

LSC Redbook

Analysis of the Executive Budget Proposal

Ohio State Dental Board

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ATTACHMENTS:

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

State Dental Board

- Non-GRF agency; funded by fee revenues
- Funding increased by 0.9% in FY 2016 and remained level in FY 2017
- Approximately 34,000 active licenses and certificates

OVERVIEW

Agency Overview

The State Dental Board was established in 1892. The Board issues licenses to dentists and dental hygienists and assistants. The Board also issues a variety of certificates and permits related to the practice of dentistry. The Board sets standards for training, ethics, and the practice of dentistry and dental hygiene. The Board investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among its licensees and certificate holders. Approximately 34,000 licenses and certificates issued by the Board are currently active.

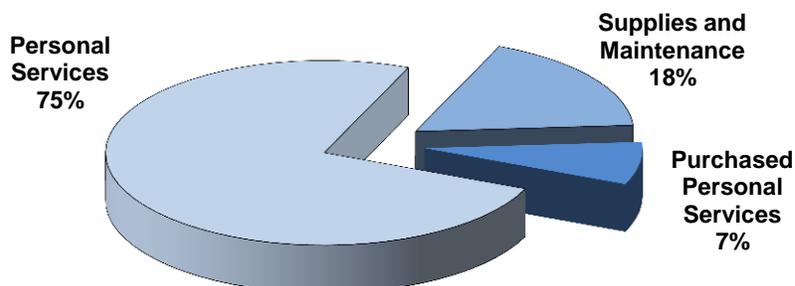
The Board's governing authority consists of 13 members appointed by the Governor, including nine dentists, three dental hygienists, and one public member. Members are appointed to four-year terms and may serve two terms. The Board meets about eight times per year. In addition to travel reimbursement, Board members receive annual compensation of about \$1,250 for the performance of official Board business.

The Board's daily operations are the responsibility of an executive director who is appointed by the 13-member governing authority. Including the Executive Director, the Board currently has 14 full-time employees with an annual budget of \$1.57 million in FY 2015. The Board receives no GRF money; it is entirely supported by fees.

Appropriation Overview

The executive recommends funding of \$1.58 million for both FY 2016 and FY 2017, a 0.9% increase over the FY 2015 estimated expenditures. As a regulatory agency, personal services is the largest expense category of the Board. As seen from the chart below, approximately 75% of the executive budget recommendations for the biennium are for personal services, 18% for supplies and maintenance, and 7% for purchased personal services.

**Chart 1: Executive Budget Recommendations
by Expense Category, FY 2016-FY 2017**



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. The Board pays CSA for services rendered. In FY 2014, the Board paid \$35,741 in CSA charges. These payments are included in the supplies and maintenance category.

Fee Revenues and Fund 4K90

The Board issues several types of licenses and certificates. Table 1 below shows the current fees for licenses and certificates. In addition to those shown in the table, the Board issues several types of limited licenses and licenses for graduates of unaccredited dental colleges located outside the United States. Licenses issued by the Board are required to be renewed biennially, with dentists and hygienists renewing in even-numbered years and dental assistant radiographers and expanded function dental auxiliaries renewing in odd-numbered years.

Table 1. License and Certificate Fees

Type	Fee
Dentists	
Initial License (odd-numbered years)*	\$210
Initial License (even-numbered years)*	\$357
License Renewal	\$245
Late Renewal (in addition to renewal fee)	\$100
License Reinstatement	\$300
General Anesthesia Permit*	\$127
Conscious Intravenous Sedation Permit**	\$127
Oral Health Access Supervision Permit***	\$20
Dental Hygienists	
Initial License (odd-numbered years)	\$96
Initial License (even-numbered years)	\$147
License Renewal*	\$115
Oral Health Access Supervision Permit***	\$20
Dental Assistant Radiographers***	\$25
Expanded Function Dental Auxiliary***	\$20
Coronal Polishing Certificate*	\$15

*These license fees were raised in H.B. 463 of the 130th General Assembly for each profession's respective loan repayment program and are effective March 23, 2015.

**These permits are renewed biennially; there is no fee for renewal.

***Initial and renewal fees are the same.

A portion of licensure fee revenue received from dentists is transferred to the Department of Health (DOH) for the Dentist Loan Repayment Fund. For initial licenses issued in even-numbered years, \$40 is transferred, and for licenses issued in odd-numbered years and renewals, \$20 is transferred. The Dentist Loan Repayment Program, administered by DOH, reimburses dental students for all or part of tuition, room and board, and other educational expenses. In order to participate, students must go through an application process and agree to provide services in dental health resource shortage areas upon graduation from an accredited dental college. H.B. 463 of the 130th General Assembly established a similar program for dental hygienists. Of the license renewal fees for dental hygienists, \$10 is transferred to DOH for the Dental Hygienist Loan Repayment Program.

The remainder of the fee revenues collected by the Board are deposited into the Occupational Licensing Regulatory Fund (Fund 4K90) to support the Board's operating costs. Fund 4K90 was established by H.B. 152 of the 120th General Assembly. Twenty-six occupational licensing and regulatory boards and commissions, including the State Dental Board, use the fund 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 revenues and expenditures each year from FY 2011 through FY 2017, as well as the net of revenues less expenditures. As seen in the table, the Board's revenues exceed expenditures in even-numbered years. This trend corresponds with the Board's license renewal cycle; revenues are greater during the years when dentists and hygienists renew since their renewal fees are higher and they represent the largest portion of total licensees.

Table 2. Revenues and Expenditures¹							
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 (estimate)	FY 2016 (estimate)	FY 2017 (estimate)
Revenue	\$517,496	\$2,703,915	\$547,673	\$2,743,239	\$550,800	\$2,900,000	\$550,800
Expenditures	\$1,489,805	\$1,523,995	\$1,483,593	\$1,370,858	\$1,566,484	\$1,579,984	\$1,579,984
Net of Rev. & Exp.	-\$972,309	\$1,179,920	-\$935,920	\$1,372,381	-\$1,015,684	\$1,320,016	-\$1,029,184

¹ Revenues do not include the portion of the fee that is transferred to the Dentist Loan Repayment Fund.

ANALYSIS OF EXECUTIVE PROPOSAL

The Board's operations are funded by a single line item appropriation from the Dedicated Purpose Fund Group. The table below shows the Governor's recommended funding for the line item.

Governor's Recommended Funding for the State Dental Board				
Fund	ALI and Name		FY 2016	FY 2017
Dedicated Purpose Fund Group				
4K90	880609	Operating Expenses	\$1,579,984	\$1,579,984

Through this one line item, the Board pays all of its expenses. The executive recommends \$1.58 million for both FY 2016 and FY 2017, a 0.9% increase over the FY 2015 estimated expenditures. According to the Executive Director, the executive recommended appropriations do not support estimated increases in the cost for rent and DAS services. However, the Board is committed to providing the same level of services over the biennium and maintaining current staff.

In addition to ongoing operating expenses, the Board paid approximately \$9,900 for the cost of the most recent 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 to be about the same for the upcoming audit.

For the FY 2016-FY 2017 biennium, the Board plans to enhance its website to make more information readily available to licensees and the public, while reducing costs. For instance, the Board has begun, and will continue, to post news online rather than mailing newsletters, and plans to share information through the Board's Twitter feed. The Board is currently in the process of implementing a new software system for monitoring all complaints and investigations. Additionally, the Board will educate licensees on how to access and report to the Ohio Automated Rx Reporting System, as required by H.B. 93 of the 129th General Assembly.

Licenses

To carry out its regulatory responsibility, the Board establishes standards of practice and licenses and certifies qualified dental practitioners. As seen in Table 3 below, from FY 2013 to FY 2014, the total number of active licenses and certificates

² R.C. 117.13.

issued by the Board increased 12.4%. The license types with the largest increase in the number of active licenses were limited licenses, with 141 more in FY 2014 than FY 2013.

Table 3. Active Licenses and Certificates*			
Type	FY 2013	FY 2014	% Change
Dentists	7,136	7,132	-0.1%
Dental Hygienists	8,057	8,196	1.7%
Dental Assistant Radiographers	11,904	14,880	25.0%
Limited License	273	414	51.6%
Expanded Function Dental Auxiliary	1,511	1,805	19.5%
Coronal Polishing Certificate	1,149	1,338	16.4%
Oral Health Access Supervision Permits – Hygienist	66	73	10.6%
Oral Health Access Supervision Permits – Dentist	35	25	-28.6%
TOTAL	30,131	33,863	12.4%

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

Licenses issued by the Board are required to be renewed every two years, except for limited licenses, which are valid for a specific period depending on the license. The Board has a staggered renewal cycle with dentists and hygienists renewing in odd-numbered years, and dental assistant radiographers and expanded function dental auxiliary renewing in even-numbered years. Table 4 shows the number of licenses and certificates issued by the Board during FY 2014.

Table 4. Licenses and Certificates, FY 2014	
Type	Number Issued
Dentists	271
Dental Hygienists	279
Dental Assistant Radiographers	1,514
Expanded Function Dental Auxiliary	140
Limited License	141
Coronal Polishing Certificate	104
TOTAL	2,449

The Board currently uses the renewal component of the eLicensing system. This component allows licensees to apply for renewal online and pay the fee by 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. A new licensing system is being developed, which will make improvements to the current eLicensing system.

Investigation and Enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, or impaired practitioners. 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. Effective September 13, 2010, Sub. H.B. 215 of the 128th General Assembly created the position of vice-secretary of the Board and created a supervisory investigative panel, made up of the secretary and vice-secretary, to oversee all investigations conducted by the Board. Furthermore, the Board contracts with three hearing examiners to oversee all of the Board's hearings and deliberations.

The most common complaint has been for standards of care. Of the 709 complaints investigated in FY 2014, 329 (46%) involved standards of care. That year, the Board entered into 22 consent agreements, suspended ten licenses, and accepted one voluntary license surrender/retirement. The Board issued 57 warning letters to notify licensees that the Board had concerns regarding their practice behavior. The Board also held six disciplinary hearings.

The Board is responsible for ensuring that infection control standards are being maintained in dental offices. Such standards include the appropriate use of hand washing, disinfection and sterilization of equipment, handling and disposal of needles or other sharp instruments, and wearing and disposal of gloves and other protective garments and devices. Infection control evaluations are done if a complaint has been filed and also randomly when an investigator is "in the area" and has time. In FY 2014, the Board conducted 299 infection control evaluations.

Quality Intervention Program

The Board was the first dental board in the nation to implement a Quality Intervention Program (QUIP). QUIP allows the Board, with the assistance of a panel of experts, to address those cases the Board secretary believes involve licensees who engage in minor violations of the accepted standards of care for the profession. QUIP provides early intervention and remedial education services (at the licensee's expense), monitors the remediation process, and provides a means to efficiently review and follow up on complaints. Success is measured by documentation demonstrating that the licensee's skills are improved and that the licensee can safely and competently treat dental consumers. Since its inception in FY 2004, 65 dental practitioners have been referred to QUIP, 33 have participated, 18 have successfully completed, and seven were removed for violations of the participation agreement. There are currently five licensees participating in QUIP.

Continuing Education

The Board requires continuing education (CE) for license renewal. CE consists of activities designed to review existing concepts and techniques, to convey information

beyond basic dental education, and to update knowledge on advances in scientific and clinical practice-related subject matter. Requirements vary by license. There are no CE requirements for expanded function dental auxiliaries or coronal polishing certificates. H.B. 190 of the 128th General Assembly requires that beginning in 2011, the CE requirement for dental hygienists be increased to 24 hours. Table 5 shows the number of CE hours required every two years for license renewal.

License Type	Hours
Dentists	40
Dental Hygienists	24
Dental Assistant Radiographers	2

The Board requires licensees to obtain CE credits from the following categories: directly interactive presentation format; supervised self-instruction; papers, publications, and scientific presentations; teaching and research appointments; volunteer service as a clinician; and table clinics. In addition, the Board has limited the number of credits that can be obtained in each category. A complete list of approved programs and activities is posted on the Board's website (<http://www.dental.ohio.gov>).

Oral Health Access Supervision Program and Other Licensing Changes

Effective August 31, 2010, H.B. 190 of the 128th General Assembly created the Oral Health Access Supervision Program. The program allows a dentist to authorize a dental hygienist to provide dental hygiene services in certain facilities, such as hospitals, schools, clinics, correctional institutions, and nursing homes, when no dentist is present, provided that the dentist and dental hygienist qualify for the program and certain conditions are met.

Each program participant must pay a \$20 application and biennial renewal fee. The program went into effect on February 1, 2011, but full implementation did not begin until May 2011. There are currently 43 dentists and 82 dental hygienists participating in this program.

In addition to the Dental Hygienist Loan Repayment Program, H.B. 463 of the 130th General Assembly created a temporary volunteer's certificate, which allows a dentist or dental hygienist who is not licensed in Ohio to provide free dental services in Ohio for up to seven days. The Dental Board may charge up to \$25 for this certificate. This bill also made various changes to the scope of practice for dental professionals and increased the initial license fee for dentists in order to expand the Dentist Loan Repayment Program.

Ohio State Dental Board

Dedicated Purpose Fund Group

4K90 880609 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,523,995	\$1,483,593	\$1,370,858	\$1,566,484	\$1,579,984	\$1,579,984
	-2.7%	-7.6%	14.3%	0.9%	0.0%

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

Legal Basis: ORC 4715.04 and 4743.05; Section 253.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by Am. Sub. H.B. 152 of the 120th G.A.)

Purpose: This line item is used to pay the State Dental Board's operating expenses, including personal services, supplies, maintenance, and equipment. The Board issues licenses to dentists and dental hygienists and assistants. The Board also issues a variety of certificates and permits related to the practice of dentistry. The Board sets standards for training, ethics, and the practice of dentistry and dental hygiene. The Board investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among its licensees and certificate holders.

FY 2016 - FY 2017 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Estimate	Introduced	FY 2015 to FY 2016	Introduced	FY 2016 to FY 2017	
			FY 2014	FY 2015	FY 2016	% Change	FY 2017	% Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
DEN Ohio State Dental Board								
4K90	880609	Operating Expenses	\$ 1,370,858	\$ 1,566,484	\$ 1,579,984	0.86%	\$ 1,579,984	0.00%
Dedicated Purpose Fund Group Total			\$ 1,370,858	\$ 1,566,484	\$ 1,579,984	0.86%	\$ 1,579,984	0.00%
Ohio State Dental Board Total			\$ 1,370,858	\$ 1,566,484	\$ 1,579,984	0.86%	\$ 1,579,984	0.00%