

State Board of Orthotics, Prosthetics, and Pedorthics

Senate Finance and Financial Institutions Committee

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Legislative Service Commission*

May 2, 2007

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LSC Redbook
for the
State Board of
Orthotics, Prosthetics,
and Pedorthics

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ATTACHMENTS:

Catalog of Budget Line Items

LSC Budget Spreadsheet By Line Item: Executive to House Passed

May 2, 2007

State Board of Orthotics, Prosthetics, and Pedorthics

- Ohio is one of only 11 states in the nation to license orthotists, prosthetists, and pedorthists
- The Board currently licenses 360 professionals

OVERVIEW

The State Board of Orthotics, Prosthetics, and Pedorthics, created by S.B. 238 of the 123rd General Assembly, licenses and regulates orthotists, prosthetists, and pedorthists, ensuring those individuals meet minimum education and experience qualifications. The Board meets its responsibilities through management of the licensure process, overseeing regulation of the industry in Ohio, and enforcement through monitoring licensees and investigating complaints.

Ohio is one of only 11 states requiring licensure in orthotics and prosthetics and even fewer states require licensure in pedorthics. However, according to the Board, the trend for this profession is moving toward licensure. In FY 2006, the Board issued 100 orthotists, 71 prosthetists, 101 pedorthists, 107 prosthetist-orthotists, and 12 pedorthist-temporary licenses.

The State Board of Orthotics, Prosthetics, and Pedorthics is part of the Occupational Licensing and Regulatory Fund (Fund 4K9). Fund 4K9 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 fund is a repository for license fees and other assessments collected by the state's professional and occupational licensing boards. Prior to the creation of the fund, appropriations for each licensing board were made from the GRF. To eliminate revenue and expenditure issues created when some boards contributed more revenues than they expended and others required subsidies from the GRF, the 120th General Assembly established the 4K9 Fund in Am. Sub. H.B. 152. The philosophy of the fund is that each board must generate enough revenues to cover its expenses. Some boards develop a surplus to cover unforeseen economic hardships.

The Board receives revenue from new and renewal license fees and expends funds for operating expenses associated with the licensure, regulation, and enforcement processes. Expenditures and revenue for FY 2006 were \$100,452 and \$109,754, respectively. The Board contributed \$9,302 more to Fund 4K9 than it expended during FY 2006.

Licensing System

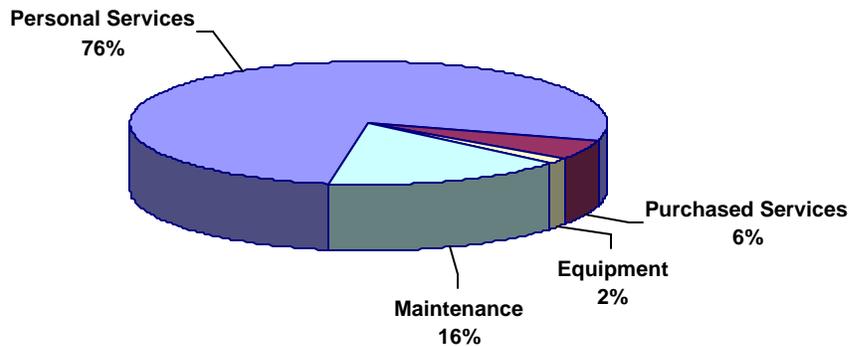
The Board, in partnership with the Department of Administrative Services, implemented a new web-based multi-board licensing system. Each board pays its share of the costs out of Fund 4K9. In FY 2008, estimated costs are \$188, and \$215 in FY 2009 for this system and for the computer firewall protection.

Governor's Recommendations

The Governor recommended funding of \$111,300 in FY 2008 and \$116,500 in FY 2009. The Board requested \$111,000 in FY 2008 and \$116,260 in FY 2009.

As shown in the chart below, the majority of the Board's expenses for FY 2008 are for personal services. Approximately 76% of the Board's expenditures are for this category. Maintenance is the second largest object of expense at 16%.

Total Budget by Object Code for FYs 2008-2009



Staffing Levels

Orthotics, Prosthetics, and Pedorthics Staffing Levels (Full-Time Equivalents)						
Program Series/Division	2004	2005	2006	2007	Estimated	
					2008	2009
Board Members	7	7	7	7	7	7
Staff	1	1.3	1.3	1.3	1.5	1.5
Totals	8	8.3	8.3	8.3	8.5	8.5

Board members are uncompensated. The Board employs an intermittent part-time clerk in addition to the single FTE director position.

FACTS AND FIGURES

Current License Fees

The Board currently licenses about 360 persons. The Board receives about 35-50 new license applications a year. Licenses are renewed annually.

All License Types	Fees
Initial License	\$125
Temporary	\$150
Renewal	\$300
Late Penalty	\$150

Revenues and Expenditures

Fund 4K9	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$109,179	\$105,425	\$106,379	\$109,754
Expenditures	\$86,878	\$96,320	\$96,671	\$100,452
Net	\$22,301	\$9,105	\$9,708	\$9,302
Two-Year Net	\$31,406		\$19,010	

ANALYSIS OF EXECUTIVE PROPOSAL

Single Program Series

Operating Expenses

Purpose: License and regulate the practice of orthotics, prosthetics, and pedorthics.

The following table shows the line items that are used to fund the State Board of Orthotics, Prosthetics, and Pedorthics, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Services Fund				
4K9	973-609	Operating Expenses	\$111,300	\$116,260
General Services Fund Subtotal			\$111,300	\$116,260
Total Funding: State Board of Orthotics, Prosthetics, and Pedorthics			\$111,300	\$116,260

Program Description: In accordance with Chapter 4779. of the Revised Code, the State Board of Orthotics, Prosthetics, and Pedorthics protects the health and safety of Ohio citizens through its standards-based review of license applications and qualifications, enforcement of continuing education requirements, revising and promulgating appropriate regulatory language, and investigating complaints against unlawful practices.

Funding Source: General Services Fund Group (Fund 4K9). Currently, all revenue from 27 occupational licensing boards is placed in Fund 4K9 and then reallocated to each board. Each board is expected to raise enough revenue through its license fees to cover its expenses.

Line Items: 973-609, Operating Expenses

Implication of Executive Recommendation: The Board requested \$111,000 in FY 2008 and \$116,500 in FY 2009. The executive recommended funding of \$111,300 in FY 2008 and \$116,260 in FY 2009.

Temporary and Permanent Law Provisions

There are no temporary or permanent law provisions affecting the State Board of Orthotics, Prosthetics, and Pedorthics.

REQUESTS NOT FUNDED

Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
973-609	\$111,000	\$111,300	\$300	\$116,500	\$116,260	(\$240)
TOTALS	\$111,000	\$111,300	\$300	\$116,500	\$116,260	(\$240)

In FY 2008, the executive recommended \$300 more than requested by the Board. In FY 2009, the executive recommended \$240 less than the Board requested. The executive's recommendation will allow the Board to maintain current funding levels.

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General Services Fund Group

4K9 973-609 Operating Expenses

2004	2005	2006	2007 Estimate	2008 House Passed	2009 House Passed
\$79,253	\$96,151	\$100,492	\$106,035	\$111,300	\$116,260
	21.3%	4.5%	5.5%	5.0%	4.5%

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

Legal Basis: ORC 4779.05 and 4743.05 (originally established by Am. Sub. H.B. 94 of the 124th G.A.)

Purpose: This appropriation supports the general operating expenses, including payroll, supplies, and equipment for the State Board of Orthotics, Prosthetics, and Pedorthics.

LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>Estimated 2007</i>	<i>As Introduced 2008</i>	<i>House Passed 2008</i>	<i>% Change Est. 2007 to House 2008</i>	<i>As Introduced 2009</i>	<i>House Passed 2009</i>	<i>% Change House 2008 to House 2009</i>
<i>OPP Orthotics, Prosthetics and Pedorthics</i>									
4K9	973-609	Operating Expenses	\$106,035	\$ 111,300	\$ 111,300	5.0%	\$ 116,260	\$ 116,260	4.5%
General Services Fund Group Total			\$ 106,035	\$ 111,300	\$ 111,300	5.0%	\$ 116,260	\$ 116,260	4.5%
Total All Budget Fund Groups			\$ 106,035	\$ 111,300	\$ 111,300	5.0%	\$ 116,260	\$ 116,260	4.5%