

LSC Redbook

Analysis of the Executive Budget Proposal

State Board of Psychology

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February 2015

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ATTACHMENTS:

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

State Board of Psychology

- Non-GRF agency; funded by fee revenues
- Funding increased by 3.1% in FY 2016 and increased by 1.7% in FY 2017
- Over 3,700 active licenses and certificates

OVERVIEW

Agency Overview

The State Board of Psychology was established in 1972. The Board is responsible for licensing psychologists and school psychologists who may also engage in restrictive private practice. (School psychologists who practice only in school-based settings are regulated by the Department of Education.) The Board also certifies applied behavior analysts. The Board establishes standards of practice, education, preprofessional training, and examination for psychologists, school psychologists, and applied behavior analysts. The Board also investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among licensees and certificate holders. Over 3,700 licenses and certificates issued by the Board are currently active.

The Board's governing authority consists of nine members appointed by the Governor, including six psychologists or school psychologists and three patient advocates who are either parents or relatives of a recipient of mental health services or representatives of organizations that represent recipients of mental health services. Members are appointed for five-year terms and may serve two full terms. The Board is required to meet twice annually; however, it usually meets quarterly. In addition to travel reimbursement, Board members received annual compensation of approximately \$2,550 in FY 2014 for conducting official Board business.

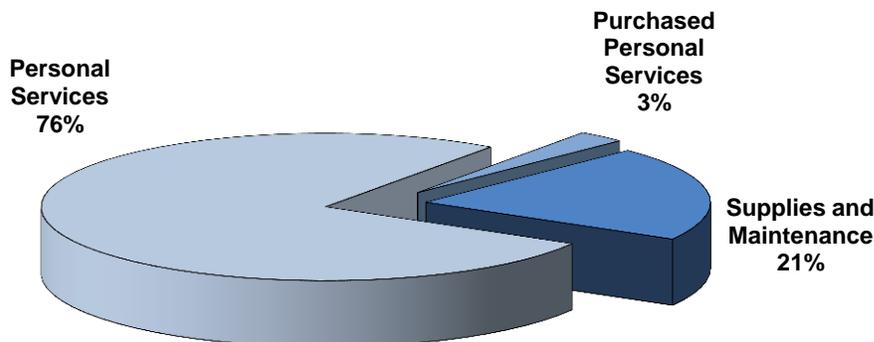
The Board's daily operations are the responsibility of an executive director appointed by the nine-member governing authority. Including the Executive Director, the Board has five full-time staff members and an annual budget of \$571,000 in FY 2015. The Board receives no General Revenue Fund (GRF) money; it is entirely supported by fees.

Appropriation Overview

The executive recommends \$588,690 in FY 2016, a 3.1% increase over FY 2015 estimated expenditures and \$598,890 in FY 2017, a 1.7% increase over FY 2016. The Board plans to generally maintain current operations and staffing levels.

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, 21% are for supplies and maintenance, and 3% 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. 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 \$18,200 in CSA charges. These payments are included in the supplies and maintenance category.

Fee Revenues and Fund 4K90

The Board issues two types of licenses. For both psychologists and school psychologists the fee for an initial license is \$350 and the renewal fee is \$350. The psychologist license renewal fee will be increased to \$360 beginning on July 1, 2016 through June 30, 2020. The license renewal fee will increase again on July 1, 2020 by \$5 to \$365. Licensees are required to renew biennially in odd-numbered fiscal years.

The Board also issues one certificate, the applied behavior analyst certificate. The Board will begin charging a \$125 fee for new applicants on April 7, 2015. The renewal fee will be \$150.

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 Psychology 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 shows the Board's annual revenues and expenditures from FY 2011 through FY 2017 as well as the net of revenues less expenditures. The Board collects fee revenue in odd-numbered fiscal years. As a result, the revenues in even-numbered years are far below expenditures.

Table 1. Revenues and Expenditures							
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015 (estimate)	FY 2016 (estimate)	FY 2017 (estimate)
Revenues	\$1,239,109	\$23,336	\$1,257,057	\$34,145	\$1,300,000	\$75,000	\$1,385,000
Expenditures	\$492,988	\$463,405	\$516,139	\$524,257	\$571,000	\$588,690	\$598,890
Net of Rev. & Exp.	\$746,121	-\$440,069	\$740,918	-\$490,112	\$729,000	-\$513,690	\$786,110

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 Psychology Board				
Fund	ALI and Name	FY 2016	FY 2017	
Dedicated Purpose Fund Group				
4K90	882609	Operating Expenses	\$588,690	\$598,890

Through this one line item, the Board pays all of its expenses. The executive recommends \$588,690 for FY 2016, a 3.1% increase over FY 2015 estimated expenditures, and \$598,890 for FY 2017, a 1.7% increase over FY 2016. The executive recommendation will allow the Board to generally maintain current operations and staffing levels, including one disciplinary hearing. According to a spokesperson for the Board, if it becomes necessary to hold more disciplinary hearings in the next biennium, the Board may not be able to maintain its current level of operations. Hearings cost an average of \$6,000 to \$25,000 depending on the length of the hearing and whether expert witnesses are needed.

Licensing

To carry out its regulatory responsibility, the Board licenses and establishes standards of practice for psychologists and school psychologists and certified behavior analysts. A psychology license is available for individuals who have met the academic, preprofessional, and examination requirements. A school psychologist license is available for individuals who have met the academic and preprofessional requirements, and have four years of school psychology experience as a certificated or licensed school psychologist. A behavior analyst certificate is available for individuals who have met the academic and preprofessional requirements. As shown in Table 2, from FY 2013 to FY 2014, the total number of active licenses increased 1.0%.

Table 2. Active Licenses and Certificates, FY 2013 and FY 2014*			
License Type	FY 2013	FY 2014	% Change
Psychologist	3,397	3,399	0.1%
School Psychologist	274	275	0.4%
Certified Behavior Analyst	0	34	100%
TOTAL	3,671	3,708	1.0%

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

Licenses issued by the Board are required to be renewed biennially. Table 3 below shows the number of licenses issued and renewed by the Board during the FY 2014-FY 2015 biennium. The table shows initial licenses and certificates issued in FY 2014. Renewals take place in odd-numbered fiscal years, so renewals are shown for FY 2015. In addition to licenses and certificates shown in Table 4, the Board granted 24 30-day permits for nonresident psychologists in FY 2014.

Table 3. Licenses and Certificates Issued and Renewed			
License Type	Initial Licenses FY 2014	Renewals FY 2015	Total
Psychologist	142	3,399	3,541
School Psychologist	2	275	277
Certified Behavior Analyst	34	0	34
TOTAL	178	3,674	3,852

The Board currently conducts online license verification through 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.

Investigation and Enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, and impaired practitioners. All formal 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 received 50 formal complaints in FY 2014.

In FY 2014, the Board completed 46 investigations of alleged misconduct. The Board entered into seven consent agreements with licensees who were found to be in violation of the Board's laws or rules. Of the seven consent agreements, the Board issued three reprimands, suspended one license, revoked two licenses, and restricted one license.

Continuing Education

The Board contracts with the Ohio Psychological Association, the Ohio School Psychology Association, and the Behavior Analyst Certification Board to ensure each licensee completes mandatory continuing education (MCE) requirements on a biennial basis prior to license renewal. The associations forward continuing education information to the Board for licensees who have fulfilled the MCE requirements. The

Board anticipates reviewing approximately 3,650 continuing education verification records from the associations in FY 2017.

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State Board of Psychology

Dedicated Purpose Fund Group

4K90 882609 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$463,405	\$516,139	\$524,257	\$571,000	\$588,690	\$598,890
	11.4%	1.6%	8.9%	3.1%	1.7%

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

Legal Basis: ORC 4732.08 and 4743.05; Section 351.10 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 Board of Psychology's operating expenses, including personal services, supplies, travel, maintenance, and equipment. The Board licenses and regulates psychologists, school psychologists (those not regulated by the Department of Education), and applied behavior analysts. The Board also establishes standards of practice, investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among its licensees.

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					
PSY State Board of Psychology								
4K90	882609	Operating Expenses	\$ 524,257	\$ 571,000	\$ 588,690	3.10%	\$ 598,890	1.73%
Dedicated Purpose Fund Group Total			\$ 524,257	\$ 571,000	\$ 588,690	3.10%	\$ 598,890	1.73%
State Board of Psychology Total			\$ 524,257	\$ 571,000	\$ 588,690	3.10%	\$ 598,890	1.73%