

LSC Greenbook

Analysis of the Enacted Budget

State Medical Board

Justin Pinsker, Budget Analyst
Legislative Service Commission

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TABLE OF CONTENTS

OVERVIEW	1
Agency Overview.....	1
Appropriation Overview	1
ANALYSIS OF ENACTED BUDGET	2
Legislative changes	2

ATTACHMENT:

Budget Spreadsheet By Line Item

State Medical Board

- Non-GRF agency; funded by fee revenues
- Increases of 18.2% in FY 2016 and 2.0% in FY 2017
- Over 68,900 active licenses

OVERVIEW

Agency Overview

The State Medical Board was established in 1896. The Board establishes standards for education, preprofessional training, and examination. The Board also sets standards of practice for its licensees, investigates complaints, holds administrative hearings, determines appropriate disciplinary actions, and monitors continuing education compliance among licensees. Over 68,900 licenses issued by the Board are currently active.

The Board's governing authority consists of 12 members appointed by the Governor. The Board members include nine physicians (seven who hold a doctor of medicine degree, one who holds a doctor of podiatric medicine degree, and one who holds a doctor of osteopathy degree) and three public members (one who is at least 60 years old). Members are appointed for five-year terms and may be reappointed without limit. The Board meets monthly.

The Board's daily operations are the responsibility of an executive director who is appointed by the 12-member governing authority. Including the Executive Director, the Board currently has 82 full-time employees.

Appropriation Overview

The budget appropriates \$9.5 million in FY 2016, an increase of 18.2% over FY 2015 expenditures, and \$9.7 million in FY 2017, a 2.0% increase from FY 2016. As seen from the table below, the Board receives no General Revenue Fund (GRF) money; it is entirely supported by fee revenues.

Agency Appropriations by Fund Group, FY 2016-FY 2017 (Am. Sub. H.B. 64)					
Fund Group	FY 2015*	FY 2016	% change	FY 2017	% change
Dedicated Purpose	\$8,010,905	\$9,467,737	18.2%	\$9,655,200	2.0%

*FY 2015 figures represent actual expenditures.

ANALYSIS OF ENACTED BUDGET

The Board's operations are funded by a single line item appropriation from the Dedicated Purpose Fund Group. The table below shows the funding for the line item provided in H.B. 64, As Enacted.

Appropriated Funding for the State Medical Board				
Fund	ALI and Name		FY 2016	FY 2017
Dedicated Purpose Fund Group				
5C60	883609	Operating Expenses	\$9,467,737	\$9,655,200

Through this one line item, the Board pays all of its expenses. The budget appropriates \$9,467,737 in FY 2016 and \$9,655,200 in FY 2017 to the Board. As a regulatory agency, the Board's largest expense category is personnel cost. In FY 2015, payroll cost accounted for 82% of the Board's total expenditures of \$8.0 million. The increased funding provided under H.B. 64 for FY 2016 and FY 2017 will allow the Board to pilot a new licensing system, which it plans on utilizing for all of its licenses by June 30, 2016.

Legislative Changes

H.B. 64, As Enacted, includes several statutory changes affecting the operations of the Board. Some of the changes are briefly summarized here. First, the budget authorizes the Board to impose a civil penalty not to exceed \$20,000 on a professional who violates the law administered by the Board. It increases the fee to restore a physician certificate (including a podiatrist) from \$100 to \$200 and the fee to reinstate a physician certificate (including a podiatrist) from \$50 to \$100. It also authorizes the Board to impose additional terms and conditions on applicants, including physical examinations and skills assessments before restoring or issuing certain certificates.

Second, the budget makes several changes to continuing education requirements. It provides that, if the Board imposes a civil penalty for a failure to complete continuing education requirements but does not take any other disciplinary action, an adjudication hearing is not required. It adds continuing education requirements related to certificates to practice limited branches of medicine to the list of continuing education requirements that may be deferred for individuals called to active military duty.

Third, the budget makes changes to license and certificate renewal procedures. It eliminates the requirement that the Board issue certificates of registration and instead authorizes the Board to renew certificates to practice and requires the Board to provide, rather than send or mail, renewal notices to certificates and license holders.

Finally, the budget requires the Board to develop and publish on its website a directory of all persons holding certificates or licenses issued by the Board and generally specifies that the directory is the sole source for verifying that a person holds a current, valid certificate or license.

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FY 2016 - FY 2017 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2015 to FY 2016	Appropriation	FY 2016 to FY 2017		
			FY 2014	FY 2015	FY 2016	% Change	FY 2017	% Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
MED State Medical Board								
5C60	883609	Operating Expenses	\$ 8,144,383	\$ 8,010,905	\$ 9,467,737	18.19%	\$ 9,655,200	1.98%
Dedicated Purpose Fund Group Total			\$ 8,144,383	\$ 8,010,905	\$ 9,467,737	18.19%	\$ 9,655,200	1.98%
State Medical Board Total			\$ 8,144,383	\$ 8,010,905	\$ 9,467,737	18.19%	\$ 9,655,200	1.98%