

Redbook

LBO Analysis of Executive Budget Proposal

State Vision Professionals Board

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LBO Redbook

State Vision Professionals Board

Quick look...

- The State Vision Professionals Board employs a staff of four and licenses optometrists, ophthalmologists, and optical dispensers.
- The Board is governed by seven members appointed by the Governor.
- As a regulatory agency, the Board is fully supported by fees and receives no GRF funding.
- No proposed fee changes for the FY 2020-FY 2021 biennium.
- Executive budget recommendations total approximately \$1.3 million over the biennium.
 - The proposed budget will allow the Board to maintain current service levels.
 - Uses of the budget: 65% for personnel costs, 30% for supplies and maintenance, and 5% for purchased personal services.

| FY 2016 Actual | FY 2017 Actual | FY 2018 Actual | FY 2019 Estimate | FY 2020 Introduced | FY 2021 Introduced |
|---|-------------------|-------------------|---------------------|-----------------------|-----------------------|
| Fund 4K90 ALI 129609, Operating Expenses | | | | | |
| N/A | N/A | \$232,146 | \$650,607 | \$640,756 | \$654,140 |
| % change | N/A | N/A | 180.3% | -1.5% | 2.1% |

Agency overview

The State Vision Professionals Board was established by H.B. 49 of the 132nd General Assembly, which combined the regulatory duties of the former State Board of Optometry (OPT) and Ohio Optical Dispensers Board (ODB). The Board began operations on January 21, 2018, so was only operating for a partial year in FY 2018, which explains the increase from FY 2018 to FY 2019 in the table above. The Board issues optometry and optical dispenser licenses and certifications, conducts investigations of complaints, enforces continuing education requirements, and approves continuing education programs.

The Board's governing authority consists of seven members appointed by the Governor, including four optometrists, two dispensing opticians, and one public member. Members are appointed for three-year terms and are limited to three consecutive terms on the Board. In FY 2019, the Board is scheduled to meet five times. In addition to travel reimbursement, Board members are paid approximately \$670 annually for time spent conducting Board business.

The Board's daily operations are the responsibility of an executive director appointed by the seven-member governing authority. Including the Executive Director, the Board has four full-time employees. The Board receives no General Revenue Fund (GRF) dollars; it is entirely supported by fees.

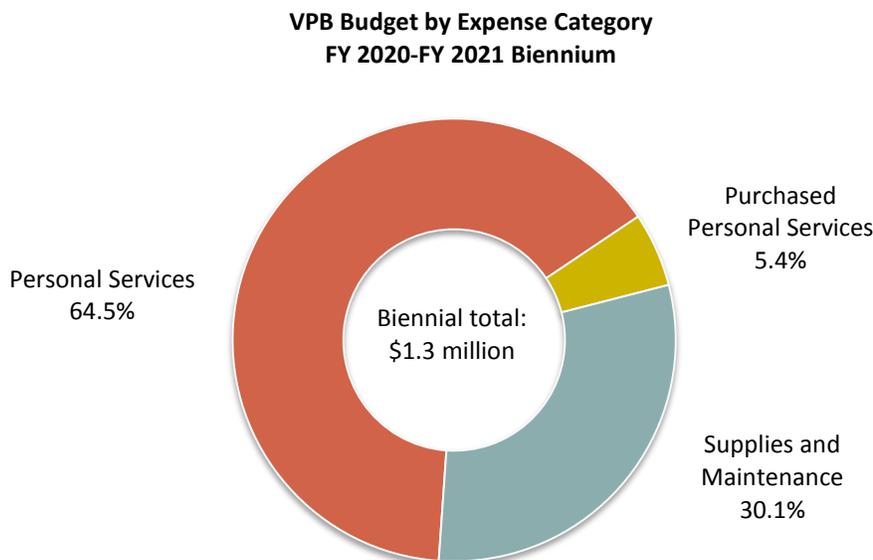
Analysis of FY 2020-FY 2021 budget proposal

The Board's operations are funded by a single line item appropriation from the Dedicated Purpose Fund Group. Through this one line item, the Board pays all of its expenses. The proposed budget provides an appropriation of \$640,756 for FY 2020, which is a decrease of 1.5% from FY 2019 estimated expenditures, and \$654,140 in FY 2021, an increase of 2.1% over FY 2020. According to the Board, the proposed appropriations will allow the Board to provide the same level of services over the biennium and maintain current staff.

For the FY 2020-FY 2021 biennium, the Board plans to ensure professional competence among all licensees while increasing efficiencies and prioritizing cost containment.

Executive recommendations by expense category

As a regulatory agency, personal services is the Board's largest expense category. As shown in the chart below, 64.5% of the proposed budget for the FY 2020-FY 2021 biennium are for personal services, 30.1% for supplies and maintenance, and 5.4% for purchased personal services.



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 items such as 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 2018,¹ the Board paid approximately \$8,400 in CSA charges. These payments are included in the supplies and maintenance category.

¹ The Board was only in operation from January 21, 2018-June 30, 2018 in FY 2018.

Operating revenues and expenses

The Board issues and renews optometry and optical dispenser licenses, as well as other related registrations and certifications. The renewal fee is waived for optometrists on active duty in the military; 15 optometrists were on active duty in FY 2018. Licenses are issued annually by the Board. Table 1 below shows the current fee amount for each type of license. There are additional fees for late submission, renewal, and license reinstatement.

| Table 1. License Fees by Type | |
|--|-------|
| License Type | Fee |
| Optometrists | |
| Optometrist License* | \$130 |
| Therapeutic Pharmaceutical Agents Certificate* | \$45 |
| Optical Dispensers and Ocularists | |
| Optician and Ocularist Initial License | \$50 |
| License Renewal | \$100 |
| Registered Apprentice* | \$20 |

*Initial and renewal fees are the same.

Fee revenues collected by the Board are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). Many occupational licensing and regulatory boards and commissions, including the 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 revenues to cover its expenses.

Table 2 below shows the Board's annual revenues and expenditures from FY 2013 through FY 2018 as well as the net of revenues less expenditures. As noted above, the Board was established under H.B. 49 of the 132nd General Assembly and became effective January 21, 2018 with the merger of OPT and ODB. As such, revenues and expenditures for FY 2018 for the VPB Board represent a partial year (January 21, 2018-June 30, 2018). For context, revenues and expenses for each of the abolished boards, as well as the combined total for all three boards, are provided to show the financial activity associated with licensing vision professionals since FY 2013.

| Table 2. Revenues and Expenditures, FY 2013-FY 2018 | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|------------|
| | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018* |
| VPB Revenues and Expenditures | | | | | | |
| Revenue | \$0 | \$0 | \$0 | \$0 | \$0 | \$53,566 |
| Expenses | \$0 | \$0 | \$0 | \$0 | \$0 | \$232,146 |
| Net | \$0 | \$0 | \$0 | \$0 | \$0 | -\$178,580 |
| OPT Revenues and Expenditures | | | | | | |
| Revenue | \$400,840 | \$410,165 | \$421,410 | \$405,660 | \$409,785 | \$406,464 |
| Expenses | \$341,599 | \$337,553 | \$319,125 | \$322,052 | \$345,829 | \$225,036 |
| Net | \$59,241 | \$72,612 | \$102,285 | \$83,608 | \$63,956 | \$181,428 |
| ODB Revenues and Expenditures | | | | | | |
| Revenue | \$374,150 | \$370,870 | \$373,595 | \$366,585 | \$365,415 | \$324,873 |
| Expenses | \$344,575 | \$351,973 | \$351,397 | \$364,184 | \$365,396 | \$225,448 |
| Net | \$29,575 | \$18,897 | \$22,198 | \$2,401 | \$19 | \$99,425 |
| Combined Revenues and Expenditures | | | | | | |
| Revenue | \$774,990 | \$781,035 | \$795,005 | \$772,245 | \$775,200 | \$784,903 |
| Expenses | \$686,174 | \$689,526 | \$670,522 | \$686,236 | \$711,225 | \$682,630 |
| Net | \$88,816 | \$91,509 | \$124,483 | \$86,009 | \$63,975 | \$102,273 |

*FY 2018 represents a partial year of operations for all boards.

Licensure

To carry out its regulatory responsibility, the Board establishes standards of practice and issues optometry and optical dispenser licenses, certifications, and registrations. The Board also renews diagnostic optometry certifications.² An optometry, optician, or ocularist license is available for individuals meeting academic, preprofessional, and examination requirements. A therapeutic certification is available for licensed optometrists who meet the study and examination requirements in pharmacology. An optometrist who is issued a therapeutic certification may employ, apply, administer, and prescribe certain controlled substances that are determined to be appropriate for use in the practice of optometry as specified in rules adopted by the Board. A registered apprentice is someone who is gaining the necessary supervised work experience to be eligible for licensure as an optical dispenser.

² This type of certification is no longer available to optometrists licensed after 1992. An optometrist who received a diagnostic certification prior to 1992 may administer topical ocular pharmaceutical agents for evaluation purposes only. Optometrists licensed prior to 1992, with or without diagnostic certification, may continue to practice and renew the license and certification they currently hold until they retire or stop practicing.

As seen in Table 3 below, therapeutic optometry and optician licenses represented approximately 84% of total licenses issued by the Board in 2018. The number of active therapeutic licenses has grown slightly from 2017 to 2018. As would be expected, the number of general optometry and diagnostic optometry licenses is declining as those optometrists retire.

Table 3. Active Licenses by Type, 2016-2018*

| License Type | 2016** | 2017** | Percent Change | 2018 | Percent Change |
|-------------------------|--------------|--------------|----------------|--------------|----------------|
| Therapeutic Optometrist | 2,229 | 2,234 | 0.2% | 2,276 | 1.9% |
| Diagnostic Optometrist | 16 | 15 | -6.3% | 13 | -13.3% |
| Optometrist Only | 19 | 16 | -15.8% | 14 | -12.5% |
| Optician | 3,056 | 3,049 | -0.2% | 2,983 | -2.2% |
| Ocularist | 8 | 8 | 0.0% | 8 | 0.0% |
| Apprentice Registration | 1,070 | 1,227 | 14.7% | 948 | -22.7% |
| Total | 6,398 | 6,549 | 2.4% | 6,242 | -4.7% |

*Data shown is as of December 31.

**Licenses in FY 2016 and FY 2017 were issued by the State Board of Optometry and the Ohio Optical Dispensers Board, which were abolished under H.B. 49 of the 132nd General Assembly.

The Board currently utilizes the eLicensing system, which is administered through CSA. All participating licensing boards share the cost of the system.

Investigations and enforcement

The Board's regulatory obligations also include investigating complaints about issues of incompetent, unethical, and impaired practitioners. According to the Board's Annual Report, in FY 2018,³ the Board investigated 52 formal complaints. The Board also conducts unannounced onsite inspections to check for compliance with the Board's laws and rules.

Continuing education

For license renewal, the Board requires that optometrists complete 25 continuing education hours; ten of those hours must be related to pharmacology. Ocularists are required to complete four hours of continuing education. Of this amount, one hour must cover communicable diseases, one hour may be in management, and the remaining hours must pertain to fitting and fabricating ocular devices. The requirements for opticians vary depending on the type of optical aids the optician dispenses. Continuing education programs must be approved by the Board. A list of approved programs and activities is posted on the Board's website (<https://vision.ohio.gov/>).

VPB/lb

³ January 21, 2018-June 30, 2018.