

# State Medical Board

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## OVERVIEW

The mission of the State Medical Board is to protect and enhance the health and welfare of Ohio's citizens through effective medical regulation. The Board is comprised of twelve members, plus 5 members of the Physicians Assistant Policy Committee who are appointed by the president of the Board. The staff of the Board is currently 78 FTEs. The twelve members of the Board are represented by seven medical doctors (M.D.s), one podiatrist (D.P.M.), one osteopathic physician (D.O.), and three representatives of the general public, two of which cannot be a member of, or associated with, a health care provider or profession. All members are appointed by the governor and serve five-year terms.

Chapter 4731. of the Revised Code provides statutory authority for the Board's activities. Nearly 50,000 active licensees in the State of Ohio are regulated by the Board with oversight provided for M.D.s, D.O.s, D.P.M.s, and physicians assistants (P.A.s). The Board also regulates the practitioners of several limited branches of medicine such as massage therapists (M.T.s), cosmetic therapists (C.T.s), and mechanotherapists (D.M.s). As of FY 2001, the Board has begun to register acupuncturists and anesthesiologist assistants. The Board uses numerous methods to help identify unqualified licensees. These include registering complaints, mandatory reports, continuing education audits, probationary compliance monitoring, approval of drug and alcohol treatment providers, and approval of schools for limited branches of practice.

## **Executive Budget Recommendations**

The executive budget recommendations include appropriations of \$6,344,740 in fiscal year (FY) 2002 and \$6,728,301 in FY 2003. This represents an 8.2 percent increase over estimated FY 2001 expenditures and an increase of 6.0 percent in FY 2003 from FY 2002 recommended spending levels. All of the funds appropriated to the Medical Board (MED) are located in Fund 5C6, the State Medical Board Operating Fund. Approximately 79 percent of the executive request will cover personnel expenses for the Board's 78 FTEs.

The Board requested, and received, an additional \$102,500 over the biennium.

Specifically, the Board received \$40,500 over the biennium to contract with physicians to serve on panels conducting investigations on repeated malpractice claims. This activity is being undertaken pursuant to Sub. H.B. 606 of the 122<sup>nd</sup> General Assembly.

The Board also received \$62,000 over the biennium to replace existing computers, printers, copiers and scanners. According to the Board, this will enable the continuance of a cyclical computer equipment replacement plan.

The executive recommendations also include \$10,255 in FY 2002 and \$7,530 in FY 2003 to cover rent increases in the Riffe Center.

***Revenue History***

Prior to FY 2000, the Medical Board renewed all of its licenses at one time every two years. This led to an uneven revenue flow in which one year had high revenues and the following year saw a significant decrease in collections. Starting in FY 2000, the Board switched to a staggered renewal cycle in which license renewals were spread out over the course of the two-year period. The following table lists actual revenue for FYs 1998 through 2000 and estimated revenues for FYs 2001 through 2003.

<b>Fiscal Year</b>	<b>Revenue</b>
1998	\$8,845,032
1999	\$3,718,476
2000	\$6,993,237
2001	\$6,055,725*
2002	\$6,883,330*
2003	\$6,789,065*

*\*Estimated*

ADDITIONAL FACTS AND FIGURES

<b>State Medical Board Staffing Levels</b>						
<b>Program Series/Division</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<i>Estimated</i>	
					<b>2002</b>	<b>2003</b>
Board Members	12	12	12	12	12	12
PA Policy Committee	5	5	5	5	5	5
<b>Total Board Members</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
Case Control	3	5	5	0	0	0
Pubic Services & Enforcement	16	14	14	21	20	20
Compliance/Drug Unit	6	7	7	7	5	5
Financial Invest. Unit	2	2	2	2	0	0
Director's Office	5.5	5.5	5.5	4*	6*	6*
ADM Hearing Unit	5	5	5	4	4	4
Investigations	19	21	21	21	24**	24**
Licensure	7	6	6	6	6	6
Operations	4	2	2	2	2	2
Systems	2	3	3	3	3	3
Fiscal/Human Resources	4	4	4	4	4	4
CME/Records/Renewal	4	4	4	4	4	4
<b>Total Staff (non-Board)</b>	<b>77.5</b>	<b>78.5</b>	<b>78.5</b>	<b>78</b>	<b>78</b>	<b>78</b>

\*5 full-time employees and 2 part-time employees (4 full-time equivalents)

\*\* includes investigators devoted to drug and financial (fraud) investigations

***Quality Intervention Program (QIP)***

During the period covering calendar years 1999 and 2000, QIP panels reviewed 201 licensees. The following tables and charts illustrate the outcomes of the QIP program.

<b>QIP Review Outcome</b>	
Recommended Closure to Secretary and Supervising Member of MED	104
Referred to Secretary and Supervising Member for Formal Disciplinary Action	11
Educational Intervention Recommended	78
Requested Further Information	8

***Licenses as of January 12, 2001***

<b>Category of License</b>	<b>Number of Licensees</b>
Doctor of Medicine (MD)	33,673
Doctor of Osteopathic Medicine (DO)	4,241
Doctor of Podiatric Medicine (DPM)	1,046
Limited Practitioners (e.g.: massage therapists)	5,494
Physician Assistants	1,103
Visiting Medical Faculty	4
Special Activity License	30
Training Certificates	3,681
Acupuncturist	12
Anesthesiologist Assistant	6
<b>TOTAL</b>	<b>49,290</b>

***Disciplinary Actions***

<b>Disciplinary Actions by Type of Sanction</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
Revocations	25	39	37	29	44
Indefinite Suspensions	33	35	46	46	35
Definite Suspensions	6	3	6	5	3
Probations	35	28	27	28	25
Reprimands	35	28	27	28	25
Limitations	0	0	1	0	2
Surrenders/Retirements	7	3	6	14	14
Reinstatement/Licensure Denials	7	4	8	4	11
Summary Suspensions	3	4	1	11	2
Automatic Suspensions	2	2	3	2	2
Immediate Suspensions	13	11	8	6	7
<b>TOTAL</b>	<b>140</b>	<b>134</b>	<b>155</b>	<b>157</b>	<b>162</b>

<b>Disciplinary Actions</b>			
<b>License Type</b>	<b>1998 155 actions</b>	<b>1999 157 actions</b>	<b>2000 162 actions</b>
MD	115	104	104
DO	21	34	27
DPM	6	5	2
Massage Therapist	5	10	10
Cosmetic Therapist	1	0	1
Physician Assistant	7	4	18
Board Orders Issued	67	50	62
Consent Agreement Ratified	49	55	44
Findings, Orders, and Journal Entries	16	12	24
Voluntary Agreements in lieu of Further Disciplinary Action	11	21	21
Pre-hearing Suspensions	12	19	11

## ANALYSIS OF EXECUTIVE PROPOSAL

### State Medical Board

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**Purpose** The State Medical Board of Ohio strives to protect and enhance the health and welfare of Ohio citizens by regulating the practice of licensed medical and limited branch practitioners.

The following table shows the line items that are used to fund the Medical Board, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
5C6	883-609	State Medical Board Operating	\$6,344,740	\$6,728,301
<b>Total funding: State Medical Board</b>			<b>\$6,344,740</b>	<b>\$6,728,301</b>

#### ■ **State Medical Board**

**State Medical Board** *Program Description:* The State Medical Board governs the practice of medicine and the limited branches of medicine, as defined by Chapters 4730. and 4731. of the Revised Code, by licensing medical professionals in a variety of specialties.

*Funding Source:* GSF. The activities of the Board are funded with licensure fees and fines collected for violations of the rules and laws governing the practice of medicine in Ohio. The funds are deposited into the State Medical Board Operating Fund, 5C6.

*Line Items:* 883-609

*Implication of Recommendation:* The executive recommendations allow the Board to continue existing service levels and implement two supplemental initiatives. A part of continued service levels includes some new activities for the Board as a result of legislation passed during the 123<sup>rd</sup> General Assembly. In addition to doctors, osteopaths, podiatrists, and physician assistants, the Medical Board must now assume regulatory responsibility for anesthesiologist assistants and for acupuncturists. As of January 29, 2001, the Board registered 6 anesthesiologist assistants with about 50 applications still pending processing and approval from the Board. For acupuncturists, there were only 12 registered as of January 29, 2001, with four applications still pending processing and approval from the Board.

The Board requested, and received, an additional \$102,500 over the biennium.

Specifically, the Board received \$40,500 over the biennium to contract with physicians to serve on panels conducting investigations on repeated malpractice claims. This activity is being undertaken pursuant to Sub. H.B. 606 of the 122<sup>nd</sup> General Assembly.

In addition, the executive has recommended \$62,000 over the biennium to replace existing computers, printers, copiers and scanners. According to the Board, this will enable the continuance of a cyclical computer equipment replacement plan.

The executive recommendations also include \$10,255 in FY 2002 and \$7,530 in FY 2003 to cover rent increases in the Riffe Center.

As the health care arena evolves, the actions of the Board will be forced to change as well. Issues of concern, which could ultimately have a fiscal impact on the Board, include telemedicine and the issue of licensure of out-of-state practitioners and the rising use of the Internet in medical activity. Recently, the Board has seen the rise of physicians prescribing drugs via the Internet. This raises issue about the appropriate practice of medicine under existing statutes.

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## PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

### **Permanent Law Provisions**

#### **Recission of Refund for Training Certificate Renewal Fees (ORC section 4731.14)**

According to the Board, this change should have a negligible decrease in revenues since current Medical Board rules allow an applicant to practice upon filling an application for full licensure and receiving an acknowledgment letter. As of January 12, 2001, there were a total of 3,681 training certificates.

#### **Mandatory Training Certificates for Podiatrists (ORC sections 4731.53 and 4731.573)**

Under existing law, a medical doctor or osteopath seeking to pursue an internship, residency, or clinical fellowship program in the state who does not hold a certificate to practice in Ohio must obtain a training certificate. This change to permanent law adds the same requirements for podiatrists. The Medical Board issues about 60-70 podiatric medicine licenses per year. The fee for this training certificate is \$75 and LSC estimates that the Board will have a gain in revenue of about \$4,500 to \$5,250 per year.

### **Temporary Law Provisions**

There are no temporary law provisions affecting this agency.

## REQUESTS NOT FUNDED

The Medical Board received funding for all supplemental requests.

## LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2000</i>	<i>Estimated 2001</i>	<i>Executive 2002</i>	<i>% Change 2001 to 2002</i>	<i>Executive 2003</i>	<i>% Change 2002 to 2003</i>
<b><i>MED State Medical Board</i></b>								
5C6	883-609	Operating Expenses	\$ 5,959,801	\$5,861,245	\$ 6,344,740	8.2%	\$ 6,728,301	6.0%
<b>General Services Fund Group Total</b>			<b>\$ 5,959,801</b>	<b>\$ 5,861,245</b>	<b>\$ 6,344,740</b>	<b>8.2%</b>	<b>\$ 6,728,301</b>	<b>6.0%</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 5,959,801</b>	<b>\$ 5,861,245</b>	<b>\$ 6,344,740</b>	<b>8.2%</b>	<b>\$ 6,728,301</b>	<b>6.0%</b>

## General Services Fund Group

### 4K9 883-609 Operating

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$5,281,256	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

**Source:** GSF: fee revenue received by 20 of the occupational licensing boards

**Legal Basis:** originally established by Am. Sub. H.B. 152 of the 120th G.A.

**Purpose:** Funds were used for general operating expenses, including payroll, supplies, and new equipment. The individual board's appropriation may be greater or lesser than their amount of fee revenue for the fiscal year, but the goal is for each board to be self-supporting over the course of a biennium.

Under Am. Sub. H.B. 215 of the 122nd G.A., the State Medical Board left Fund 4K9 in FY 1999. Beginning in FY 1999, appropriation authority for the Board was moved to GSF Fund 5C6 883-609, Operating Expenses.

### 5C6 883-609 Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$5,403,988	\$5,959,801	\$5,861,245	\$6,344,740	\$6,728,301
	N/A	10.3%	-1.7%	8.2%	6.0%

**Source:** GSF: fees collected by the State Medical Board

**Legal Basis:** established by Am. Sub. H.B. 215 of the 122nd G.A.

**Purpose:** Funds are used for general operating expenses, including payroll, supplies and equipment. This line item replaced Fund 4K9 883-609, Operating.