

Respiratory Care Board

House Agriculture & Development Subcommittee

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Legislative Service Commission

March 5, 2003

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LSC Redbook for the Ohio Respiratory Care Board

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<i>Attachment: LSC Budget Spreadsheet By Line Item</i>	

March 5, 2003

Ohio Respiratory Care Board

- The Executive recommends \$318,499 in FY 2004 (a 4.4% increase over estimated FY 2003 expenditures) and \$315,481 in FY 2005 (a 0.9% decrease over the FY 2005 recommended appropriation)
- 6,382 licensees in FY 2002

OVERVIEW

The Ohio Respiratory Care Board was established in 1989 by Sub. S.B. 300 of the 118th General Assembly. The Board regulates the practice of respiratory care by licensing properly qualified individuals, acting on complaints filed with the Board, and monitoring continuing education requirements. The Board's fundamental mission is to efficiently provide services to both the public and the Board's licensees while ensuring public safety. The Board annually investigates all alleged complaints of the respiratory care law and conducts over 300 random continuing education audits.

The Board currently administers approximately 6,300 licenses. The Board saw a 2% decrease in the number of licensees from FY 2001 to FY 2002. The Board grants two types of licenses: respiratory care professional and limited permit. Respiratory care professional licenses are renewed biennially, while limited permits are renewed annually. Typically, the Board reviews 500 new license applications per year.

Revenue is generated from new and renewal licensure fees. Expenditures are for operating expenses associated with the licensure, regulation, and enforcement processes. Revenues and expenditures for the FY 2001-2002 licensing cycle were \$581,162 and \$525,928 respectively. The Board contributed \$55,234 more to Fund 4K9 than it was appropriated for the last renewal cycle.

Educational Enrollment

According to the Board, Ohio is witnessing a significant downturn in student enrollment in respiratory care educational programs. Consequently, the Board has seen a 36% decrease in the number of limited permit holders between FYs 1998 and 2002. The Board has little authority to intervene in the current enrollment situation. However, the Board is working with Ohio's respiratory care professional organization to discuss the shortages in respiratory care college enrollment.

Licensing System

The occupational licensing boards, in partnership with the Department of Administrative Services, are working to implement a new licensing system. The system will be phased in over the next biennium and

each board will pay their share of the costs out of the 4K9 fund. The system will allow licensees to renew their licenses online and will integrate all aspects of the Respiratory Care Board's operations including revenue collection, license tracking, renewals, complaints, and disciplinary compliance.

Administrative Fees

During the current biennium, boards have had to absorb increased administrative costs charged by other state agencies. Many boards contracted for services that were once provided for free such as lock-box services and computer technical support.

The Respiratory Care Board estimates that increased administrative fees cost the Board approximately \$13,000 in FY 2002 for the DAS Central Service Agency fees, computer technical support, license renewal banking and revenue processing fees, and risk management fees to administer the Board's public employee fidelity bond in the current biennium. The Board offset these costs through payroll savings that resulted from some employees refusing health benefits. The Board maintains that these savings cannot be guaranteed in the next biennium.

Possible Fee Changes

As a result of increased payroll costs and administrative fees, the Board is discussing possible license fees increases for FY 2005. Revised Code section 4761.07(D) requires the Board to make biennial adjustments to fees in order to offset its expenditures. Fee caps, regulated by Revised Code section 4761.07(B)(2), have yet to be reached. The Board is considering raising renewal fees by \$20 to \$100 and eliminating the prorated cost reduction in initial license fees. However, the Board is not sure at this time if any fee changes will be necessary.

ANALYSIS OF EXECUTIVE PROPOSAL

Ohio Respiratory Care Board

Purpose: License and regulate the practice of respiratory care

The following table shows the line item that is used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
4K9	872-609	Operating Expenses	\$318,499	\$315,481
Total funding: Ohio Respiratory Care Board				

Ohio Respiratory Care Board

Program Description: In accordance with Chapter 4761. of the Revised Code, the Ohio Respiratory Care Board regulates the profession of respiratory care by licensing properly qualified applicants, acts on complaints filed with the Board, and monitors continuing education compliance.

Funding Source: General Services Fund Group (Fund 4K9). Currently, all revenue from 24 occupational licensing boards is placed in Fund 4K9 and reallocated to each board. Each board must raise enough revenue through its license fees to cover its expenses.

Line Items: 872-609, Operating Expenses

Implication of the Executive Recommendation: The Executive recommends an appropriation of \$318,499 in FY 2004. This represents an increase of 4.4% over estimated FY 2003 disbursements. For FY 2005, the Executive recommends that the Board be appropriated \$315,481, a 0.9% decrease over FY 2004. The executive recommendation will enable the Board to maintain its current level of service and will cover increased administrative fees. The executive recommendations include funding for reclassifying a part-time Office Assistant I to a part-time Office Assistant III to ensure that all staff can perform the data entry and management functions of the new computer licensing system.

ADDITIONAL FACTS AND FIGURES

Ohio Respiratory Care Board Staffing Levels						
Program Series/Division	2000	2001	2002	2003	Estimated	
					2004	2005
Board Members	5	5	5	5	5	5
Administrative Staff	3	3	3	3	3	3
Investigators	1	1	1	1	1	1
Totals	9	9	9	9	9	9

Board members are budgeted for 92 hours each year, roughly six two-day meetings.

Number of Licensees

License Type	FY 2001	FY 2002	FY 2003 estimates
Respiratory Care Professional	6,204	6,064	6,004
Limited Permit	309	318	318

Current License Fees

Respiratory Care Professional licenses are renewed every two years while the Limited Permits are renewed annually.

	Fee
Respiratory Care Professional-Renewal	\$80
Initial License	\$75, \$50, or \$30

Revenues and Expenditures

Fund Group 4K9	FY 1999	FY 2000	FY 2001	FY 2002
Revenues	\$69,210	\$508,224	\$57,220	\$523,942
Expenditures	\$217,403	\$251,524	\$253,304	\$272,624
Net	(\$148,193)	\$256,700	(\$196,084)	\$251,318
Two Year Net	\$108,507		\$55,234	

PERMANENT AND TEMPORARY LAW

There are no permanent or temporary law provisions with a direct fiscal impact on the Respiratory Care Board.

REQUESTS NOT FUNDED

All requests by the Ohio Respiratory Care Board are funded in the Executive's recommended budget.

General Services Fund Group

4K9 872-609 Operating Expenses

2000	2001	2002	2003 Estimate	2004 Executive Proposal	2005 Executive Proposal
\$251,524	\$253,304	\$272,625	\$305,030	\$318,499	\$315,481
	0.7%	7.6%	11.9%	4.4%	-0.9%

Source: GSF: Fee revenue received by the Respiratory Care Board

Legal Basis: ORC 4743.05 (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This appropriation supports the general operating expenses, including payroll, supplies, and equipment for the Ohio Respiratory Care Board. This Board licenses and regulates the practice of respiratory care in Ohio.

LSC Budget Spreadsheet by Line Item, FY 2004 - FY 2005

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2002</i>	<i>Estimated 2003</i>	<i>Executive 2004</i>	<i>% Change 2003 to 2004</i>	<i>Executive 2005</i>	<i>% Change 2004 to 2005</i>
RCB Respiratory Care Board								
4K9	872-609	Operating Expenses	\$ 272,625	\$305,030	\$ 318,499	4.4%	\$ 315,481	-0.9%
General Services Fund Group Total			\$ 272,625	\$ 305,030	\$ 318,499	4.4%	\$ 315,481	-0.9%
Total All Budget Fund Groups			\$ 272,625	\$ 305,030	\$ 318,499	4.4%	\$ 315,481	-0.9%