core licensure requirements, licensure renewal requirements vary a great deal. Many states renew every 2 years, some renew annually, and New York State renews every 3 years.

For practitioners who live and work in one state, the existing system may very well meet their needs. However, if they plan to practice in multiple states, obtaining and maintaining multiple state licenses is burdensome. A licensure compact for the occupational therapy profession would greatly simplify the licensure process across states.

Licensure Compacts: Key Concepts and Benefits

An *interstate licensure compact* is a legal agreement or contract between state governments. In this case, an occupational therapy licensure compact will provide licensed occupational therapists and occupational therapy assistants the opportunity to practice in the states that join the compact without having to secure a new license in each state.

Licensed occupational therapists and occupational therapy assistants who want to obtain a licensure compact privilege to practice in another state will visit the occupational therapy compact website to complete an application electronically. Licensure compact applications will be available only to those who have a current

license, not to applicants seeking initial licensure. Applicants will need to provide information about their current license and purchase a compact privilege where they want to practice. It is important to note that some applicants must meet jurisprudence requirements before the compact privilege to practice can be granted, depending on state requirements. This would likely include taking and passing a test of jurisprudence about the legal requirements outlined in the occupational therapy licensure law and regulations in that state (Willmarth & Conway, 2020).

A licensure compact for occupational therapy will allow practitioners to provide services in multiple states while at the same time preserving consumer protections, accountability, and the authority of state regulatory boards to regulate the profession.

An occupational therapy licensure compact will have many benefits (AOTA, 2021); it will

- improve client access to occupational therapy;
- increase opportunities to practice across state lines (e.g., telehealth);
- enhance mobility of occupational therapy practitioners;
- support spouses of relocating military families;
- improve continuity of care;
- preserve and strengthen the state licensure system; and
- enhance the exchange of licensure, investigatory, and disciplinary information between member states.

Early Efforts to Address Uniformity of State Laws and Mobility

AOTA's support for state licensure dates back to 1974, when its Delegate Assembly adopted Resolution 400-74, which changed the association's view of state licensure. As noted by former AOTA President Jerry A. Johnson (1974, p. 73), "The position of the Association on licensure was changed from one of neutrality to endorsement, and the

pursuit of licensure was advanced to an objective of high priority." Resolution 400-74 was the important first step in creating uniformity in state licensure laws by adopting the position that AOTA "favors the pursuit of licensure statutes based upon national minimum standards equivalent to those established by AOTA as articulated in the Model Occupational Therapy Practice Act of 1974" (Johnson, 1974, p. 73). Over time, AOTA's policies related to licensure evolved to incorporate mobility as an important concept in policies that support uniformity. In 1996, AOTA's Stance on Licensure (Policy 5.3) was revised to read,

The Association encourages usage of the Definition of Occupational Therapy Practice for State Regulation to ensure state-by-state uniformity of standards of practice, definition of occupational therapy, credentialing mechanisms, and consumer protection, as well as to facilitate geographical mobility of occupational therapy manpower. (AOTA, 1996)

AOTA and state associations continued to make progress in the 1990s and 2000s to enact licensure laws with uniform licensure requirements across the states. By 2015, all jurisdictions licensed occupational therapists and occupational therapy assistants.

NBCOT's Efforts to Increase Awareness of Telehealth and Licensure Portability

Just as the profession was working to obtain licensure for occupational therapists and occupational therapy assistants, telehealth began to emerge as a new means of service delivery for occupational therapy services. The advent of telehealth in occupational therapy had implications for both practice and regulation.

It was during this time that the National Board for Certification in Occupational Therapy (NBCOT[®]) became aware of and began introducing the topic of telehealth at its Annual Occupational Therapy

State Regulatory Conference, now the NBCOT Occupational Therapy State Regulatory Leadership Forum. This annual national forum has been hosted by NBCOT for the past 26 yr. The purpose of this national forum is to bring occupational therapy state regulators together from around the country to learn about national patterns and trends in occupational therapy licensing, regulation, and certification and to provide state regulators with the opportunity to dialogue about these issues and learn from one another. In the early to mid-2000s, speakers were brought in from the U.S. Department of Health and Human Services and the American Telemedicine Association to talk with occupational therapy state regulators about what telehealth was and what it might become in the future. In addition, these speakers talked with regulators about the potential implications of telehealth for the occupational therapy state regulatory community.

As the conversation evolved over the next several years, additional speakers were brought in to talk about their experiences with delivering services via telehealth in occupational therapy as well as in other allied health fields. Moreover, these conversations began to reveal some of the challenges health care practitioners were encountering around supervision and jurisdictional requirements in addition to challenges in applying for and obtaining licenses to practice in multiple states. As staff at NBCOT and occupational therapy state regulators began to better understand the practical implications of telehealth more broadly, the conversation at the Occupational Therapy State Regulatory Leadership Forum also began to expand. The conversation was no longer specifically focused on telehealth but broadened to portability or practitioners' ability to work more seamlessly in more than one jurisdiction. In addition to its annual meeting, NBCOT began incorporating these discussion points into

customized presentations to occupational therapy state licensure boards and, later, into presentations delivered at occupational therapy state association conferences. All of these efforts were made by NBCOT to help provide information, increase awareness, and enhance greater understanding of telehealth and portability in the occupational therapy community and how this vehicle and approach might apply.

Over the years, AOTA was invited to speak at numerous NBCOT Occupational Therapy State Regulatory Leadership Forums on issues related to scope of practice. At one of the subsequent forums, AOTA was invited to participate in a panel discussion on licensure portability. A panelist from the Federation of State Boards of Physical Therapy (FSBPT) introduced for the first time at the forum the concept of a licensure compact, which FSBPT was working on at the time. During this meeting, the AOTA representative indicated that the Association had not yet identified this issue as a priority; later, one of the attendees asked why. In response, it was clarified that to bring a matter of this nature forward, a resolution would need to be drafted and submitted to AOTA's professional policy-making body, the Representative Assembly (RA), for review and consideration. After that year's leadership forum, that attendee drafted and submitted a resolution to AOTA's RA.

AOTA's Review of Licensure Portability

In 2015, AOTA's RA adopted a motion calling for the creation of an ad hoc committee to "investigate the merits of establishing professional licensure portability for the occupational therapy professional possibly through the creation of a licensure compact" (AOTA, 2015). The motion charged the ad hoc committee with reviewing various models that could be used to

facilitate licensure portability, consult with stakeholders, and develop recommendations. The rationale for the motion included the burden of maintaining licenses in multiple states; state regulatory boards' limited resources, which delay the licensure process for those who are relocating or when there is an urgent need for occupational therapy practitioners (e.g., in response to a large-scale disaster); issues with practice across state lines due to advances in telehealth; and established licensure compacts in other health professions (medicine, nursing, physical therapy, psychology, emergency medical service, and others).

The AOTA Ad Hoc Committee on Licensure Portability completed its study and offered three recommendations: (1) Endorse expedited licensure and licensure portability as professional policy; (2) conduct additional research into existing licensure laws, determine how many occupational therapists and occupational therapy assistants are licensed in multiple states, and survey members to identify their needs; and (3) convene stakeholders to discuss interests, concerns, and barriers related to licensure portability. The 2016 RA approved a motion in support of state licensure models that allow for licensure portability, including the establishment of a licensure compact. Notably, the RA did not pass a motion in favor of expedited licensure.

AOTA convened a licensure portability stakeholder meeting at the 2017 AOTA Annual Conference & Expo. Attendees received a summary of AOTA's work on licensure portability, including the findings from the Ad Hoc Committee. The Council of State Governments (CSG) provided an overview of interstate compacts and reviewed key elements of licensure compacts. Guest presenters provided information regarding the Nurse Licensure Compact and the Medical Licensure Compact. Although stakeholders did not reach a consensus on the topic,

there seemed to be broad interest in learning more about what a licensure compact might look like for the occupational therapy profession.

In June 2017, AOTA's Board of Directors adopted a 3-year strategic plan. AOTA's 2018–2020 Strategic Plan included an objective stating that AOTA planned to “address licensure portability allowing OT practitioners to improve professional mobility and enable participation in emerging delivery models such as telehealth” (AOTA, 2017).

With telehealth viewed as a key driver behind the need to improve licensure portability, AOTA commissioned research in early 2018 to examine the potential future for Medicare reimbursement for occupational therapy services provided via telehealth. The researcher performed a literature review and conducted key-person interviews. Experts generally agreed that the expansion of telehealth services covered by Medicare, including occupational therapy, would likely happen incrementally and could take between 2 and 10 yr. At the time, experts noted that research was needed to demonstrate the effectiveness and cost savings of occupational therapy provided via telehealth.

Although improvements in coverage of occupational therapy services provided via telehealth would likely be incremental, AOTA continued to consider the possibility of pursuing a licensure compact. AOTA's leadership determined that the Association needed to move forward with the licensure compact initiative and included funding in the Fiscal Year 2020 budget to work with CSG to begin the development of the Occupational Therapy Licensure Compact. AOTA signed a contract with CSG to begin development of the compact in August 2019.

AOTA and NBCOT Announce Joint Initiative

While the planning stages of working with CSG moved forward,

AOTA leaders also recognized that establishing an Occupational Therapy Licensure Compact would not be something AOTA could do on its own and would require collaboration with many stakeholders. In June 2019, AOTA requested a meeting with NBCOT senior staff to discuss the possibility of working together to create the compact. The group discussed the benefits that a licensure compact could bring to the profession and how it could enhance service delivery to clients. The group agreed to begin drafting an agreement outlining how the two organizations would work together. A memorandum of understanding was subsequently drafted and agreed to by both AOTA and NBCOT on September 20, 2019.

In late September 2019, AOTA and NBCOT issued a joint statement announcing that the two organizations would be collaborating to support the development of an interstate licensure compact for occupational therapy. The statement noted that

AOTA and NBCOT are committed to working together throughout the process of creating and implementing the licensure compact. Major funding from NBCOT will support the licensure compact initiative; AOTA and state associations will lead advocacy efforts to enact compact legislation in the states. (AOTA & NBCOT, 2021, p. 2)

The historical perspective regarding the licensure compact initiative is important in order to understand the degree to which both organizations researched the topic over several years. These conversations took time, but they also helped build a consensus among many stakeholders within the profession that it was time to move forward with a licensure compact.

Developing the Occupational Therapy Licensure Compact

CSG invited a total of 18 people from around the country to

participate in the Occupational Therapy Interstate Licensure Compact Advisory Group. Those people represented occupational therapists, occupational therapy assistants, occupational therapy state regulatory board members, administrators, legal counsel to boards, employers, AOTA-affiliated state association presidents, the AOTA Licensure Portability Ad Hoc Committee, the U.S. Department of Defense, the AOTA staff liaison, and the NBCOT staff liaison.

CSG convened the first meeting of the Occupational Therapy Interstate Licensure Compact Advisory Group from October 29 to October 30, 2019, at the Hall of the States in Washington, DC. The role of the advisory group was to engage in a thoughtful dialogue regarding the needs of occupational therapists, occupational therapy assistants, students, state licensure boards, and other stakeholders related to the development of an interstate licensure compact.

The 2-day meeting began with a briefing by CSG staff members to provide the background and history of interstate compacts; this was followed by a review of existing compacts in medicine, nursing, physical therapy, and other health professions. Staff briefed the advisory group on the findings of their research into the state regulation of occupational therapy. A key finding was that the core licensure requirements for occupational therapists and occupational therapy assistants are consistent across jurisdictions; specifically, all states require occupational therapists and occupational therapy assistants to graduate from accredited programs, complete supervised fieldwork requirements, and pass the entry-level certification exam administered by NBCOT.

After the Occupational Therapy Interstate Compact Advisory Group meeting, CSG selected eight people from the advisory group to serve on the Drafting Team. With

the assistance of CSG representatives, the Drafting Team was responsible for writing the Occupational Therapy Licensure Compact legislation. In an effort to gather public comment, the draft bill was posted to the AOTA and NBCOT websites, and the occupational therapy community at large was invited to review and submit comments on the it. In addition, targeted efforts were made to leadership of all occupational therapy state associations and occupational therapy licensure boards, and a series of national conference calls was convened with these constituency groups over the course of approximately 3 months. In addition, AOTA and NBCOT leadership were provided with opportunities to review and comment on the draft legislation.

Once the public comment period was closed, all feedback was reviewed by the Drafting Team. In the end, approximately 15% of the draft legislation was revised as a result of the comments and suggestions received. The revised draft legislation was then sent back to the advisory group for their review and approval. The final Occupational Therapy Licensure Compact legislation was reviewed and approved by the AOTA and NBCOT boards of directors in October 2020.

Key elements of the Occupational Therapy Licensure Compact legislation are as follows:

- It is open to licensed occupational therapists and occupational therapy assistants.
- The use of a compact privilege to practice is an option, not a requirement.
- A home state license authorizes practitioner participation in the compact.
- A minimum of 10 states must approve the Occupational Therapy Licensure Compact legislation to activate the compact.
- Practitioners with an encumbered license will not be able access compact privileges.

- Federal Bureau of Investigation (FBI) fingerprint-based criminal background checks will be required for practitioners seeking a compact privilege to practice.
- The compact includes a provision to speed up licensure in the new home state for relocating occupational therapists and occupational therapy assistants.

2021 State Legislative Sessions

Soon after AOTA and NBCOT approved the Occupational Therapy Licensure Compact language, AOTA, NBCOT, and CSG staff held multiple virtual meetings and webinars for state associations and state regulatory boards interested in pursuing legislation in 2021.

Although the original goal was to get Occupational Therapy Licensure Compact legislation introduced in 10 states, 16 states introduced bills in 2021. As of December 2021, governors in 9 states (Colorado, Georgia, Maine, Maryland, Missouri, New Hampshire, North Carolina, Ohio, and Virginia) signed the Occupational Therapy Licensure Compact into law. Legislation is still pending in Wisconsin, and Pennsylvania is expected to introduce a bill soon.

For the most part, Occupational Therapy Licensure Compact legislation received strong support across the states, but some concerns did emerge. Space limitations do not permit a full report, so examples from three states are provided.

In Utah, the Occupational Therapy Licensure Compact legislation passed the Senate but ran into opposition in the House. Legislators questioned the need for the legislation because Utah recently passed licensure reciprocity legislation in 2020. Advocates in Utah attempted to draft distinctions between licensure compact laws and reciprocity laws, but time ran out. A reciprocity law basically states that a licensure board will

issue a license to someone holding a valid license in another state to reduce the burden of the licensure process. Unlike a compact, these reciprocity laws do not help people in their home state get licensed in other states as a compact does. Utah plans to reintroduce legislation in 2022.

A similar issue emerged in Nebraska. Just as the Occupational Therapy Licensure Compact legislation was being considered, a different piece of legislation to create licensure reciprocity was enacted into law. Unfortunately, Occupational Therapy Licensure Compact legislation did not move forward, but it will be reconsidered in 2022. CSG recently sent a letter to legislators in Nebraska to explain the benefits of licensure compacts and how they can be compatible with the state's reciprocity law.

In South Carolina, the Occupational Therapy Licensure Compact was heard in committee but raised some concerns with the state agency that oversees licensure boards. Concerns included provisions related to FBI background checks, the costs to administer the compact, and the process that would be needed to integrate the data system with the state's licensure information system. The session ended before those issues could be resolved, and the bill will carry over to 2022.

Next Steps

AOTA and NBCOT are working with CSG to identify target states for Occupational Therapy Licensure Compact bills to be introduced or reintroduced in 2022. This process includes outreach to state occupational therapy association leaders as well as to state occupational therapy regulatory boards. Jurisdictions targeted for new legislation in 2022 include Alabama, Arizona, Delaware, District of Columbia, Indiana, Kentucky, Tennessee, Utah, Washington, and West Virginia. As noted in [Figure 1](#), Occupational Therapy Licensure Compact bills

will carry over in Iowa, Illinois, Nebraska and South Carolina.

In addition to working with leaders in individual states, AOTA and NBCOT promoted the licensure compact to state legislators at the 2021 National Conference of State Legislatures (NCSL) Legislative Summit. NCSL is a membership organization of state legislators from across the country. Close to 2,000 state legislators attended the event in Tampa, Florida, in November 2021. AOTA and NBCOT staff (Figure 2), along with a representative from the Florida Occupational Therapy Association, met with legislators at the Occupational Therapy Licensure Compact booth in NCSL's Exhibit Hall both to educate them about the Occupational Therapy Licensure Compact legislation and to recruit potential sponsors for future compact legislation.

Occupational Therapy Compact Commission

The Occupational Therapy Licensure Compact will be activated once the compact legislation becomes effective in 10 states. This will likely happen in early 2022. The compact legislation created the Occupational Therapy Compact Commission (OTCC) to implement the licensure compact. Members of the commission are appointed by compact member states and may be occupational

Figure 2. Chuck Willmarth and Shaun Conway at the Occupational Therapy Compact Booth during the National Conference of State Legislatures Legislative Summit in Tampa, Florida, November 4, 2021.



therapy board members or board or agency staff. AOTA and NBCOT staff liaisons are *ex officio* members of the commission. To operationalize the compact, the OTCC will elect leaders, draft bylaws, and promulgate regulations to implement the compact. The OTCC will need to hire staff, secure office space, and create a data system. It is

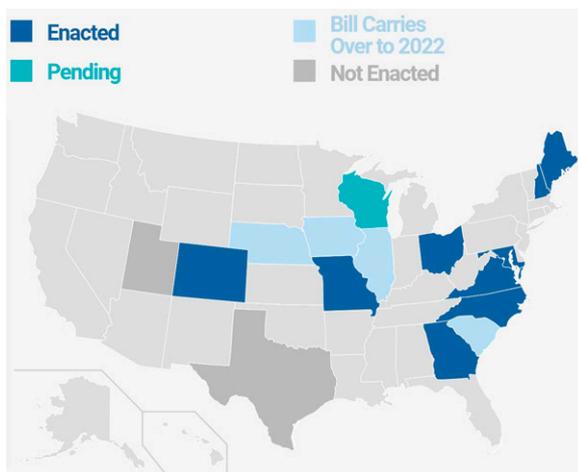
expected that AOTA and NBCOT will provide support to set up the OTCC, with technical assistance provided by CSG. It is hoped that the first compact privileges could be issued in mid- to late 2023.

Conclusion

The purpose of state licensure laws are to protect the public. State licensure requirements are in place so that only qualified people are able to practice occupational therapy. Although state licensure laws have established these consumer protections, the state-by-state system has made it difficult to maintain licenses in multiple states or move easily between states.

AOTA and NBCOT envision that the Occupational Therapy Licensure Compact will preserve consumer protection while at the same time increasing the public's access to occupational therapy services and enhancing licensure portability for practitioners.

Figure 1. 2021 state legislative sessions: Status of Occupational Therapy Licensure Compact legislation.



These enhancements to the state regulation of the occupational therapy profession come just as telehealth has become commonplace and practitioners seek to provide services across state lines. The rapid pace of technological advancement and public demand for increased access to health care services are also contributing to the need for more seamless portability.

As this initiative further develops and takes hold across the country, we believe that the AOTA–NBCOT Joint Occupational Therapy Licensure Compact Initiative will benefit both occupational therapy practitioners and the public they serve. 

References

- American Occupational Therapy Association. (1996). Association policies. *American Journal of Occupational Therapy*, 50, 874. <https://doi.org/10.5014/ajot.50.10.873>
- American Occupational Therapy Association. (2015). 2015 Representative Assembly summary of minutes. *American Journal of Occupational Therapy*, 69(Suppl. 3), 6913420020. <https://doi.org/10.5014/ajot.50.10.873>
- American Occupational Therapy Association. (2017). AOTA's 2018–2020 strategic plan. <https://www.aota.org/-/media/Corporate/Files/Secure/Board-of-Directors/BoardMeeting/Board-Book-October-2017.pdf>
- American Occupational Therapy Association. (2021, October 31). *Practitioners and the Occupational Therapy Licensure Compact* [Fact sheet]. https://otcompact.org/wp-content/uploads/2021/03/Final_OT_Compact-Practitioner-Fact-Sheet.pdf
- American Occupational Therapy Association & National Board for Certification in Occupational Therapy. (2021, October 17). *AOTA and NBCOT announce collaboration to support development of an interstate licensure compact for occupational therapy*. <https://www.aota.org/-/media/Corporate/Files/Practice/AOTA-NBCOT-joint-statement-interstate-licensure-compact.pdf>
- Johnson, J. A. (1974). Nationally Speaking: Res. 400-74 on licensure. *American Journal of Occupational Therapy*, 29, 73.
- Willmarth, C., & Conway, S. (2020). *AOTA/NBCOT joint initiative: Developing the Occupational Therapy Licensure Compact*. <https://otcompact.org/wp-content/uploads/2020/11/Licensure-Compact-OT-Practice-Article-with-copyright.pdf>