

LSC Redbook

Analysis of the Executive Budget Proposal

Occupational Therapy, Physical Therapy, and Athletic Trainers Board

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ATTACHMENTS:

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

Occupational Therapy, Physical Therapy, and Athletic Trainers Board

- Non-GRF agency; funded by fee revenues
- Funding decreased by 2.9% in FY 2012 and 0.9% in FY 2013
- Over 22,100 active licenses

OVERVIEW

Agency Overview

The Occupational Therapy, Physical Therapy, and Athletic Trainers Board was established in 1976. Originally responsible for licensing occupational therapists, the Board's responsibility expanded in 1977 to include licensing physical therapists, which until then had been regulated by the State Medical Board, and again in 1990 to include licensing athletic trainers. Over 22,100 licenses issued by the Board are currently active.

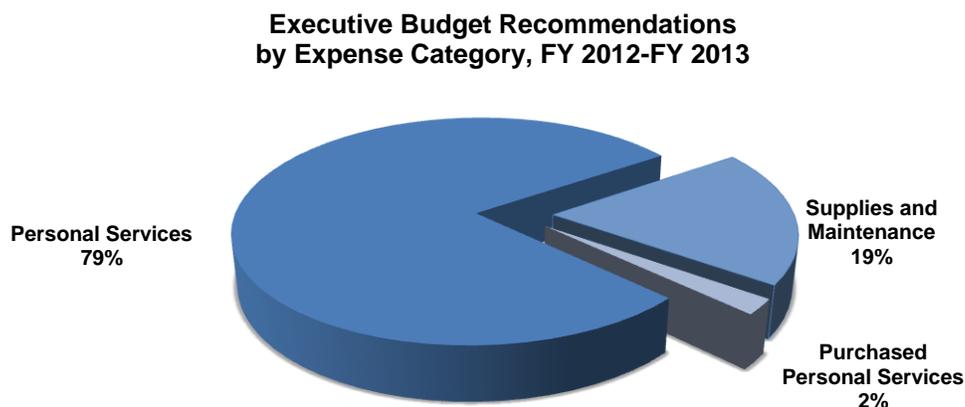
The Board's governing authority consists of 20 members appointed by the Governor, including four occupational therapists, nine physical therapists (only five are voting members), four athletic trainers, one occupational therapist assistant, one physician, and one public member who is at least 60 years of age. Members are appointed for three-year terms and may serve no more than three consecutive terms. The Board is divided into three separate sections representing occupational therapy, physical therapy, and athletic trainers. The full Board meets twice a year to discuss issues such as finances, personnel issues, election of officers, the laws and rules, and other board issues. The three sections meet separately seven times a year to discuss applications, laws and rules, and other concerns of their respective professions. In addition to travel reimbursement, board members are paid about \$1,300 annually for time spent conducting board business.

The Board's daily operations are the responsibility of an executive director who is appointed by the 20-member governing authority. Including the Executive Director, the Board has nine full-time staff positions (one of which is currently vacant) with an annual budget of \$900,000 in FY 2011. The Board receives no GRF moneys; it is entirely supported by fees.

Appropriation Overview

The executive recommends funding of \$874,087 in FY 2012, a 2.9% decrease from FY 2011 estimated expenditures, and \$866,169 in FY 2013, a 0.9% decrease from FY 2013. With the recommended funding, the Board plans to maintain current operations and leave one vacant position unfilled.

As a regulatory agency, personal services is the Board's largest expense category. As seen in the chart below, 79% of the executive budget recommendations for the biennium are for personal services, 19% for supplies and maintenance, and 2% for purchased personal services.



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 (DAS). Services made available through CSA include 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 the FY 2012-FY 2013 biennium, the Board estimates CSA charges of \$33,200 per fiscal year, which are included in the supplies and maintenance category. In FY 2010, the Board paid \$27,644 in CSA charges.

Fee Revenues and Fund 4K90

The Board issues five different types of licenses: occupational therapist, occupational therapist assistant, physical therapist, physical therapist assistant, and athletic trainers. The application fee for each type of license is \$100. Licenses issued by the Board are renewable on a biennial basis. The renewal fee for each license is \$80. The last licensing fee increases were in the mid to late 1990s. In addition to the five licenses, the Board issues reinstatement licenses, limited permits for occupational

therapists and occupational therapy assistants, and endorsements for physical therapists and physical therapists assistants.

Fee revenues collected by the Board are deposited into the Occupational Licensing 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 Occupational Therapy, Physical Therapy, and Athletic Trainers 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 revenue to cover its expenses.

Table 1 below shows the Board's revenues and expenditures from FY 2007 through FY 2013 as well as the net of revenues less expenditures. As seen in the table, revenues have exceeded expenditures since FY 2007. In September 2007, the Board began to transition to a new license renewal cycle. The former renewal cycle was based in the first letter of the licensee's last name; the new cycle is based on the type of license. The new system was fully implemented in FY 2010 and is projected to result in higher revenues in odd-numbered fiscal years, as more licensees (about 54%) renew in odd-numbered years.

Table 1. Revenues and Expenditures							
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011 (estimate)	FY 2012 (estimate)	FY 2013 (estimate)
Revenue	\$882,742	\$894,561	\$1,120,500	\$995,431	\$1,213,835	\$1,089,365	\$1,281,365
Expenditures	\$682,405	\$688,378	\$867,864	\$766,269	\$900,000	\$874,087	\$866,169
Net of Rev. & Exp.	\$200,337	\$206,183	\$252,636	\$229,162	\$313,835	\$215,278	\$415,196

ANALYSIS OF EXECUTIVE PROPOSAL

The Board's operations are funded by a single line item appropriation from the General Services Fund Group. Table 2 shows the Governor's recommended funding for the line item.

Table 2. Governor's Recommended Funding for the Board				
Fund	ALI and Name		FY 2012	FY 2013
General Services Fund Group				
4K90	890609	Operating Expenses	\$874,087	\$866,169

The executive recommends funding of \$874,087 for FY 2012, a 2.9% decrease from FY 2011 estimated expenditures, and \$866,169, a 0.9% decrease from FY 2013. Overall, recommended appropriations will allow the Board to maintain its current operations for the next biennium; however, funding is not sufficient for the Board to fill a vacant clerk position.

During the FY 2012-FY 2013 biennium, in addition to ongoing operating expenses, the Board will be required to pay the cost of its 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.¹ 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). As a result, the Board has budgeted \$15,000 for this audit in the upcoming biennium.

For the FY 2012-FY 2013 biennium, the Board will focus on minimizing the processing time to issue initial licenses and renewal applications. Performance measures were developed to assess the Board's ability to process licensure applications in a timely manner. Results of the most recent performance measure assessment can be found on the Board's web site.²

Licenses

To carry out its regulatory responsibility, the Board establishes standards and licenses qualified practitioners of occupational therapy, physical therapy, and athletic trainers. In order for applicants to be eligible for licensure, they must successfully pass the national examination for the field in which they are applying, complete an

¹ R.C. 117.13.

² <http://otptat.ohio.gov/Consumers/PerformanceMeasures.aspx>.

application, and submit to a criminal records check. The licensure process involves evaluating the applicant's credentials, formal education, and competency.

The total number of active licenses issued by the Board increased by 1,054 (5.0%) from FY 2009 to FY 2010. Table 3 shows the number of active licenses issued by the Board for FY 2010 compared with FY 2009.

License Type	FY 2009	FY 2010	% Change
Occupational Therapist	4,186	4,322	3.2%
Occupational Therapist Assistant	2,762	2,908	5.3%
Physical Therapist	7,115	7,304	2.7%
Physical Therapist Assistant	5,233	5,626	7.5%
Athletic Trainer	1,822	2,012	10.4%
Total	21,118	22,172	5.0%

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

Licenses issued by the Board are required to be renewed every two years. In September 2007, the Board began to transition to a new license renewal cycle, based on the type of license. The new system was fully implemented in FY 2010. Occupational therapist assistants and physical therapists renew licenses on even-numbered years. Occupational therapists, physical therapist assistants, and athletic trainers renew on odd-numbered years. As seen in Table 4, in FY 2010, the Board issued 11,329 licenses, including both initial licenses and renewals.

License Type	Initial	Renewal	Total
Occupational Therapist	236	--	236
Occupational Therapist Assistant	208	2,886	3,094
Physical Therapist	415	7,028	7,443
Physical Therapist Assistant	384	--	384
Athletic Trainer	172	--	172
Total	1,415	9,914	11,329

The Board currently utilizes the eLicensing system for initial and renewal licensure applications. In FY 2010, 98% of renewal licenses were processed online through the eLicensing system. This component allows applicants to apply for their license online and to pay the fee with a credit card. The eLicensing system 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.

Investigation and Enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, or impaired practitioners, and to enforce the rules and laws governing the practice of occupational therapy, physical therapy, and athletic trainers. The most common complaint was for unsafe practice. All complaints to the Board must be submitted in writing, which are then reviewed to determine whether the Board has the legal authority to take action. The Board investigates all complaints. In FY 2010, the Board received 121 complaints and disciplined 58 licensees. The number of investigations and disciplined licensees by section is shown in Table 5 below.

License Type	Investigations	Licensees Disciplined
Occupational Therapy Section	51	39
Physical Therapy Section	57	15
Athletic Trainer Section	13	4
Total	121	58

The most common disciplinary actions taken by the Board were reprimands, fines, and ongoing monitoring of licensees. In addition, the Board revoked three licenses and suspended one, and placed two licensees on probation.

Continuing Education

The Board requires licensees to complete continuing education (CE) for license renewal. Annually, the Board audits about 25% of its licensees to verify completion of the required number of CE hours. CE requirements differ depending upon the type of license, but all courses must be approved by the Board. Table 6 shows the number of hours per renewal cycle (2 years) required for each type of license.

License Type	Required Hours
Occupational Therapist	20
Occupational Therapist Assistant	20
Physical Therapist	24
Physical Therapist Assistant	12
Athletic Trainer	25

Cost Containment

In the FY 2010-FY 2011 biennium, the Board took measures to reduce costs. Full Board meetings were reduced from three to two times per year, and section meetings were reduced from eight to seven times per year. In addition, board meeting schedules were adjusted to reduce the number of members that needed overnight accommodations. In order to reduce paper costs, application instructions were posted on the web site instead of mailed and pocket identification cards were eliminated.

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.

Fund Line Item	FY 2012 Recommended	FY 2012 Requested	Difference	FY 2013 Recommended	FY 2013 Requested	Difference
4K90 890609	\$874,087	\$932,500	(\$58,413)	\$866,169	\$917,500	(\$51,331)

The Board's request included funding to fill the vacant clerk position. The Board estimated this position to cost about \$52,000 in each fiscal year. According to the Board's Executive Director, in order to operate within the executive recommendations, the Board plans to leave this position vacant.

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Occupational Therapy, Physical Therapy, and Athletic Trainers Board

General Services Fund Group

4K90 890609 Operating Expenses

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$688,378	\$867,864	\$766,269	\$900,000	\$874,087	\$866,169
	26.1%	-11.7%	17.5%	-2.9%	-0.9%

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

Legal Basis: ORC 4743.05 and 4755.03; Section 347.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This line item is used to pay the Occupational Therapy, Physical Therapy, and Athletic Trainers Board's operating expenses, including personal services, supplies, maintenance, and equipment. The Board licenses and regulates the professions of occupational therapy, physical therapy, and athletic training.

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					
PYT Occupational Therapy, Physical Therapy, and Athletic Trainers Board								
4K90	890609	Operating Expenses	\$ 766,269	\$ 900,000	\$ 874,087	-2.88%	\$ 866,169	-0.91%
General Services Fund Group Total			\$ 766,269	\$ 900,000	\$ 874,087	-2.88%	\$ 866,169	-0.91%
Occupational Therapy, Physical Therapy, and Athletic Trainers Board Tot			\$ 766,269	\$ 900,000	\$ 874,087	-2.88%	\$ 866,169	-0.91%