Occupational Therapy, Physical Therapy, and Athletic Trainers Board

Senate Finance and Financial Institutions Committee

Erin Pettegrew, Budget Analyst

Legislative Service Commission

April 20, 2005

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LSC Redbook

for the

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Catalog of Budget Line Items

LSC Budget Spreadsheet By Line Item: Executive to House Passed

Compare Document: Permanent and Temporary Law

April 20, 2005

Occupational Therapy, Physical Therapy, and Athletic Trainers Board

- The Board received no funding in FY 2007 and will be absorbed into the Department of Health that year.
- The Board licensed 17,803 in FY 2004, a 2.36% increase over FY 2003. Based on past trends, the Board anticipates licensing up to 20,000 per year by FY 2007.

OVERVIEW

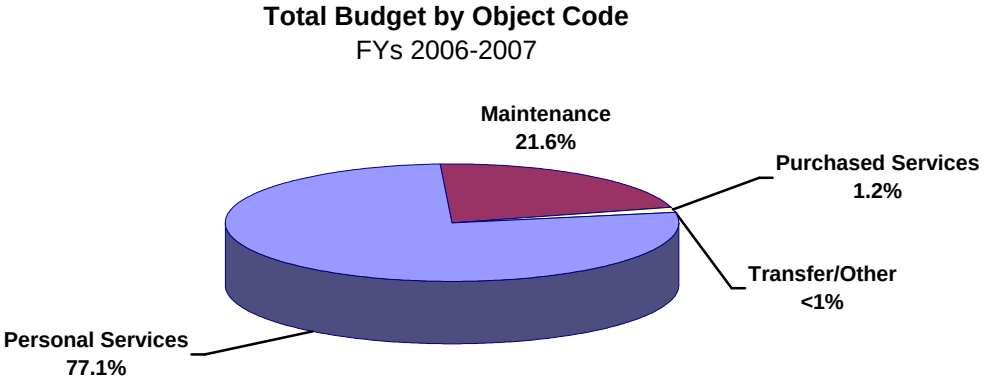
The Occupational Therapy, Physical Therapy, and Athletic Trainers Board is part of the 4K9 Fund group. The 4K9 Fund (Occupational Licensing and Regulatory Fund) is a General Services Fund that is a repository for license fees and other assessments collected by the state's professional and occupational licensing boards. The 4K9 Fund was established by Am. Sub. H.B. 152 of the 120th General Assembly. Prior to the creation of the fund, appropriations for each licensing board were made from the GRF. This created some problems as some boards contributed more revenues than they expended and others had to be subsidized by the GRF since the revenues generated did not meet their expenditures. The 4K9 Fund eliminated these problems. The philosophy of the fund is that each board must generate enough revenues to cover their expenses. It is also quite common for the boards to develop a surplus in the fund to cover unforeseen economic hardships.

In 1976, the 111th General Assembly established the Occupational Therapists Board. Chapter 4755. of the Revised Code was amended in 1977 to include the regulation of physical therapists, which until then had been regulated by the State Medical Board. Athletic trainers were added to the Board's scope with the enactment of S.B. 80 in 1990. Today, the Board operates as a consolidated board with sections of the Board regulating each profession and a consolidated administrative staff. The Occupational Therapy, Physical Therapy, and Athletic Trainers Board (OTPTAT) is empowered to license each discipline through examination, hold hearings, subpoena witnesses, and take other actions to address complaints about licensees' performance of professional duties. The Board also inspects the practices of licensees and certifies continuing education requirements.

The Occupational Therapy, Physical Therapy, and Athletic Trainers Board oversees the licensing and regulation of over 17,000 professionals. The Board renews its licenses on a biennial basis. Revenues and expenditures for the Board for the FY 2003-2004 renewal cycle totaled $1,903,010 and $1,492,242, respectively. The Board contributed $410,768 more to Fund 4K9 than it expended in the FY 2003-2004 renewal cycle.

Governor's Recommendations

Under the Governor's recommendations, the Board will receive $824,057 in FY 2006 and $0 in FY 2007. In FY 2007, the Executive recommends that the 27 independent occupational licensing boards be absorbed into the departments of Health, Commerce, and Public Safety. As such, the Executive recommended no funding in FY 2007 for the boards. In the case of the Occupational Therapy, Physical Therapy, and Athletic Trainers Board, the Board and its duties will be absorbed into the Department of Health. The specifics of this transfer will be addressed during FY 2006 by a task force consisting of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management (OBM), and the Governor's Office. According to OBM, current staff will be retained through FY 2006 and a hiring freeze and early retirement incentives will be offered to regulatory board staff. Effective July 1, 2006, all remaining regulatory board staff will be transferred to the relevant agency. Board members will be retained.



Staffing Levels

The Occupational Therapy, Physical Therapy, and Athletic Trainers Board consists of three separate boards that meet jointly three times per year. The OTPTAT Board budget funds 20 Board members whose salaries and reimbursement expenses are included in the agency's appropriation. Board members are budgeted for 96 hours per fiscal year.

Occupational Therapy, Physical Therapy, and Athletic Trainers Board Staffing Levels						
					Estimated	
Program Series/Division	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**
Board Members	20	20	20	20	20	20*
Administrative Staff	6	6	6	6	6	6*
Investigative Staff	3	3	3	3	3	3*
Totals	29	29	29	29	29	29*
Board members are compensated for meetings and travel expenses. Staff members are shown as Full-Time Equivalents.						

*In FY 2007, the 27 occupational licensing boards will be consolidated into various agencies. According to OBM, current staff will be retained through FY 2006. However, it is expected that some staff reductions will occur as a result of the implementation of a hiring freeze and early retirement incentive. Remaining staff will be transferred to the Department of Health in FY 2007. Board members will be retained.

FACTS AND FIGURES

Licensing

Occupational Therapy, Physical Therapy, Athletic Trainers Board - Licenses Granted						
License	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**
Occupational Therapist	3,381	3,205	3,186	3,702	3,710	3,831
Occupational Therapist Asst	1,798	1,813	1,831	2,161	2,149	2,170
Physical Therapist	5,210	5,337	5,599	5,871	5,997	6,127
Physical Therapist Asst	3,230	3,516	3,762	3,923	4,019	4,083
Athletic Trainer	1,241	1,309	1,385	1,456	1,517	1,592
TOTAL	14,860	15,180	15,763	17,113	17,392	17,803
% Increase	**N/A**	**2.15%**	**3.84%**	**8.56%**	**1.63%**	**2.36%**

License Fees

License fees are the same for therapists and assistants. The last fee increase for occupational therapists was in March 1998, for physical therapists in July 1995, and for athletic trainers, March 1999. For all initial licenses, the fee is $100. Renewal fees are $80.

ANALYSIS OF EXECUTIVE PROPOSAL

Occupational Therapy, Physical Therapy, and Athletic Trainers Board

Purpose: The OTPTAT Board regulates the professions of occupational therapy, physical therapy, and athletic training to promote and protect the health of Ohio's citizens. The Board issues licenses to qualified applicants and renews licenses of existing practitioners. The Board also investigates complaints of practice against licensees and unlicensed practitioners.

The following table shows the line items that are used to fund the Occupational Therapy, Physical Therapy, and Athletic Trainers Board program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
General Services Fund				
4K9	890-609	Operating Expenses	$824,057	$0
		General Services Fund Subtotal	**$824,057**	**$0**
Total Funding: Occupational Therapy, Physical Therapy, and Athletic Trainers Board			**$824,057**	**$0**

This analysis focuses on the Licensing/Registration/Certification program within the Board's single program series:

Program Description: In accordance with Chapter 4775. of the Revised Code, the Ohio Occupational Therapy, Physical Therapy, and Athletic Trainers Board regulates the professions of occupational therapy, physical therapy, and athletic training by 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 27 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: 890-609, Operating Expenses

Implication of Executive Recommendation: The Board requested $824,057 in FY 2006 and $824,057 in FY 2007. The Executive recommended funding of $824,057 in FY 2006 and $0 in FY 2007. The recommended funding for FY 2006 will allow the Board to carry out its mission and allow for an increase in payroll expenses anticipated by the Board. In FY 2007, the Board will be absorbed into the Department of Health. The specifics of this transfer will be addressed during FY 2006 by a task force consisting of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management, and the Governor's Office.

Temporary and Permanent Law Provisions: H.B. 66, As Introduced, includes a provision that consolidates the Board into the Department of Health beginning in FY 2007. The provision also includes the creation of a transition team to ensure the consolidation occurs smoothly and on schedule. The temporary language states that the necessary statutory changes and appropriations needed for the consolidation will be introduced in FY 2006.

REQUESTS NOT FUNDED

This section describes requests not funded in the executive recommended budget and the effects on the Board's activities and spending decisions during the next biennium. The Occupational Therapy, Physical Therapy, and Athletic Trainers Board received its full request for FY 2006 but received an appropriation recommendation of $0 in FY 2007. The recommended funding for FY 2006 will allow the Board to carry out its mission and allow for anticipated payroll expense increases. In FY 2007, the Board will be absorbed into the Department of Health. The specifics of this transfer will be addressed during FY 2006 by a task force consisting of the departments of Commerce, Health, Public Safety, and Administrative Services, the Office of Budget and Management, and the Governor's Office.

General Services Fund Group

4K9 890-609 Operating Expenses

2002	2003	2004	2005 Estimate	2006 House Passed	2007 House Passed
$730,883	$792,367	$668,185	$801,480	**$824,057**	**$0**
	8.4%	-15.7%	19.9%	**2.8%**	**-100.0%**

Source: GSF: License fees and other assessments collected by the state's professional and occupational licensing boards

Legal Basis: ORC 4755.03 and 4743.05; Section 76 of Am. Sub. H.B. 95 of the 125th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This appropriation supports the Occupational Therapy, Physical Therapy, and Athletic Trainers Board. Funds in this line item are used for general operating expenses, including payroll, supplies, and equipment. The Board licenses and regulates the professions of occupational therapy, physical therapy and athletic training.

LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007

Fund	ALI	ALI Title	Estimated 2005	As Introduced 2006	House Passed 2006	% Change Est. 2005 to House 2006	As Introduced 2007	House Passed 2007	% Change House 2006 to House 2007
PYT		***Occupational Therapy, Physical Therapy, and Athletic Trainers Board***							
4K9	890-609	Operating Expenses	$801,480	$ 824,057	$ 824,057	2.8%	$ 0	$ 0	-100.0%
General Services Fund Group Total			**$ 801,480**	**$ 824,057**	**$ 824,057**	**2.8%**	**$ 0**	**$ 0**	**-100.0%**
Total All Budget Fund Groups			***$ 801,480***	***$ 824,057***	***$ 824,057***	***2.8%***	***$ 0***	***$ 0***	***-100.0%***

As Introduced (Executive)	As Passed by the House
(CD-689-PYT) Consolidation of Regulatory Boards	
Section: ***315.03***	**Section:** ***315.03***
Consolidates the occupational licensing boards into the departments of Health, Public Safety, or Commerce not later than July 1, 2006. In the case of the Occupational Therapy, Physical Therapy, and Athletic Trainers Board, the Board will be consolidated into the Department of Health. The directors of Budget and Management, Administrative Services, Commerce, Health, and Public Safety must appoint representatives to a transition team. The team must develop a plan for the smooth and timely consolidation of the boards and must also address the details of the consolidation. The team must submit a report containing recommendations and the details of the consolidation not later than December 31, 2005 to the Governor, Speaker of the House, and President of the Senate. A bill will be introduced in fiscal year (FY) 2006 that will include the necessary statutory changes and appropriations for consolidation.	Same as the Executive.
Fiscal effect: The Board will receive no appropriation in FY 2007. The total fiscal effect is unknown at this time since the specifics of the transfer will not be addressed until FY 2006.	Fiscal effect: Same as the Executive.