

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

**State Board of Orthotics,  
Prosthetics, and Pedorthics**

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# Orthotics, Prosthetics, and Pedorthics

- Non-GRF agency; funded by fee revenues
- Funding increased by 2.3% in FY 2014 and by 3.8% in FY 2015
- Over 400 active licenses

## OVERVIEW

### Agency Overview

The Board of Orthotics, Prosthetics, and Pedorthics was established in 2002. The Board issues licenses for orthotists, prosthetists, and pedorthists and establishes standards for education, preprofessional training, and examination.<sup>1</sup> The Board also sets standards of practice, investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education among licensees. Over 400 licenses issued by the Board are currently active.

The Board's governing authority consists of seven members appointed by the Governor, including two dual licensed orthotist-prosthetists, an orthotist, a prosthetist, a pedorthist, a doctor licensed by the State Medical Board, and a consumer of orthotic or prosthetic goods and services. Members are appointed for three-year terms and may serve two consecutive terms. The Board meets about five times per year. The members serve without compensation but are reimbursed for expenses incurred in the performance of their official duties.

The Board's daily operations are the responsibility of an executive director appointed by the seven-member governing authority. Board staff consists of the Executive Director and an intermittent clerk. The Board's annual budget for FY 2013 is \$132,600. The Board receives no GRF moneys; it is supported entirely by fees.

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<sup>1</sup> Orthotists are individuals who design, fabricate, and fit braces or other orthopedic appliances prescribed by physicians.

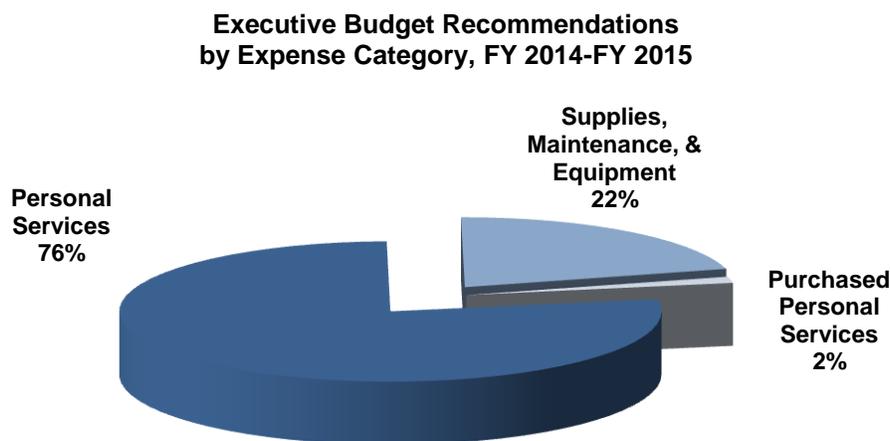
Prosthetists are individuals who fabricate and fit artificial limbs (prosthetics) and similar devices prescribed by physicians.

Pedorthists are individuals who fit appliances as prescribed for relief of painful or disabling conditions of the foot.

## Appropriation Overview

The executive recommends funding of \$135,677 in FY 2014, a 2.3% increase over FY 2013 estimated expenditures, and \$140,846 in FY 2015, a 3.8% increase from FY 2014. Under the executive's proposal, the Board will be able to maintain its current operations and staffing level.

As a regulatory agency, personal services is the largest expense category for the Board. As seen in the chart below, 76% of the executive budget recommendations for the biennium are for personal services; 22% for supplies, maintenance, and equipment; 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 FY 2012, the Board paid about \$3,370 in CSA charges. These payments are included in the supplies, maintenance, and equipment category.

## Fee Revenues and Fund 4K90

The Board issues orthotist, prosthetist, pedorthist, and orthotist-prosthetist licenses and temporary licenses. Table 1 below shows the current fee amount for each type of license. Licenses issued by the Board are required to be renewed annually. Temporary licenses are issued for one year, and once expired may be reissued once. Application and license renewal fees have not changed since the Board began operations in FY 2002.

Table 1. License Fees	
License Type	Fee
<b>Orthotist, Prosthetist, and Pedorthist</b>	
Initial	\$125
Renewal	\$300
Temporary	\$150

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-seven 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 revenue to cover its expenses.

Table 2 below shows the Board's annual revenues and expenditures from FY 2009 through FY 2015 as well as the net of revenues less expenditures. As seen in the table, from FY 2009 to FY 2015, the Board's revenues have exceeded or are projected to exceed expenditures each year except FY 2012. Expenditures exceeded revenues in FY 2012 due to the required biennial audit and increased payroll expenses.

Table 2. Revenues and Expenditures							
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013 (estimate)	FY 2014 (estimate)	FY 2015 (estimate)
Revenue	\$107,718	\$113,315	\$110,797	\$110,585	\$134,352	\$146,395	\$150,384
Expenditures	\$106,498	\$96,861	\$106,187	\$124,329	\$132,600	\$135,677	\$140,485
Net of Rev. & Exp.	\$1,220	\$16,454	\$4,610	-\$13,744	\$1,752	\$10,718	\$9,899

## 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 and Name		FY 2014	FY 2015
<b>General Services Fund Group</b>				
4K90	973609	Operating Expenses	\$135,677	\$140,846

Through this one line item, the Board pays all of its expenses. The executive recommends funding of \$135,677 in FY 2014, a 2.3% increase over FY 2013 estimated expenditures, and \$140,846 in FY 2015, a 3.8% decrease from FY 2014. The executive recommendation will generally allow the Board to maintain its current operations and staffing level in the FY 2014-FY 2015 biennium.

### Licenses

To carry out its regulatory responsibility, the Board establishes standards of practice and licenses qualified orthotists, prosthetists, and pedorthists who meet academic, preprofessional, and examination requirements. A temporary license is available for individuals who have completed their residency but have not yet taken or passed the required examination. Table 4 below shows the number of active licenses issued by the Board for FY 2012 compared to FY 2011. From FY 2011 to FY 2012, the total number of active licenses increased by 6.8%.

Table 4. Active Licenses*			
License Type	FY 2011	FY 2012	% Change
Orthotist	92	94	2.2%
Prosthetist	70	76	8.6%
Pedorthist	116	120	3.4%
Orthotist-Prosthetist	101	108	6.9%
Temporary	5	12	140.0%
<b>Total</b>	<b>384</b>	<b>410</b>	<b>6.8%</b>

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

Licenses issued by the Board are required to be renewed annually and are valid from February 1st through January 31st. Table 5 shows the number of licenses issued by the Board during FY 2012.

<b>License Type</b>	<b>Initial</b>	<b>Renewal</b>	<b>Total</b>
Orthotist	6	88	94
Prosthetist	8	68	76
Pedorthist	8	112	120
Orthotist-Prosthetist	1	107	108
Temporary	6	6	12
<b>Total</b>	<b>29</b>	<b>381</b>	<b>410</b>

Currently, the Board utilizes the license verification component of the eLicensing system and added online license renewal service in FY 2011. 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 incompetent, unethical, and impaired practitioners. All complaints to the Board must be submitted in writing. The complaints are then reviewed to determine whether the Board has the legal authority to take action. The most common complaint has been for violations of standards of care. Of the four complaints received in FY 2012, three involved unlicensed practice. In FY 2012, the Board completed one investigation and issued two cease and desist letters. The Board also continues to monitor one licensee who is permitted to practice under probationary conditions.

### **Continuing Education**

The Board requires continuing education (CE) for license renewal. CE requirements differ depending upon the type of license, but all CE courses must be approved by the Board. Individuals licensed as an orthotist or prosthetist are required to earn 45 CE units every three years. Individuals licensed as both an orthotist and a prosthetist must earn 75 CE units. Individuals licensed as a pedorthist are required to earn 33 CE units. CE units are accrued over a three-year period and are submitted to the Board every fourth year during license renewal. A list of approved programs and activities is posted on the Board's web site (<http://www.opp.ohio.gov>).

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# State Board of Orthotics, Prosthetics, and Pedorthics

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## General Services Fund Group

### 4K90 973609 Operating Expenses

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$96,861	\$106,985	\$114,204	\$132,600	<b>\$135,677</b>	<b>\$140,846</b>
	10.5%	6.7%	16.1%	<b>2.3%</b>	<b>3.8%</b>

**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 4779.08(C); Section 355.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. H.B. 94 of the 124th G.A.)

**Purpose:** This line item is used to pay the State Board of Orthotics, Prosthetics, and Pedorthics' operating expenses, including personal services, supplies, maintenance, and equipment. The Board issues licenses for orthotists, prosthetists, and pedorthists and establishes standards for education, preprofessional training, and examination. The Board also sets standards of practice, investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among licensees.

# FY 2014 - FY 2015 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2012	Estimate FY 2013	Introduced FY 2014	FY 2013 to FY 2014 % Change	Introduced FY 2015	FY 2014 to FY 2015 % Change
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>OPP State Board of Orthotics, Prosthetics, and Pedorthics</b>								
4K90	973609	Operating Expenses	\$ 114,204	\$ 132,600	\$ 135,677	2.32%	\$ 140,846	3.81%
<b>General Services Fund Group Total</b>			<b>\$ 114,204</b>	<b>\$ 132,600</b>	<b>\$ 135,677</b>	<b>2.32%</b>	<b>\$ 140,846</b>	<b>3.81%</b>
<b>State Board of Orthotics, Prosthetics, and Pedorthics Total</b>			<b>\$ 114,204</b>	<b>\$ 132,600</b>	<b>\$ 135,677</b>	<b>2.32%</b>	<b>\$ 140,846</b>	<b>3.81%</b>