

Redbook

LBO Analysis of Executive Budget Proposal

State Medical Board of Ohio

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LBO Redbook

State Medical Board of Ohio

Quick look...

- The State Medical Board of Ohio licenses about 94,000 professionals and has 86 staff positions.
- The Board is governed by 12 members appointed by the Governor with daily operations overseen by an executive director.
- In 2018, the Board became responsible for licensing dietitians and respiratory care professionals.
- The Board is fully supported by fees and receives no GRF funding.
- The Board estimates that the proposed funding will be sufficient to maintain current operations and staff.

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
Fund 5C60 ALI 883609, Operating Expenses					
\$9,245,335	\$10,017,739	\$10,268,015	\$10,729,000	\$12,294,149	\$12,551,618
% change	8.4%	2.5%	4.5%	14.6%	2.1%

Agency overview

The State Medical Board of Ohio was established in 1896. Originally responsible for licensing doctors of medicine, the Board’s responsibilities were expanded to include doctors of podiatric medicine (1915), cosmetic and massage therapists (1916), doctors of osteopathic medicine (1944), physician assistants (1976), acupuncturists and anesthesiology assistants (2000), radiologist assistants (2009), genetic counselors (2012), and oriental medicine (2012). The Board also regulates mechanotherapists and naprapaths licensed before March 1992. On January 21, 2018, the Board began regulating dietitians and respiratory care professionals, which had previously been regulated by the former Ohio Board of Dietetics and Ohio Respiratory Care Board, respectively. In addition, 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. Almost 94,000 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 osteopathic medicine degree) and three members who represent the interests of consumers. Two of these members must not be a member of, or associated with, a health care provider of profession, and one of the three members must be at least 60 years of age. Members are appointed for five-year terms

and may be reappointed. In addition to travel reimbursement, board members receive compensation for the performance of official duties.

Advisory committees/councils

The Board also has the seven-member Physician Assistant Policy Committee (PAPC), appointed by the President of the State Medical Board, including three physicians, three physician assistants, one consumer representative, and, when PAPC is developing or revising policy and procedures for physician assistant prescriptive authority, one pharmacist. PAPC is designed to review education and licensing requirements, as well as existing and proposed rules pertaining to the practice of physician assistants. PAPC members are appointed to two-year terms and may serve no more than three consecutive terms. Members are reimbursed for necessary expenses incurred in the performance of official duties.

As part of acquiring responsibility for dietetics and respiratory care licensure, the Board was required to create the Dietetics Advisory Council and the Respiratory Care Advisory Council. The Dietetics Advisory Council consists of no more than seven individuals knowledgeable in the area of dietetics. A majority of members must be licensed dietitians. In addition, one member must be an educator with a doctoral degree and another is a public member. The Respiratory Care Advisory Council also consists of no more than seven individuals knowledgeable in the area of respiratory care. Again, a majority of members must be licensed in respiratory care. Additionally, one member must be a physician who is also a member of the State Medical Board, one must be a physician with experience in pulmonary disease, and one must be a public member. Both councils must meet at least four times each year. Members of both advisory councils are reimbursed for necessary expenses and advise on board policies and rules pertaining to each council's area of expertise.

The Board's daily operations are the responsibility of an executive director who is appointed by the 12-member governing authority. According to the Board it has 86 staff positions. The Board receives no GRF moneys; it is entirely supported by fees.

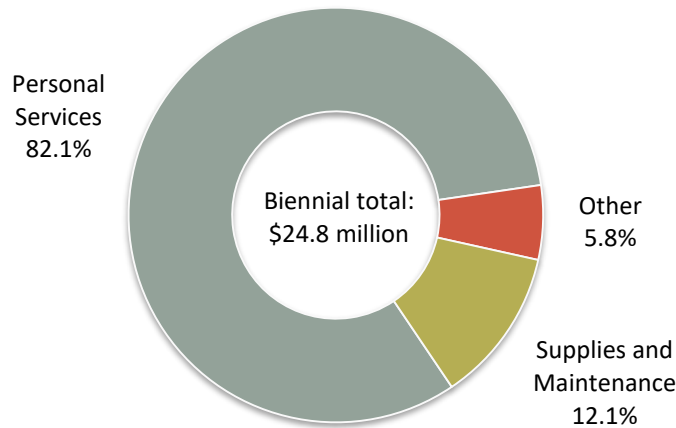
Analysis of FY 2022-FY 2023 budget proposal

The Board's operations are funded by a single appropriation item within Fund 5C60 – item 883609, Operating Expenses. The executive budget recommends \$12.3 million in FY 2022, an increase of 14.6% over FY 2021 estimated expenditures, and \$12.6 million in FY 2023, an increase of 2.1% over FY 2022. The Board estimates that the proposed funding will be sufficient to maintain current operations and staff.

Executive recommendations by expense category

As a regulatory agency, personal services is the largest expense category of the Board. As seen from the chart below, 82.1% of the recommended funding for the biennium is for personal services and 12.1% is for supplies and maintenance. The remaining 5.8% is for other expenses, primarily purchased personal services and equipment.

**MED Budget by Expense Category
FY 2022-FY 2023 Biennium**



Operating revenues and expenses

Fee Revenue collected by the Board is deposited into the State Medical Board Operating Fund (Fund 5C60). Fund 5C60 is the Board’s 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, generating enough revenue to cover its expenses. The Board’s annual revenues, expenditures, and transfers out from FY 2015 through FY 2020 are shown in Table 1. The net reflects the revenue minus both expenses and transfers out. Most of the transfers out appear to have been related to the development of the eLicensing system.

Table 1. Revenues and Expenditures, FY 2015-FY 2020*						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenue	\$8,796,522	\$9,768,381	\$9,772,230	\$11,045,850	\$10,042,278	\$10,445,012
Expenses	\$8,010,905	\$9,401,520	\$8,747,268	\$9,245,335	\$10,017,739	\$10,268,015
Transfers Out	\$124,177	\$517,166	\$1,488,258	\$1,114,680	\$8,600	\$0
Net	\$661,440	-\$150,305	-\$463,296	\$685,835	\$15,939	\$176,997

*The data comes from the Ohio Administrative Knowledge System (OAKS) and is from reports run on Fund 5C60.

The Board issues many different licenses and certificates. Generally, licenses issued on October 17, 2019 and after expire two years after the original date of issuance. For existing license holders, the renewal deadline will continue to be on the same date it is currently, while new license holders will renew on the two-year anniversary of initial issuance and every two years thereafter. The fees for the Board’s licenses are included in Table 2. The certificate to recommend under the Ohio Medical Marijuana Control Program is not included in this table as there are no fees for this certificate. The fee amounts are from the Board’s website.

Table 2. License Fees by Type		
License Type	Initial Fee	Renewal Fee
Doctor of Medicine, Osteopathy, or Podiatric Medicine*	\$305	\$305
Clinical Research Faculty Certificate	\$375	\$375
Clinical Professional Development Certificate	\$375	N/A
Certificate of Conceded Eminence	\$1,000	\$1,000
Special Activity Certificate	\$125	N/A
Doctor Training Certificate	\$130	\$100
Physician Assistant	\$400	\$200
Anesthesiologist Assistant	\$100	\$100
Acupuncturist	\$100	\$100
Dietitian	\$225	\$180
Dietitian – Limited Permit	\$65	\$65
Cosmetic Therapy**	\$150	\$100
Massage Therapist	\$150	\$100
Oriental Medicine**	\$100	\$100
Respiratory Care	\$75	\$75
Respiratory Care – Limited Permit 1	\$20	\$10
Respiratory Care – Limited Permit 2	N/A	\$35
Radiologist Assistant	\$200	\$200
Genetic Counselor	\$200	\$150
Mechanotherapist***	N/A	\$100
Naprapath***	N/A	\$100

*Twenty dollars of each physician renewal goes to the Physician Loan Repayment Fund, which is administered by the Department of Health. The fund is used to provide loan assistance to physicians who practice in underserved areas.

**H.B. 442 of the 133rd General Assembly eliminated the State Medical Board's authority to regulate cosmetic therapists and oriental medicine practitioners effective April 12, 2021.

***The Board no longer licenses new mechanotherapists and naprapaths. The Board only renews these for those licensed prior to March 1992.

Licensure

To carry out its regulatory responsibility, the Board establishes standards and licenses and certifies qualified medical practitioners. Table 3 below shows the Board's active licenses in FY 2018 through FY 2020.

Table 3. Active Licenses by Type, FY 2018-FY 2020*					
License Type	FY 2018	FY 2019	Percent Change	FY 2020	Percent Change
Medical Doctor	42,265	42,007	-0.6%	44,130	5.1%
Massage Therapists	12,090	11,638	-3.7%	11,949	2.7%
Doctor of Osteopathy	6,676	6,826	2.2%	7,326	7.3%
Doctor of Medicine Training Certificate	4,589	5,812	26.7%	6,727	15.7%
Physician Assistant	3,706	4,149	12.0%	4,340	4.6%
Doctor of Osteopathic Medicine Training Certificate	1,409	2,046	45.2%	2,328	13.8%
Doctor of Podiatric Medicine	956	981	2.6%	1,003	2.2%
Genetic Counselor	288	377	30.9%	423	12.2%
Anesthesiologist Assistant	249	278	11.6%	291	4.7%
Acupuncturist	226	247	9.3%	233	-5.7%
Cosmetic Therapists**	169	176	4.1%	181	2.8%
Telemedicine***	167	163	-2.4%	0	-100%
Doctor of Podiatric Medicine Training Certificate	148	186	25.7%	208	11.8%
Oriental Medicine Practitioner**	47	59	25.5%	67	13.6%
Clinical Research Faculty Certificate	28	26	-7.1%	28	7.7%
Radiologist Assistant	16	18	12.5%	15	-16.7%
Mechanotherapist	11	9	-18.2%	8	-11.1%
Conceded Eminence Certificate	10	13	30.0%	21	61.5%
Special Activity Certificate	25	0	-100.0%	5	N/A
Naprapath	1	1	0.0%	1	0.0%
Clinical Professional Development Certificate	1	1	0.0%	0	-100.0%
Dietitian	4,275	4,353	1.8%	4,701	8.0%
Dietitian Limited Permit	23	11	-52.2%	8	-27.3%
Respiratory Care Professional	8,633	8,391	-2.8%	8,884	5.9%

Table 3. Active Licenses by Type, FY 2018-FY 2020*

License Type	FY 2018	FY 2019	Percent Change	FY 2020	Percent Change
L1 – Limited Permit, Student/Graduate – Respiratory Care	375	307	-18.1%	337	9.8%
L2 – Limited Permit, Employment Based – Respiratory Care	8	4	-50.0%	4	0%
License for Military Families (new)	--	--	--	2	--
Certificate to Recommend Medical Marijuana	139	508	265.5%	654	28.7%
Total	86,530	88,587	2.4%	93,874	6.0%

*All figures were reported to LSC by the Board for the Occupational Licensing and Regulatory Board Report, except the FY 2018 Certificate to Recommend which came from the Medical Board's 2018 Annual Report.

**H.B. 442 of the 133rd General Assembly eliminated the State Medical Board's authority to regulate cosmetic therapists and oriental medicine practitioners effective April 12, 2021.

***Effective October 17, 2019, H.B. 166 eliminated the need for a separate telemedicine certificate; any Medical Doctor or Doctor of Osteopathy with a valid Ohio license may provide telehealth care for an Ohio resident.

Online licensure and renewal

The Board utilizes the eLicensing system. This component allows licensees to apply for renewal online and to pay the renewal fee with a credit card. The eLicensing system is administered through the Department of Administrative Services. Each board that participates in the eLicensing system is charged a fee for usage. In FY 2020, the Board paid \$254,961 in maintenance fees and \$15,072 for special ticket handling.

Investigation and enforcement

The Board's regulatory obligations also include investigating complaints about violations of the Board's rules and laws. The Board has the legal authority to investigate complaints that allege a violation of the Medical Practices Act and the rules adopted pursuant to it. According to the Medical Board's Annual Report, in FY 2020, the Board received 7,343 new complaints. During FY 2020, 2,533 were closed as the issue involved a profession not regulated by the Board or no further review was necessary, 2,999 were closed after investigation, and the remaining 245 resulted in disciplinary action.¹

Continuing education

The Board requires continuing medical education (CME) hours for license renewals. The content requirement and number of credits needed vary by license type.

¹ Some of these closed complaints were received prior to FY 2020.

COVID-19 response

House Bill 197 of the 133rd General Assembly granted an extension to all state-issued license holders, including Medical Board licensees, who have licenses that were set to expire during the declared COVID-19 emergency. As a result, according to the Board's 2020 Annual Report, the number of license renewals the Board processed was approximately 15,000-18,000 less than would have been expected. H.B. 404 of the 133rd General Assembly prolongs this temporary extension so that licenses otherwise expiring between March 9, 2020, and April 1, 2021, remain valid until July 1, 2021. The Board expects to receive the bulk of these renewals late in the fiscal year as the July 1, 2021 deadline approaches.

Additionally, the Board also took actions regarding the COVID-19 pandemic. The Board, among other things, voted on changes to help licensees to respond and provide health care during the COVID-19 pandemic. Effective March 9, 2020, until Executive Order 2020-01D expires, providers could use telemedicine in place of in-person visits, without enforcement from the Board. Providers were required to document their use of telemedicine and meet minimal standards of care. The Board has also suspended enforcement of continuing education requirements for all license renewals, including physicians, effective March 9, 2020 through March 1, 2021. That did not include any existing board orders and consent agreements for individual licensees. Licensees who do not complete their required CE by the time of their renewal were instructed to indicate that on their license renewal and assured enforcement would not be taken.