TESTIMONY BEFORE THE OHIO FINANCE SUBCOMMITTEE ON
AGRICULTURE, DEVELOPMENT, AND NATURAL RESOURCES

FISCAL YEARS 2020 & 2021 BUDGET RECOMMENDATIONS

INTRODUCTION:

Chairman Hoops and respected members of the House subcommittee, my name is Theresa Stir
and, as the Executive Director, I am representing the Ohio Veterinary Medical Licensing Board.
I am appearing before this committee to request the appropriation as submitted to the Ohio
House for the proposed Fiscal Years 2020 and 2021 executive budget for the Ohio Veterinary
Medical Licensing Board (hereafter “Board”). The budget as proposed contains core funding
that will allow the Board to meet its legislative mandates, which include licensing veterinarians
and registering veterinary technicians, issuing veterinary business facility permits, investigating
complaints against licensees, completing random compliance inspections, establishing
continuing education requirements for veterinarians and registered veterinary technicians and
promulgating rules.

THE PRACTICE OF VETERINARY MEDICINE AND LICENSING:

Veterinary medicine is an old and respected profession. Veterinarians practice in all areas from
small companion animal practice to large animal and livestock practice to exotic animal practice
to board certified specialties that parallel human medicine. Registered veterinary technicians
perform veterinary services under the direction of a veterinarian. Registered veterinary
technicians hold a degree in animal health technology from an approved college. A registered
technician may administer drugs, including anesthesia, apply wound dressings, casts and splints,
suture skin incisions, and perform dental prophylaxis.

The Board’s mission is to regulate the practice of veterinary medicine by licensing qualified
applicants, acting on complaints that are filed with the Board, and monitoring continuing
education for licensees and registrants. The Board’s fiscal objectives are to efficiently and cost-
effectively provide timely, professional service to licensees, registrants and the public.

If the current requested funding is accepted in this Budget proposal, the Board will continue to
transition all initial license applications and renewals through an online process as well as a
document management system. I would like to applaud the Governor and General Assembly for
their encouragement and support provided to the boards and commissions in improving
technological capabilities.
PERFORMANCE:

**Fiscal:** The goal of this budget request is to maintain the current operations of the Board through generated revenue in order to perform the Board’s mission effectively and efficiently. The Board is **self-sustained** fiscally through licensure fees. The Board was allotted $396,369 for FY 2018 and $439,369 in FY 2019. FY18, the Board paid $113,765 in operating expenses and $263,076 in payroll expenses. The Board generated $800,903 in Revenue for FY18. Of the total revenue in FY18, $43,090 was transferred to the Veterinary Student Loan Repayment Program in accordance with ORC 4741.17(A)(7). The Board received acknowledgement from the Governor’s office for meeting the statutory requirements for expenditures with MBE and EDGE vendors in FY18 and again, plans to surpass the requirements for FY19.

**Veterinary Student Loan Repayment Program:** HB 458 of the 126th General Assembly created a veterinary loan program to address current and future shortages of veterinarians in large animal and regulatory public health situations in Ohio. Loan repayment grants can be up to $20,000 for a two year commitment of service. Pursuant to Section 4741.17(A)(7) ORC, the Board transferred $43,090 to the Veterinary Student Loan Repayment fund (ALI 888-602) in FY 18 to reflect $10.00 from each veterinary license renewal from July 1, 2017 to June 30, 2018.

In accordance with Section 4741.47 ORC, an annual progress report regarding the implementation and progress of the Veterinary Student Loan Repayment Program was provided to the Governor, Speaker of the House, and Senate President prior to March 1, 2018.

Two eligible candidates submitted applications for consideration by the Board at their May 2018 meeting for the Veterinary Student Loan. The Board considered the applications based on their willingness to provide large animal veterinary services in a resource shortage area and/or public health setting. The Board awarded $10,000 grants for a service commitment of one year to Dr. Charles Robison, DVM of Tiffin, Ohio and Dr. Austin Clark, DVM of Ashland, Ohio. The recipients will submit progress reports biannually. **The Board believes the current appropriation for Fund 5BU0 is adequate to meet the needs of the Program**

**Licensure:** The Board utilized on-line renewal through the state E-licensing system for the veterinarians in FY 2018. In April, 2018, the Board transitioned to the new DAS ELicensing system which requires all initial applications and renewal of licenses to occur through the online portal. DAS assesses a $3.50 fee per license transaction which helps offset the cost to the Boards. **In FY18, the Board paid $2899.60 for the DAS E-licensing System.** Now that the Board is a participant in the new system, the anticipated cost, as predicted by DAS-OIT, in FY19 is $17,118. The formula for payment is based on the number of licenses, so as the number of licenses increase, so do the costs. When transferring to the new system, **the Board did not transfer expired licenses in an effort to decrease costs. As a result, it is projected by DAS that the costs for the ELicensing system will be $14,684 for FY20 and $15,681 for FY21.**

Additionally, the cost for processing the credit cards has increased due to processing all initial applications and renewal applications year-round. **The anticipated increase is approximately $350 per month for Vantiv services.**
The Board is responsible for the licensure requirements of 4429 veterinarians, 4289 registered veterinary technicians, 176 limited licensed veterinarians (whose practice is limited to an academic institution, governmental laboratory, or performing a residency in veterinary medicine), 78 Specialty licenses and 107 business facility licenses. (FY18 totals) The number of practitioner licensees varies slightly from year to year as indicated here:

<table>
<thead>
<tr>
<th>RVTs:</th>
<th>Veterinarians:</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14 New: 331</td>
<td>FY14 New: 237</td>
</tr>
<tr>
<td>Total: 3420</td>
<td>Total: 4035</td>
</tr>
<tr>
<td>FY15 New: 316</td>
<td>FY15 New: 245</td>
</tr>
<tr>
<td>Total: 3384</td>
<td>Total: 4494</td>
</tr>
<tr>
<td>FY16 New: 358</td>
<td>FY16 New: 233</td>
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<tr>
<td>Total: 3782</td>
<td>Total: 4135</td>
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<tr>
<td>FY17 New: 361</td>
<td>FY17 New: 244</td>
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<tr>
<td>Total: 3838</td>
<td>Total: 4397</td>
</tr>
<tr>
<td>FY18 New: 348</td>
<td>FY18 New: 267</td>
</tr>
<tr>
<td>Total: 4289</td>
<td>Total: 4429</td>
</tr>
</tbody>
</table>

Once an application is complete, the Board staff issues the license within 24 hours.

**Complaint & Disciplinary Process:**
During FY 18, the Board received 137 complaints. The Board collected $5,500 in Fines as a result of discipline.

**Summary of Board Disciplinary Actions FY 2018**

<table>
<thead>
<tr>
<th>Action</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surrendered license in lieu of discipline</td>
<td>1</td>
</tr>
<tr>
<td>Adjudication Orders issued</td>
<td>0</td>
</tr>
<tr>
<td>Settlement Agreements Entered</td>
<td>19</td>
</tr>
<tr>
<td>Notices issued</td>
<td>23</td>
</tr>
<tr>
<td>Referrals to Prosecutor and/or other state agencies</td>
<td>3</td>
</tr>
<tr>
<td>Advisory Letters</td>
<td>46</td>
</tr>
<tr>
<td>On site investigations</td>
<td>4</td>
</tr>
<tr>
<td>Compliance Inspections</td>
<td>85</td>
</tr>
<tr>
<td>30 day follow up letters to compliance inspections</td>
<td>9</td>
</tr>
<tr>
<td>No Jurisdiction of the subject matter</td>
<td>8</td>
</tr>
</tbody>
</table>

The Board contracts with the Ohio Department of Agriculture for investigations of complaints. Once the Board reviews a complaint and medical records, they will determine if the complaint warrants an actual on-site investigation. The Board members will direct the investigator what information they need that is germane to the complaint filed. The Board has found this arrangement very satisfactory. **The Board has been notified that the costs of service by the ODA Enforcement Division will be increased by 10%.**

Upon receipt of a complaint, the complainant is notified in writing of the Board complaint process and the file number issued so that the complainant can follow the disciplinary process in the Board minutes which are posted on the web site. Once a discipline is issued by the Board, it is entered into a national databank for other state regulatory agencies of veterinary medicine, flagged in the state e-licensing system, and entered onto the Board’s web site. The majority of complaints were for allegations of substandard medical/surgical veterinary care, which requires
an investigation. However, the majority of violations found were based on insufficient medical records. The costs for sending responses, investigative costs and disciplinary/hearing costs have remained steady. There appears to be an increased expectation by pet owners that veterinary medicine operate in the same fashion as human medicine, especially regarding medical records and prescriptions. Additionally, the Board receives a significant number of complaints for which the Board does not have statutory authority such as veterinary fees charged to the consumer, boarding issues or grooming issues.

In settling the complaints, the Board saved approximately $52,000 in Adjudication hearing costs. This is an area that is variable in the Board budget and therefore, the Board tends to be more conservative with expenditures in the event that an Adjudication is warranted.

Investigations are performed as a result of a written complaint to the Board and the need by Board members for more information not gleaned from the medical records, radiographs or narratives submitted. An investigation will focus on the complaint. For instance, if the complaint is that the veterinarian is allowing unlicensed individuals to administer intravenous medications, the investigator will check medical records, the controlled substance logs and interview the staff. Compliance inspections are performed as a physical inspection of a veterinary hospital/clinic after a letter has been sent to the owner of the veterinary facility giving them five-day’ notice as required by Section 4741.26 ORC. The investigator will also look at the drug stock to determine if there are expired drugs commingled with the current drugs and the review of the controlled substance logs.

The Board determined that they need to increase the number of compliance inspections performed as permitted within the allotted budget. There are approximately 1000 veterinary facilities in Ohio. (It is unknown the exact number because the Board does not license veterinary facilities owned by veterinarians.) However, the Board’s goal for FY18 was to perform at a minimum 100 to 125 additional random compliance inspections in addition to the inspections requested as a result of a written complaint. In FY16, there were 257 random compliance inspection performed. In FY17, there were 211 inspections performed. In FY18, there were only 85 inspections performed. The decrease can be directly attributed to medical leaves and retirement of three investigators at the Ohio Dept. of Agriculture. The Board anticipates increasing the number of inspections in FY19 once all the enforcement staff have been appropriately trained. There were 9 correction letters issued and 2 re-inspections performed as a result of deficiencies discovered during the inspections in FY 18.

At the March 11, 2015 Board meeting, the Board passed a motion to deem AAHA accredited veterinary facilities as appropriately inspected and therefore will not have to undergo another compliance inspection by the Board unless there is a written complaint submitted. There are approximately 114 veterinary facilities that are AAHA accredited in the State of Ohio.

As prescribers, veterinarians are not immune from the opioid crisis impacting Ohio. The Board works closely with the Ohio Board of Pharmacy on education and investigation of potential violations. The Board presented jointly with the Ohio Board of Pharmacy at the Ohio Veterinary Medical Association Midwest Veterinary Conference on current issues. The Board also presents annually to the veterinary students at The Ohio State University College of Veterinary Medicine.
The Board has made more of an effort to focus on the health and wellness of veterinary practitioners (which includes substance or alcohol addictions) and promote available health programs.

**Operational Expenses**

The Board, like all other licensing boards and commissions, is paying more for services provided by other state agencies. The Board pays DAS for the services of the Central Services Agency which provides fiscal and Human Resource support. Rent costs have increased. All DAS services, including rent, are anticipated to increase by 10%.

The Board contracts with DAS OIT for computer services. **DAS IT services are expected to increase by 15.** In April, 2018, the Board transitioned to the new DAS ELicensing system. **While the system has reduced the amount of mail, checks handled and deposited, etc., there are additional costs associated with the processing of credit cards through Vantiv, which previously occurred only during renewal cycles. Those charges are now monthly for initial and renewal applications. The Board’s desktop computers were purchased in 2014. The Board will need to purchase 3 new desktops the next biennium (anticipate FY2021).**

The Board has been fiscally-conscious in attempting to stay within the budget parameters. The Board currently operates with a staff of two full-time employees and one part-time employee. **In FY18, the union upgraded the Clerk 1 position to an Office Professional 1 position which included an increase in pay.** The Board is subject to the impact of increased health care benefits and costs, PERS contribution rates and other changes that affect payroll spending. The Board will be seeking an increase for FY20 to offset the extra pay period.

The Board responds to all inquiries within a twenty-four hour period, processes complaints, assigns compliance inspections and prepares all materials for the monthly board meetings as well as any follow-up. The Board operates extremely efficiently with its current staff. No increase in staff is requested.

The Board consists of 7 members (5 veterinarians, 1 RVT and 1 public member) who meet on a monthly basis. The Board Members by law are appointed by the Governor to serve on the Board. The Board has allotted in this budget for payroll and travel expenses based on 7 members serving during the fiscal year as the Board currently has no vacant positions.

The Board has made a concerted effort to remain as fiscally responsible as possible and has worked to decrease its operating budget and streamline its operations in the past bienniums. Examples of efforts include:
- Board members have attended the national conference at their own expense.
- The Board staff have not incurred overtime, even during a heavy renewal period.
- The Board produces semi-annual newsletters which are sent via an email listserve and posted on the board’s website.
- Office supplies have been kept to a minimum and no new office furniture has been purchased during the biennium. File cabinets are becoming less of a need as records are being
eliminated through the new ELicensing system and through the record retention schedule process.

- All public records requests, complaint information, etc. are encouraged to be submitted and fulfilled by electronic means if possible.
- The Board has worked diligently to negotiate disciplinary cases towards a Settlement Agreement in order to avoid a costly 119 Adjudication.

**Priorities for FY20-21**

1) To continue participation in the new State E-Licensing program for Licensure and Renewal of applicants in the practice of veterinary medicine in the State of Ohio.
2) To continue to provide fiscally sound, efficient services to the public and licensees.
3) To increase the number of compliance inspections of veterinary facilities performed each year.
4) To cooperatively work with the national and state association and other legislative and regulatory agencies regarding regulations impacting the practice of veterinary medicine.
5) To work cooperatively with the Ohio Board of Pharmacy, law enforcement and the Ohio Veterinary Medical Association in dealing with investigations and education involving pharmaceutical violations of the law.

Hopefully, this summary adequately explains the position of the Ohio Veterinary Medical Licensing Board and its funding request for FY 20& 21. Do not hesitate to contact me at theresa.stir@ovmlb.state.oh.us or at 614-644-9040 with any questions or concerns that you may think of after this budget hearing.