



TESTIMONY BEFORE THE OHIO SENATE HEALTH COMMITTEE ON HB 33

Ohio Veterinary Medical Licensing Board



APRIL 25, 2023
OHIO VETERINARY MEDICAL LICENSING BOARD
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TESTIMONY BEFORE THE OHIO SENATE HEALTH COMMITTEE

FISCAL YEARS 2024 & 2025 BUDGET RECOMMENDATIONS

INTRODUCTION:

Chairman Huffman, Vice-Chair Johnson, Ranking Member Antonio and respected members of the Health Committee, 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 General Assembly for the proposed Fiscal Years 2024 and 2025 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. 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.

PERFORMANCE:

Fiscal: The goal of this budget request is to maintain the current allotment of the Board generated revenue in order to perform the Board’s mission effectively and efficiently with the appropriated amount of \$444,000 for FY 24 and \$448, 000 for FY25. The Board is **self-sustained** fiscally through licensure fees, late fees, and fines. The Board was allotted \$435,046 in FY22, the Board paid \$ 137,113 in operating expenses and \$275,756 in payroll expenses. The Board generated \$897,137 in Revenue for FY22. Of the total revenue in FY22, \$ 46,020 was transferred to the Veterinary Student Loan Repayment Program in accordance with ORC 4741.17(A)(7). \$273,742.32 was transferred into another student loan created in the last General Assembly for charitable services.

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 \$46,020 to the Veterinary Student Loan Repayment fund (ALI 888-602) in FY 20 to reflect \$10.00 from each veterinary license renewal from July 1, 2021 to June 30, 2022.

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, 2023.

Two eligible candidates submitted an application for consideration by the Board at their May 2022 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 a \$10,000 grant for a service commitment of one year to the two candidates. However, only one of the veterinarians accepted the terms, Dr. Hannah Jarvis, DVM serving the Hillsboro area of Ohio. The recipient submits progress reports biannually. **The Board believes the current appropriation for Fund 5BU0 is adequate to meet the needs of the Program, but does limit the number of awards that can be provided in underserved areas. Reinstating the \$30,000 appropriation would be appreciated.**

Veterinary Student Debt Assistance Program:

In the last General Assembly, legislation was enacted to create another Veterinary Student Loan. HB 67 created the Veterinarian Student Debt Assistance Program selected by a lottery. Rules were implemented for the operation of the Program and to provide guidance to the applicants. Information for the application, eligibility and contract terms are available on the board web site as well as through alerts and publications.

In order to be eligible, prior to applying, the veterinarian must have performed charitable veterinary services in an amount determined by the Board in rules, but at a minimum, 12 hours.(Charitable veterinary services include free spay and neutering services and any other services specified by rule with a nonprofit organization, a humane society, law enforcement agency or a state, local, or federal government entity). There are other criteria for eligibility as well.

The funding for this particular scholarship is based on a formula of revenue that is generated from licensure fees minus the appropriation from the legislature for that fiscal year. The remainder is then placed in the scholarship fund. On July 15, 2021, as required by R.C. 4741.57, the Board certified to the Director of the Ohio Budget and Management the amount to be transferred from the Occupational Licensing and Regulatory Fund (4K90) to the Veterinary Student Debt Assistance Fund (5YG0). The Board went to the Controlling Board to seek appropriation authority for the Loan Fund which was granted. The Board has begun implementation of the program by placing language in the initial and renewal veterinarian applications alerting veterinarians of the charitable student loan as well as development of the Board web site to include the guidelines and application for the loan. The Board will issue its first awards in May, 2023 as required in the new law.

Licensure: The Board utilizes the DAS ELicensing system which requires all initial applications, renewal of licenses, and payment of fines or ordering of wall certificates to occur

through the online portal. The Board has successfully renewed all types of licenses through the ELicensing system and has implemented the temporary Military license in the system. In FY 23, the Board paid DAS for the Elicense system, \$25,000.20. **Due to DAS requesting that Elicense funding come directly out of the Occupational Licensing Fund (4K90), there is no request for funding of this service in the Board’s budget. However, should the legislature deny DAS’ request, the Board’s budget will need to be modified to include the Elicense costs.**

Additionally, the cost for processing the credit cards has increased due to processing all initial applications and renewal applications year-round. **There is an anticipated increase per month for Worldpay credit card processing services in FY24, but less in FY25 due to the fee for RVT renewal being \$35 while the fee for renewal of veterinarian in FY22 is \$155.**

The Board is currently responsible for the licensure requirements of 4813 veterinarians, 4795 registered veterinary technicians, 188 limited licensed veterinarians (whose practice is limited to an academic institution, governmental laboratory, or performing a residency in veterinary medicine), 78 Specialist Veterinary Licenses, and 221 business facility licenses. The number of practitioner licensees varies slightly from year to year as indicated here:

<u>RVTs:</u>		<u>Veterinarians:</u>	
FY18 New:	348	Total:	4289
FY19 New:	348	Total:	4277
FY20 New:	288	Total:	4621
FY21 New:	289	Total:	4506
FY22 New:	252	Total:	4795
FY18 New:	267	Total:	4429
FY19 New:	266	Total:	4697
FY20 New:	262	Total:	4612
FY21 New:	295	Total:	4895
FY22 New:	257	Total:	4813

Complaint & Disciplinary Process

During FY 22, the Board received 202 complaints. The Board collected \$ 13,067 in Disciplinary Fines.

Summary of Board Disciplinary Actions FY 2022

Surrendered license in lieu of discipline	1
Adjudication Orders issued	2
Settlement Agreements Entered	30
Notices issued	30
Referrals to Prosecutor and/or other state agencies	2
Advisory Letters	49
On site investigations	11
Compliance Inspections as a result of complaint	4
30 day follow up letters to compliance inspections	0
No Jurisdiction of the subject matter	20

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 3-5%.**

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 \$54,000 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 comingled with the current drugs and the review of the controlled substance logs.

The Board determined that they would like 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 FY22 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. However, due to continued COVID 19 aftereffects, there were fewer compliance inspections performed due to staffing issues and the veterinary facilities being closed or having limited services.

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 and handlers of controlled substances, veterinarians and registered veterinary technicians 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 presents 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 as well as mental health issues) and promote available health programs. The Board recently amended the Impairment Rule (4741-1-25 OAC) to include a safe haven initiative to address confidential services for mental health and substance abuse issues impacting the veterinary licensees and students.

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 5-10%.**

The Board contracts with DAS OIT for computer services. **DAS IT services are expected to increase by 5-10%.** In April, 2018, the Board transitioned to the 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 Worldpay,** which previously occurred only during renewal cycles. Those charges are now monthly for initial and renewal applications. The Board's desktop printers were purchased in the year 2000. **The Board will need to consider purchasing or leasing 2 new desktop printers within the biennium (anticipate FY2025).**

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. It is anticipated that the Board's payroll expenses will increase in keeping with the anticipated collective bargaining contract. **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 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 a bi-annual newsletter which is 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 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 FY24-25

- 1) To continue participation in the State E-Licensing program for Licensure and Renewal of applicants in the practice of veterinary medicine in the State of Ohio and modify as necessary as a result of enacted legislation.
- 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.
- 6) To participate in educational opportunities for veterinary practitioners and students to promote veterinary wellness, inclusive of assistance with addiction issues as well as mental health issues.

Hopefully, this summary adequately explains the position of the Ohio Veterinary Medical Licensing Board and its funding request for FY 24& 25. Do not hesitate to contact me at Theresa.stir@ovmlb.ohio.gov or at 614-644-9040 with any questions or concerns that you may think of after this budget hearing.