

Redbook

LBO Analysis of Executive Budget Proposal

Ohio Board of Nursing

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TABLE OF CONTENTS

Quick look	1
Analysis of FY 2020-FY 2021 budget proposal	2
Summary of executive recommendations.....	2
Operating revenues, expenses, and transfers	2
Funding for operating expenses	3
Operating Expenses (ALI 884609).....	3
Nurse Education Grant Program (ALI 884602)	4
Nursing Special Issues (ALI 884601).....	4
Licensure	4
Investigation and enforcement	5
Education programs.....	6
Summary of FY 2018 grant awards	6

LBO Redbook

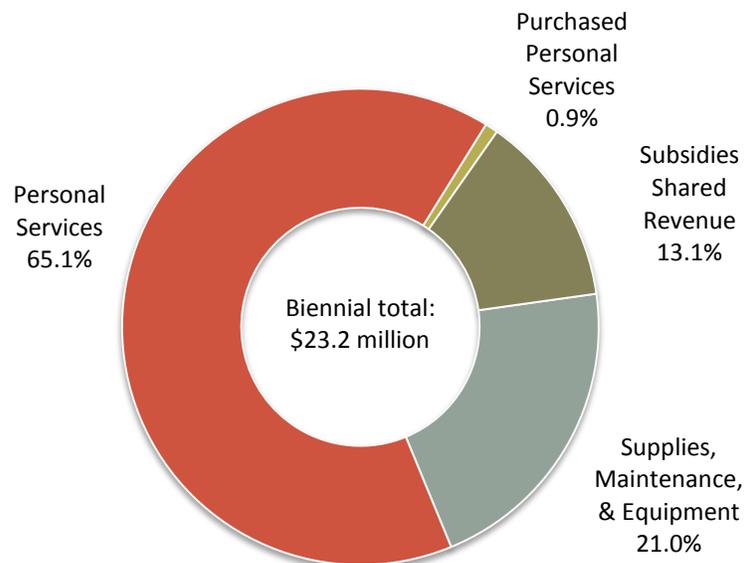
Ohio Board of Nursing

Quick look...

- The Board of Nursing licenses over 290,000 professionals, including registered nurses (RNs), licensed practical nurses (LPNs), advanced practice registered nurses (APRNs), dialysis technicians, community health workers, and medication aides.
- The Board’s authority consists of 13 members appointed by the Governor with daily operations overseen by an executive director.
 - Membership includes eight RNs with at least five years’ experience (two must be an APRN), four LPNs with at least five years’ experience, and one consumer representative.
 - The Executive Director oversees a staff of 70 full-time employees.
- The Board is fully supported by fees and receives no GRF funding.
- There are no proposed fee changes for the FY 2020-FY 2021 biennium.

Fund Group	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Dedicated Purpose Total	\$9,771,174	\$10,835,858	\$11,362,225	\$11,805,032
% change	--	10.9%	4.9%	3.9%

**NUR Budget by Expense Category
FY 2020-FY 2021 Biennium**



Analysis of FY 2020-FY 2021 budget proposal

Summary of executive recommendations

The executive recommendations total \$11.4 million in FY 2020 and \$11.8 million in FY 2021 across all appropriation items. The Board's budget consists of three appropriation items, all supported by dedicated purpose funds (DPF). As a regulatory agency, personal services is the largest expense category for the Board. As shown in the chart on the previous page, 65.1% of the recommended funding for the biennium is for personal services; 21.0% is for supplies, maintenance, and equipment; 13.1% is for subsidies shared revenue; and the remaining 0.9% is for purchased personal services.

Operating revenues, expenses, and transfers

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenue	\$11,314,528	\$10,407,512	\$13,005,257	\$7,227,863	\$5,786,295	\$18,169,484
Expenses	\$6,832,139	\$7,033,884	\$7,014,458	\$7,808,462	\$8,047,929	\$8,252,194
Transfers	\$515,120	\$2,823,540	\$719,700	\$2,951,865	\$277,200	\$3,742,245
Net	\$3,967,269	\$550,088	\$5,271,099	-\$3,532,464	-\$2,538,834	\$6,175,045

The Board's revenue has exceeded expenses for four of the last six years. Licenses and certificates issued by the Board are required to be renewed on a biennial basis with RNs and APRNs renewing in odd-numbered years and LPNs renewing in even-numbered years. As a result, the Board's revenue tends to rise in odd-numbered years. All of the Board's revenue comes from fees that are deposited into the Occupational Licensing Regulatory Fund (Fund 4K90). Many occupational licensing and regulatory boards and commissions, including the Board of Nursing, use Fund 4K90 as an operating account. Each licensing board or commission is generally expected to be self-sufficient, generating enough revenue to cover its expenses. The fees for the Board's licenses are included in Table 2.

License Type	Initial	Renewal
Registered Nurse	\$75	\$65
Licensed Practical Nurse	\$75	\$65
Advanced Practice Registered Nurse	\$150	\$135
Certified Dialysis Technician	\$35	\$35
Certified Dialysis Technician Intern	\$35	N/A*
Community Health Worker	\$35	\$35
Medication Aide	\$50	\$50

*This certificate is not renewable.

The Board last increased fees in FY 2004. However, following the passage of H.B. 216 of the 132nd General Assembly, the Board no longer issues Certificates of Authority (COA) or Certificates to Prescribe (CTP), instead issuing APRN licenses. The APRN license can be issued in four nursing specialties: certified registered nurse anesthetist (CRNA), clinical nurse specialist (CNS), certified nurse-midwife (CNM), or certified nurse practitioner (CNP); the license will cost \$150 for the initial application and \$135 for renewal. This change does not result in a significant change in revenue for the Board as the COA cost \$100 for initial licensure and \$85 for renewal and a CTP cost \$50 for both initial licensure and renewal, resulting in the same cost for APRNs.

Each quarter, the Director of the Office of Budget and Management (OBM) transfers cash from Fund 4K90 to the Nurse Education Grant Program Fund (Fund 5AC0) in an amount equal to \$10 for each nurse license renewal. In FY 2018, \$2.7 million was transferred to Fund 5AC0 for this program. The Board is allowed to use 10% of the funds to pay administrative costs. The OBM Director also transfers cash from Fund 4K90 to the Nurse Education Assistance Loan Program (Fund 6820), used by the Ohio Department of Higher Education (ODHE), in an amount equal to \$5 for each nurse license renewal. In FY 2018, the OBM Director transferred \$1.1 million to ODHE for this program.

Funding for operating expenses

The Board's operating expenses are funded by three appropriation items: Fund 4K90 appropriation item 884609, Operating Expenses; Fund 5AC0 appropriation item 884602, Nurse Education Grant Program; and Fund 5P80 appropriation 884601, Nursing Special Issues.

Operating Expenses (ALI 884609)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Fund 4K90 ALI 884609, Operating Expenses					
\$7,808,462	\$8,047,929	\$8,252,194	\$9,317,358	\$9,842,225	\$10,285,032
% change	3.1%	2.5%	12.9%	5.6%	4.5%

This line item is used to pay for most of the Board's operating expenses. To meet its regulatory responsibilities, the Board issues and renews licenses and certificates to those who meet the requirements to practice; approves pre-licensure education programs for nurses and training programs for dialysis technicians, community health workers, and medication aides; establishes regulatory and practice standards for all of those it licenses and certifies; establishes and interprets scopes of practice; investigates complaints; and when necessary, disciplines and monitors the practice of those who violate the laws and rules.

Nurse Education Grant Program (ALI 884602)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Fund 5AC0 ALI 884602, Nurse Education Grant Program					
\$1,500,481	\$1,495,476	\$1,518,480	\$1,518,000	\$1,518,000	\$1,518,000
% change	-0.3%	1.5%	0.0%	0.0%	0.0%

This line item is used to support the Nurse Education Grant Program. The Nurse Education Grant Program provides grants to Ohio nurse education programs that have partnerships with health care facilities, community health agencies, or other education programs to establish support partnerships that will increase the enrollment capacity of the programs. Grants are awarded to pre-licensure programs for RNs and LPNs as well as post-graduate programs.

Nursing Special Issues (ALI 884601)

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
Fund 5P80 ALI 884601, Nursing Special Issues					
\$3,500	\$500	\$500	\$500	\$2,000	\$2,000
% change	-85.7%	0.0%	0.0%	300.0%	0.0%

The Board uses this line item to pay for its membership with the National Forum on Nursing Centers, an organization that provides nursing workforce data. The fund that supports this line item accepts grants and gifts to help fund programs related to patient safety and the supply and demand for nurses and healthcare workers.

Licensure

The Board issues several different types of licenses and certificates, which must be renewed biennially. The total number of active licenses issued by the Board decreased by 9,200 (-3.1%) from FY 2017 to FY 2018. This decline is largely explained by the elimination of the COA and CTP licenses, which were replaced by a single APRN license. Table 3 shows the number of active licenses issued by the Board from FY 2014-FY 2018.

License Type	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2017- FY 2018 % Change
Registered Nurse	188,312	201,373	200,320	213,927	211,488	-1.1%
Licensed Practical Nurse	59,836	55,060	57,836	52,823	56,200	6.4%
Certificate of Authority**	12,318	13,756	14,627	16,347	0	-100.0%

Table 3. NUR Active Licenses*

License Type	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2017- FY 2018 % Change
Certificate to Prescribe**	7,613	8,799	9,851	11,236	0	-100.0%
Certified Dialysis Technician	1,546	1,390	1,582	1,519	1,699	11.8%
Certified Dialysis Technician Intern	262	333	316	367	382	4.1%
Community Health Worker	122	190	401	516	739	43.2%
Medication Aide	192	184	164	218	222	1.8%
APRN – Certified Registered Nurse Anesthetist	0	0	0	42	3,087	7,250.0%
APRN – Certified Nurse Midwife	0	0	0	1	402	40,100.0%
APRN – Certified Nurse Practitioner	0	0	0	361	12,817	3,450.4%
APRN – Clinical Nurse Specialist	0	0	0	9	1,130	12,455.6%
Total	270,217***	281,085	285,097	297,366	288,166	-3.1%

*Figures from LSC's Occupational Licensing and Regulatory Board Report

**These licenses were phased out and replaced with four APRN licenses. COA and CTP licenses expired December 31, 2017. Licenses active for the first half of FY 2018 have not been included in the FY 2018 total.

***Includes 16 Dialysis Technician Temporary 1 licenses (this license was phased out and replaced with the Certified Dialysis Technician Intern license)

The Board utilizes the eLicensing system for initial and renewal licensure applications. The eLicensing system is administered through the Central Service Agency (CSA) of the Department of Administrative Services (DAS). The Board will pay about \$531,000 for the use of the system in FY 2019 and anticipates costs will rise to about \$834,000 in FY 2020 and \$891,000 in FY 2021.

Investigation and enforcement

The Board's regulatory obligations also include investigating complaints and, when necessary, administering discipline of licensees and certificate holders. According to the Board's annual report, in FY 2018, the Board received, reviewed, and investigated 7,317 complaints, a decrease of 16.0% from FY 2017 (8,710) and a decrease of 17.3% from FY 2016 (8,845). The Board also monitors licensees that have been disciplined to ensure compliance with Board orders or settlement agreements. In FY 2018, the Board took action against about 2,700 licensees. The most common disciplinary actions taken by the Board are consent agreements and some form of suspension. In FY 2018, the Board permanently revoked 41 licenses, which is the most severe discipline that can be imposed on a licensee.

Education programs

The Board approves pre-licensure education programs for nurses and training programs. The Board oversaw 184 pre-licensure programs in 2018, including nine new programs, an increase from 145 in 2009. The growth in education programs is driven by the growth in licensees. The Board addresses issues when nurse education programs fail to meet or maintain regulatory requirements defined in state law.

Summary of FY 2018 grant awards

The Nurse Education Grant Program began in January 2004 and, in accordance with R.C. 4723.063, will continue through December 2023. Each grant cycle is for two years, beginning September 1 of an odd-numbered year. In the current grant cycle (September 1, 2017 to August 31, 2019), the Board has awarded 17 nursing education program grants totaling \$3.0 million. Table 4 lists the grant recipients and awards for the current grant period.

Table 4. Nursing Education Grant Program Awards September 1, 2017 to August 31, 2019	
Program Name	Award
LPN Pre-Licensure Programs	\$454,050
Collins Career Technical Center Practical Nursing Program	\$200,000
North Central State College Practical Nurse Program	\$199,772
Tri-Rivers Center for Adult Education in Nursing	\$54,278
RN Pre-Licensure Programs	\$1,059,450
Capital University, Department of Nursing	\$200,000
Cleveland State University School of Nursing	\$200,000
Galen College of Nursing	\$200,000
Ashland University Dwight Schar College of Nursing and Health Sciences	\$198,828
Xavier University	\$198,585
Firelands Regional Medical Center School of Nursing	\$62,037
Post-Graduate Programs	\$1,513,500
Aultman College of Nursing and Health Sciences	\$200,000
Mercy College of Ohio	\$200,000
The University of Toledo College of Nursing	\$200,000
Youngstown State University, Bachelor of Science in Nursing Program	\$200,000
Xavier University	\$199,714

Table 4. Nursing Education Grant Program Awards September 1, 2017 to August 31, 2019	
Program Name	Award
Ashland University Dwight Schar College of Nursing and Health Sciences	\$199,325
Malone University School of Nursing & Health Sciences	\$199,223
The Ohio State University College of Nursing	\$115,238
Total	\$3,027,000

Nursing education programs may apply for funding in each grant period and typically receive funds quarterly. A grant recipient may not receive more than \$200,000 in each grant cycle or more than \$1 million over the life of the program. Funds can be used for clinical faculty, instructional personnel, educational equipment, and any approved activities that may support an increase in enrollment. The program requires grant recipients to submit annual reports to the Board.