

FY 2016-2017 BUDGET TESTIMONY

**BEFORE THE SENATE FINANCE-
CORRECTIONS SUBCOMMITTEE**



**Presented by
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May 7, 2015**

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**House Higher Education Sub-Committee
Fiscal years 2016-2017 Budget Testimony**

Chairman Uecker, Vice Chair Brown and members of the Finance-Corrections Subcommittee, my name is Nancy Manns, the Executive Director of the Ohio Optical Dispensers Board. I am pleased to be here this afternoon to present testimony on the Board's fiscal year 2016 and 2017 Executive Budget recommendations and to answer any questions the Sub-Committee may have about the continuing operations of the Optical Dispensers Board and the Board's funding requirements for the upcoming biennium.

Introduction and Overview

The mission of this Board is to protect the public by maintaining standards in the practice of Opticianry and Ocularistry in order to enhance safe and competent practice. This is accomplished through the establishment of standards for pre-licensure education, including registration of apprentice trainees; examination requirements for licensure; requirements for renewal; and, discipline for those who fail to practice in accordance with standards of safe care.

The Board currently licenses about 3,200 Opticians and Ocularists, and between 1,100 and 1,900 apprentices depending on the licensure and registration cycle. The Board issued 66 new licenses in 2014 and maintains approximately 3,200 to 3,300 licenses each year. The Board continues to offer on-line renewal of licenses for all Opticians and Ocularists. For the last two renewal cycles, 98% of all Opticians and 100% of all Ocularists renewed on-line. Comments from licensees who have used the on-line renewal system have continued to be very positive. The Board also initiated on-line renewal for apprentice registrations. This process was also successful with about 91% of all registered apprentices renewed using the on-line renewal system. The bank fees, based on a cost per transaction for on-line renewal for both license and apprentice registration renewals are approximately \$2000 per year. Although the Board has switched from using Fifth Third Bank/Skipjack to Key Bank/CBOSS for on-line transactions, it appears that costs for services remained essentially the same

The optician apprentice program provides an "earn-as-you-learn" program that prepares individuals to take the national certification exam required for licensure as an Optician in Ohio. The two-year on-the-job apprenticeship program provides an excellent opportunity to increase Ohio's tax-paying workforce as these individuals receive a salary while gaining the necessary experience for licensure as an Optician or Ocularist. Apprentice registrations remain fairly constant between 1,500 and 1,900 each year.

Opticians and Ocularists are required to obtain continuing education credits in order to renew their respective licenses. The Board continues to permit licensees to obtain continuing education that has been approved by national credentialing organizations such as the American Board of Opticianry and National Contact Lens Examiners without additional approval of the Board. This has broadened the amount of continuing education available to licensees. The Board accepts on-line, in-home continuing education as well as the traditional classroom setting for courses that meet the requirements for renewal of licenses.

The Board is also charged with monitoring and discontinuing the illegal dispensing/sales of contact lenses and is the only entity in the state of Ohio with the authority to do so. In 2005, the U.S. Food and Drug Administration declared contact lenses, including decorative plano lenses, as medical devices. This legislative action effectively bans the sale of decorative plano (zero powered) contact lenses without a prescription and must be dispensed by the appropriately licensed individual. The law

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regulating Opticianry and Ocularistry in Ohio also requires that contact lenses be dispensed in accordance with a prescription specific for contact lenses issued by either a physician or optometrist. The Board received twenty-nine complaints about entities illegally dispensing/selling decorative lenses around the state of Ohio in FY'13 and '14 resulting in the issuance of Cease and Desist Notices to the stores, mostly beauty supply stores, gas stations, costume shops, tanning salons, clothing boutiques, tattoo parlors, lingerie stores and smoke shops. The Board continues to work with the Attorney General's office and Prevent Blindness Ohio to focus attention on the dangers of purchasing and wearing contact lenses purchased without the benefit of professional eye care fitting, monitoring and education related to the care of contact lenses.

The Board continues to publish all Board actions, including discipline, on the Board's web page, and in publications that are issued by professional associations. The web page provides access to applicants and licensees for all forms used for registration, applications for licensure and other documents frequently requested by licensees and apprentices. The easy access to information and forms by licensees and employers has dramatically reduced the number of calls to the office.

The Board meets its core functions of initial licensing, renewal, and enforcement with a staff of three employees. Each of these employees is able to provide effective and efficient services to licensees and the general public due to their extensive knowledge of the issues and requirements that are specific to licensure applications and the practice acts for the professions of Opticianry and Ocularistry. This is demonstrated by the fact that, despite the increase in the workload of the staff, the staffing level has not increased.

The Board has begun to monitor and measure the timeliness of issuing licenses and the resolution of complaints. Currently the Board is closing disciplinary complaints, on average, within 3 months of opening the complaint. The Board has also begun to monitor the length of time from receipt of a completed licensure application to the date of issuance. The Board has implemented new policies that have decreased the average time from receipt of a completed application to issuance of the license from 3 months to 2 days.

Revenues

The Optical Dispensers Board is a **non-GRF funded agency**. The Board is required to generate sufficient revenue to meet its expenditures. Fees generated by the Board are deposited into fund 4K9, the joint professional regulatory Board fund. The office of Budget and Management ensures that each Board collects enough revenue to support all budgetary needs of the agency. In addition, appropriated funds not spent in a given fiscal year are returned to fund 4K9 and credited to each Board's balance in the fund.

The table below shows the Board's revenues for FY '14

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4K9 Fund FY '14

Revenue

<u>Source of Revenue</u>	<u>Total Collected</u> \$
Apprentice Registration /Renewal Fee	39,600
Optician Renewal	316,000
Ocularist Renewal	800
Penalty Fee	6,150

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New Optician/Ocularist License	6,600
License by Endorsement	550.00
Duplicate Licenses	180.00
Rosters	190.00
Fines	800.00
Ocularist Exam	0
Total Revenue FY '14	370,870

Based on historic trends, and as a result of modest increases in the number of apprentice registrations, the Board projects revenues of approximately \$373,000 for FY'15.

Executive Budget Recommendations

The recommended budget amount of \$373,000 for FY '16 and \$375,000 for FY'17 will cover projected payroll costs for staff and Board members, Board travel expenses and maintenance costs. The recommended budget amount will allow the Board to continue to conduct a minimum of five Board meetings per year, and, continue to investigate complaints against licensees and the illegal sales of cosmetic contact lenses. In addition, the recommended funding will continue to support the cost of providing on-line renewal for both licensees and registered apprentices. The costs for FY'14 on-line renewal were just under \$2,000.

Uncertainties related to potential rate increases by the Department of Administrative Services (DAS), such as rent, and the actual costs associated with the planned implementation and the unknown operating costs of the new licensing system to be used by all licensing boards are potential reasons why the recommended budget levels would not be sufficient to meet all operating costs in FY'16 and FY'17. As long as DAS rate increases are in line with our planning estimates and as long as the operating costs for the licensing system do not exceed the budgeted amount of \$5,000 per fiscal year, the recommended appropriation authority will cover all planned expenditures.

An amendment to clarify changes to the law regulating the practice of opticianry, as a result of HB258, was added to the budget bill. The Board does not have an official position on the amendments at this time, but the Board is very willing to work with interested parties to make sure that the new language reflects the intent of the legislation.

Thank you for your consideration and continued support. I will be glad to address any questions the Committee may have or provide any additional information you may need.

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