

LSC Redbook

Analysis of the Executive Budget Proposal

Ohio Optical Dispensers Board

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March 2011

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Ohio Optical Dispensers Board

- Non-GRF agency; funded by fee revenues
- Funding increased by 3.2% in FY 2012 and decreased by 2.7% in FY 2013
- Over 3,100 active licenses

OVERVIEW

The Optical Dispensers Board was established in 1979 to regulate the practice of opticianry and ophthalmology. The Board issues licenses to opticians and ophthalmologists¹ and investigates complaints, determines appropriate disciplinary actions, and monitors continuing education compliance. The Board is responsible for scheduling, administering, and supervising the qualifying examinations for licensure. Over 3,100 licenses issued by the Board are currently active.

The Board's governing authority consists of nine members appointed by the Governor, including five dispensing opticians, a licensed physician who practices ophthalmology, a licensed optometrist, and two public members, one of whom must be at least 60 years old. Members are appointed for five-year terms and may serve two consecutive terms. The Board met six times in FY 2010. In addition to travel reimbursement, board members receive annual compensation of approximately \$1,000 for conducting official board business.

The Board's daily operations are the responsibility of an executive director appointed by the nine-member governing authority. Including the Executive Director, there are three full-time employees with a budget of \$345,988 in FY 2010. The Board receives no General Revenue Fund (GRF) moneys; it is entirely supported by fees.

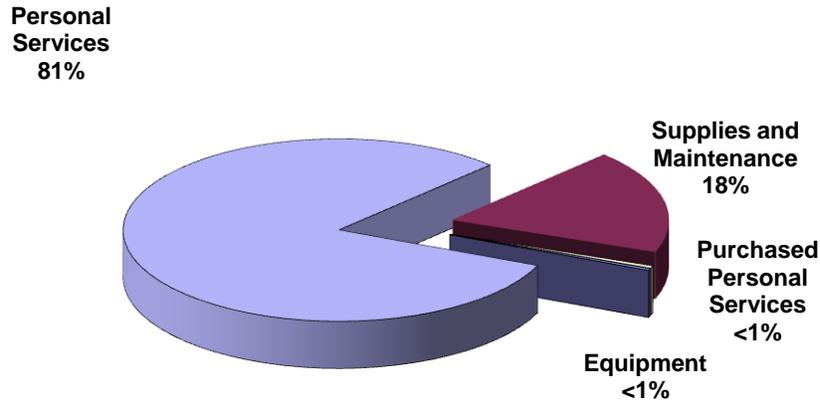
Appropriation Overview

The executive recommends funding of \$357,039 in FY 2012, a 3.2% increase over FY 2011 estimated expenditures, and \$347,300 in FY 2013, a 2.7% decrease from FY 2012.

As a regulatory agency, personal services is the Board's largest expense category. As seen from the chart below, 81% of the executive budget recommendations for the biennium are for personal services, 18% are for supplies and maintenance, and less than 1% are for purchased personal services and equipment.

¹ An ophthalmologist is a person who is engaged in the designing, fabricating, and fitting of an artificial eye or of prostheses associated with the appearance or function of the human eye.

**Executive Budget Recommendations
by Expense Category, FY 2012-FY 2013**



As with many other licensing boards and commissions, the Board receives centralized administrative support services provided by the Central Service Agency (CSA) of the Department of Administrative Services. Services made available through CSA include items such as budget development, Controlling Board request preparation assistance, management consultation, procurement, fiscal processing, human resources, and payroll. These centralized services help increase overall efficiency. The Board pays CSA for services rendered. In FY 2010, the Board paid \$12,499 in CSA charges. These payments are included in the supplies and maintenance category.

Fee Revenues and Fund 4K90

The Board issues optician and ocularist licenses; it also registers apprentices. Table 1 below shows the initial and renewal licensure fee for opticians, ocularist, and registered apprentices as well as the fee for the ocularist examination. The licensure fee is prorated based on the time of year an application is received. Licenses issued by the Board expire on January 1 each year. Apprentice registrations expire on the last day of June each year. Licenses and registrations must be renewed prior to the expiration date.

Table 1. License, Registration, and Examination Fees

Fee Type	Fee Amount
Optician and Ocularist Initial License	
January to March	\$50.00
April to June	\$37.50
July to September	\$25.00
October to December	\$12.50
License Renewal	\$97.50
Registered Apprentice (initial and renewal)	\$10.00
Ocularist Examination	\$200.00

Fee revenues collected by the Board are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90), which was established by H.B. 152 of the 120th General Assembly. Twenty-six occupational licensing and regulatory boards and commissions, including the Board, use Fund 4K90 as an operating account into which receipts are deposited and from which expenses are paid. Each licensing board or commission is generally expected to be self-sufficient, i.e., generating enough revenues to cover its expenses.

Table 2 below shows the Board's annual revenues and expenditures from FY 2007 through FY 2013 as well as the net of revenues less expenditures.

Table 2. Revenues and Expenditures							
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011 (estimate)	FY 2012 (estimate)	FY 2013 (estimate)
Revenues	\$355,896	\$343,799	\$346,956	\$345,272	\$342,922	\$345,324	\$345,324
Expenditures	\$299,269	\$326,910	\$344,894	\$345,988	\$345,988	\$357,039	\$347,300
Net of Rev. & Exp.	\$56,627	\$16,889	\$2,062	(\$716)	(\$3,066)	(\$11,715)	(\$1,976)

ANALYSIS OF EXECUTIVE PROPOSAL

The Board's operations are funded by a single line item appropriation from the General Services Fund Group. Table 3 shows the Governor's recommended funding for the line item.

Table 3. Governor's Recommended Funding for the Board				
Fund	ALI	Title	FY 2012	FY 2013
General Services Fund Group				
4K90	894609	Operating Expenses	\$357,039	\$347,300

Through this one line item, the Board pays all of its expenses. The executive recommends funding of \$357,039 for FY 2012, a 3.2% increase over FY 2011 estimated expenditures, and \$347,300 for FY 2013, a 2.7% decrease from FY 2012.

During the FY 2012-FY 2013 biennium, in addition to ongoing operating expenses, the Board will be required to pay the cost of the biennial audit conducted by the Auditor of State. S.B. 155 of the 128th General Assembly, effective March 31, 2010, requires all state agencies to pay for their own audits.² In the past, the cost of state agency audits was paid for by the Department of Administrative Services, but funding for that purpose was eliminated by Am. Sub. H.B. 1 of the 128th General Assembly (the FY 2010-FY 2011 biennial budget bill). The Board expects the cost of the audit to be about \$11,000 in the upcoming biennium.

Licensing

To carry out its regulatory responsibility, the Board licenses opticians and ocularists and registers apprentices. An optician or ocularist license is available for individuals meeting academic, preprofessional, and examination requirements. A registered apprentice is someone who is gaining the necessary supervised work experience to be eligible for licensure. Table 4 shows the total number of active licenses and registrations from FY 2009 to FY 2010.

Table 4. Active Licenses and Registrations*			
Type	FY 2009	FY 2010	% Change
Optician	3,172	3,160	-0.4%
Ocularist	8	8	0%
Apprentice	1,085	1,969	81.5%
Total	4,265	5,137	20.4%

*Data shown is as of June 30th in each year.

² R.C. 117.13.

The Board currently utilizes the license verification component of the eLicensing system, which is administered through CSA. Each board that participates in the eLicensing system receives a basic component of the system that includes a database of all licensees and their license status. Boards have the option of purchasing additional components of the system including initial licensure, renewal, image storing and indexing, and complaint tracking. The Board initiated online license renewal for opticians in the second quarter of FY 2011, with 95% of opticians renewing online. The Board expended \$6,362 for that service in 2010.

Table 5 shows the licenses issued and renewed in FY 2010. Licenses expire on January 1 and apprentice registrations expire on June 30; each must be renewed annually prior to the expiration date.

Type	Initial	Renewal	Total
Optician	162	3,160	3,322
Ocularist	1	7	8
Registered Apprentice	833	1,136	1,969
Total	996	4,303	5,299

Investigation and Enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, and impaired practitioners. All complaints are reviewed to determine whether the Board has the legal authority to take action. In FY 2009 and FY 2010, the Board investigated a total of 64 complaints. The top three types of complaints, accounting for 92% of all complaints, were: practice issues (26), illegally selling or dispensing contact lenses (19), and consumer complaints (14). In FY 2010, the Board entered into seven consent agreements, issued seven fines totaling \$1,900, and placed one licensee on probation with quarterly reports required from the employer.

The Board also conducts on-site office inspections of facilities that have been illegally selling or dispensing contact lenses. Although the Board has no authority over these facilities (only the practicing opticians and ocularist), it does have the authority to issue cease and desist orders. In FY 2010, the Board completed 49 on-site inspections and issued 13 cease and desist orders. If the facility continues to dispense illegally, the Board, in conjunction with the Attorney General's Office, may issue an injunction.

Continuing Education

The Board requires licensees to complete continuing education requirements for license renewal. Table 6 below outlines the continuing education requirements of licensees; for opticians the requirement is based on the type of optical aids the optician dispenses. Continuing education programs must be approved by the Board. A list of approved programs and activities is posted on the Board's web site (<http://optical.ohio.gov>).

Table 6. Continuing Education Requirements	
Optician (glasses)	Four hours in eye glass dispensing
Optician (contact lenses)	Eight hours in contact lens dispensing
Optician (contact lenses & glasses)	Four hours in eye glass dispensing and eight hours in contact lens dispensing
Ocularist	Four hours (one hour in communicable diseases, only one hour may be in management, all other hours must pertain to fitting and fabricating ocular devices)

Each licensee must provide documentation that they have completed the continuing education requirements during the renewal period. If the licensee fails to provide documentation within the specified time, their license lapses until the Board receives it and any applicable late fees. In FY 2010, 115 licensees missed the December 31 continuing education deadline and each paid a \$75 late fee to renew.

REQUESTS NOT FUNDED

This section describes the Board's request that was not funded in the executive budget. Table 7 shows the amount of appropriation requested by the Board and the executive recommendation.

Table 7. Executive Recommendation Compared to Requested Funding						
Fund Line Item	FY 2012 Recommended	FY 2012 Requested	Difference	FY 2013 Recommended	FY 2013 Requested	Difference
4K90 894609	\$357,039	\$365,988	(\$8,949)	\$347,300	\$355,988	(\$8,688)

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Ohio Optical Dispensers Board

General Services Fund Group

4K90 894609 Operating Expenses

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$316,664	\$344,895	\$318,372	\$345,988	\$357,039	\$347,300
	8.9%	-7.7%	8.7%	3.2%	-2.7%

Source: General Services Fund Group: License fees and other assessments collected by the state's professional and occupational licensing boards

Legal Basis: ORC 4725.45 and 4743.05; Section 349.10 of Am. Sub. H.B. 1 of the 128th General Assembly (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This line item is used to pay the Ohio Optical Dispensers Board's operating expenses, including personal services, supplies, maintenance, and equipment. The Board licenses and regulates opticians and ocularists. (An ocularist is a person who is engaged in the designing, fabricating, and fitting of an artificial eye or of prostheses associated with the appearance or function of the human eye.)

FY 2012 - FY 2013 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	Estimate FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
ODB Ohio Optical Dispensers Board								
4K90	894609	Operating Expenses	\$ 318,372	\$ 345,988	\$ 357,039	3.19%	\$ 347,300	-2.73%
General Services Fund Group Total			\$ 318,372	\$ 345,988	\$ 357,039	3.19%	\$ 347,300	-2.73%
Ohio Optical Dispensers Board Total			\$ 318,372	\$ 345,988	\$ 357,039	3.19%	\$ 347,300	-2.73%