



House General Government Committee

Testimony of Stephanie M. Loucka, Executive Director, State Medical Board of Ohio
November 4th, 2025

Chair Ray, Vice Chair LaRe, Ranking Member Brent, and members of the House General Government Committee, my name is Stephanie Loucka, and I am the Executive Director of the State Medical Board of Ohio ("SMBO" or "the Board"). Thank you for the opportunity to allow us to expand upon the testimony that we provided before this committee on October 1st. We appreciate the occupational licensure review process and the work that goes into ensuring both efficiency and responsiveness for the state's licensing agencies.

After speaking to the bill sponsors and the Chair, I want to provide some additional information that was requested, that will hopefully assist in understanding our Board's work and budget. We will explain our current budget, both expenditures and revenue, as well as the impact of the proposed cuts. We will also share with you the work that the Board does, so you have a clear picture of where the Board's fees are spent. We've also included a current table of organization.

The SMBO's Budget

The Board's entire budget comes from licensure fees; the Board receives no additional funding. Fees are set in law by the legislature. The legislature last increased fees for the Board in 1999. In fact, physician fees were reduced in law in 2017, as the Board carried a larger than expected cash balance due to zero percent increases in employee wages for over 5 years.

Expenses

The Board's recent expenses have increased with direct correlation to the rising costs of maintaining current staffing levels. For Fiscal Years 23, 24, and 25, the base compensation increases for employees totaled 11%. In addition to the base compensation, the Board had increased payroll costs for steps, longevity, retirement contributions and the employer portion of healthcare. During that same time, the Board's total expenditures only increased by 10.2%. (see chart below) The Board managed to keep expenses lower than appropriated by strategically carrying open position vacancies and limiting spending in other areas.

Table with 7 columns: Category, FY 22, FY 23, FY 24, FY 25, FY 26*, FY 27*. Rows include Expenditures, % Increase, and Compensation increase.

*Appropriated
**(\$14, 315, 005 was appropriated)

The Board has been very conservative with its public dollars. Personnel costs account for more than 85% of the Board's budget, with the remainder covering essential operational expenses such as rent, IT services, and fleet maintenance. While staffing levels have not increased, **the Board does not control statewide compensation rates or healthcare cost adjustments.** These costs are negotiated in the union contract for bargaining unit employees and codified for exempt employees. Even with flat staffing levels, the Board's costs will continue to increase over the coming years. We are working diligently to bring our expenses in below our FY 26 appropriation level, as we did in FY 25, however another 4.5% base compensation increase on top of last year's 5% increase, the accompanying payroll increase with the base raises, as well as healthcare cost increases more than 20%, will impact our abilities.

Revenue

The Board's revenues have increased with an increase in license counts. The Board has seen about a 6% increase in revenue since FY22 (using the Board's last higher year of revenue in a 2-year cycle where even-numbered fiscal years have more renewals). However, even with increased revenue in FY25, due to the personnel costs outside of the Board's control, the Board had to draw down on the cash balance it built over the last decade. Despite delivering FY25 expenses under the Board's appropriation authority, the Board's expenses exceeded its revenues. At the conclusion of FY24, the Board's cash balance was \$8,072,250 and at the conclusion of FY25, the Board's cash balance was \$7,099,747. We expect to draw down even further on the cash balance in FY26 and FY27.

Proposed Fee Reduction Fiscal Impact

Current revenue from fees already doesn't meet the Board's expenditures. The proposed reductions will cost the Board between \$3.5 million to \$4.2 million annually, a loss exceeding 30% of our annual revenue.

The Board's cash balance will continue to be spent at a faster rate each year, as payroll costs increase and fees remain flat. The Board is expected to have a significant deficit in FY29. The Board has had a series of public meetings in recent months to discuss the upcoming shortfall and has begun to plan to address that shortfall through operational efficiencies, as well as coming to the legislature for a fee increase. As explained in the Board's appearance before the General Government Committee a few weeks ago, the Board can't continue to live on 1990s dollars.

The Work of The Board

As explained, the Board's costs are driven by maintaining current staffing levels. **The Board's staffing has been flat since the legislature last increased fees for the Board in 1999.** We've been asked by the bill sponsors to provide you greater detail about the work of our staff. We are immensely proud of the work of our team. We have received national awards two years

in a row, we provide training and guidance to other healthcare boards, we consistently educate licensees to help them be safer practitioners, we regularly assist law enforcement in addressing human trafficking, on multiple occasions we have taken administrative action on licensees that then resulted in criminal charges, and we are looked to as licensing experts in both efficiency and accuracy throughout the country. I will expand on the work of the Board's units and provide you with key data points.

Licensure and Customer Service

The Board's Licensure and Customer Service Team has 14 team members. 8 team members work directly on licensure processing, and 5 team members work directly on customer service calls and emails, including the processing of complaint intake.

In FY25, the Board's licensure team issued 7,255 new licenses, including licenses issued through the Interstate Medical Licensure Compact and reciprocity. **That is a 32% increase in licenses issued since 2021, with the same number of staff.** Additionally, the Board issued 3,352 special certificates, including but not limited to training certificates for residents, volunteer certificates, and certificates to recommend. **That is a 37.6% increase since 2021, with the same number of staff.** In FY25, our 5 customer service staff members **fielded over 10,000 calls** from the public in need of assistance filing a complaint and licensees in need of assistance with licensure. This same team also received and **processed over 12,000 customer service emails** and **processed 6,000 complaints for intake.**

Despite the dramatic increase in the Board's volume of work, with technology and process improvements, **the Board has decreased licensing timelines by 54% over the last 10 years.** The introduction of new pathways to licensure (e.g., reciprocity and compacts) has skewed our processing time over the last year; we are watching the timelines carefully to identify further process efficiencies. Our average timeline for issuing a 'traditional' license remains around 14 days. The Board reviews each license thoroughly, including verification of credentials, as well as a review of background checks. When a licensee answers 'yes' to one of several questions on an initial or renewal application or has a hit on a background check, the Board must investigate. A high-quality review has a cost.

Our licensing and customer service team works diligently to provide quick, safe licensing, as well as field a steady stream of inquiries from the public.

Investigations

The Medical Board is a complaint driven organization; the Board investigates what the public brings forward. More than 6,000 complaints are received annually from a variety of sources, including patients, caregivers, medical providers, organizations, and other state agencies. This is an **estimated 41% increase in complaints received since FY15.**

Every complaint is reviewed by a member of staff, including the 27-member investigations unit located in 15 counties throughout our state. Investigators currently carry caseloads of around 35-40 complaints at a time. On average, it takes 130 days to complete a complaint. Investigations frequently include the need to subpoena patient records, a multi-week process working with healthcare systems, and the Board's licensees almost always engage legal counsel, which prolongs the investigation cycle. Without the appropriate number of staff available to assess complaints, determine how they should be routed, and to conduct the investigation, it will take longer for complaints to be resolved and educating licensees through the investigation process will slow down.

Enforcement

In FY25, the Board issued 222 actions, **a 42% increase from the number of actions taken in FY15, all with the same number of staff.** In FY25, the Board also summarily suspended the licenses of 23 licensees, meaning the Board had clear and convincing evidence that the continued practice of the licensee created immediate harm to the public.

The Board has 9 attorneys that work on the administrative cases presented to the Board for deliberation. The Board also has 3 full-time hearing officers. Cases that come before the Board are the equivalent of full civil litigation. Board licensees are represented by legal counsel who specialize in work in front of the Board.

Effective enforcement is the core of the Board's mission to protect the public and fee cuts directly undermine that ability. In recent years, law enforcement has even relied on the Board multiple times to act on high profile sexual misconduct cases prior to them initiating criminal action. Recent examples of board actions taken include:

- A Beachwood physician whose license was permanently revoked for repeatedly overprescribing high doses of Adderall, lorazepam, and Nuvigil while ignoring abuse risks, skipping monitoring, and failing to document care.
- A Chardon physician whose license was permanently revoked in connection to twelve felony counts pertaining to prescribing high doses of opioids in combination with benzodiazepines in a "pill mill" operation.
- A Senecaville physician assistant whose license was permanently revoked for engaging in sexual contact with one identified patient.
- A North Canton podiatrist suspended for creating fraudulent patient profiles and then writing prescriptions in those names, as well as in the names of her husband and sister-in-law for Oxycodone for self-administration.

- An Akron physician indefinitely suspended for striking his ex-wife repeatedly in the head with a broom despite the broom breaking, resulting in the victim losing consciousness as well as scalp lacerations and a fractured metacarpal bone.
- A Dayton physician indefinitely suspended for photographing an unconscious patient when not medically necessary.
- A Northeast Ohio pediatrician permanently surrendered his license after pleading guilty to sexual imposition and endangering children in this course of his medical practice. Criminal charges were brought after the Board summarily suspended the licensee.
- A Cincinnati Resident Physician permanently revoked for video recording and conducting ultrasounds on patients without a legitimate healthcare purpose and without obtaining patient consent. Criminal charges were brought after the Board revoked the training certificate.

In FY25, **the Board took action on 27 licensees for violations of sexual misconduct.** These cases are complex and take many months, and a special team, including a victim advocate, to bring forward. Of the 27 licensees, 13 were physicians, 13 were massage therapists and one was a physician assistant. 18 of the 27 licensees had their licenses permanently revoked. The Board's work on sexual misconduct has been nationally recognized in both the media and by other regulatory authorities.

The 222 board actions, along with 23 summary suspensions, represent months of investigation, coordination, and due process.

Quality Intervention

The Board's Quality Intervention team of 8 staff members is headed by the Board's medical director. The 2 nurses of the Quality Intervention team provide clinical review of complaints. In FY25, **the team reviewed 640 complaints, an increase of more than 30% since FY17** when the Board started capturing the data.

The Board's subpoena coordinator issued over 1,600 subpoenas as part of the investigations and enforcement process. **That's a 247% increase in subpoenas issued since FY15.** The Board's coordinator of caution and education letters **issued 219 caution or education letters in FY25, an over 200% increase since FY17** when the Board started capturing the data.

The Board's Quality Assurance coordinator provides a quality review of closed complaints to make sure all board processes are followed. We are one of the first, if not the only board to create this position to focus on accuracy of complaint closure, providing a measure of reassurance to the public that we take their complaints seriously. The team was recently

published on this quality assurance work in a national medical journal and will present at a national conference in 2026.

The Board's compliance staff worked diligently over the last 3 years to implement a confidential monitoring program. Working with the OhioPHP, licensees may now receive confidential help if they are impaired, without the stigma of public action. The new program helps licensees get the help they need, while ensuring public safety. The Compliance team works closely with the OhioPHP on programming for the more than 300 licensees they monitor for the Board, as well as work with 184 licensees who are under a board order with probationary terms.

Legal and Policy Work

The Board's licensure fees also fund the Board's ability to implement legislative changes, as well as conduct important public safety and policy work. The Board has 5 attorneys that work to process formal actions, handle appeals, process public records, file rules, run the Board meetings, and work with law enforcement on responding to criminal subpoenas. The **Board's public records requests increased by 98% since FY15** with the Board processing over 700 requests in FY25. Board staff also responded to over 20 criminal subpoenas in FY25, compiling complicated records and redacting confidential information to help law enforcement with their case activity.

Over the last 3 years, the Board has implemented both the Interstate Medical Licensure Compact and licensure reciprocity. The Board is actively engaged in the implementation of the Physician Assistant Compact, for which I chair the Rules Committee, the Dietetics Compact, and the newly enacted Certified Mental Health Assistant license. The Board serves on the Governor's Human Trafficking Taskforce and regularly leads trainings for law enforcement on identifying trafficking in unlicensed massage therapy, as well as assists in raids of unlicensed massage therapy businesses. Board staff are frequent presenters at medical conferences, law enforcement conferences, and for other regulatory bodies. **The Board has become the national expert on investigating and prosecuting sexual misconduct in the healthcare regulatory world.** The Board also maintains the annual responsibility to review and vote on adding new medical conditions for medical marijuana, a labor-intensive process for both staff and board members.

Surrounding States

As mentioned in my October 1st testimony to this committee, the practice of medicine has become increasingly interstate and virtual, especially through the Interstate Medical Licensure Compact, license reciprocity, and telehealth expansion. Ohio now regularly licenses practitioners from across the country. **License counts have increased by 54% in the last 10 years, and new physician licenses issued have increased by more than 60% since FY15.**

Comparing fees nationally, the State Medical Board's physician fees are well below the national average:

	MD Initial	MD Renewal	DO Initial	DO Renewal
Ohio	\$305	\$305	\$305	\$305
National Avg.	\$537	\$459	\$521	\$457

When comparing physician fees to surrounding states, **Ohio licensure costs \$305** for a two-year renewal (of which **the Board only keeps \$285**):

- **Michigan**, when scaled to two-years, costs \$207.50 for licensure plus an additional \$171 for the ability to prescribe controlled substances **for a total renewal of \$378.50**.
- **Pennsylvania licensure costs \$360** every two years. However, the Pennsylvania board does not employ investigators.
- **Indiana** licensure costs \$200 for two-years and \$60 for the ability to prescribe controlled substances **equaling \$260**. The Indiana board does not have an investigations and enforcement arm. Instead, that work is separated out and the Indiana Attorney General's office conducts investigations.
- **Kentucky licensure costs \$300** every two years.
- **West Virginia licensure costs \$400** every two years.

According to [Public Citizen](#), a consumer watchdog group, between 2021-2023 **Ohio ranked 1st in serious action taken against physicians**. In comparison:

- Michigan ranked 2nd (DO) and 7th (MD)
- Pennsylvania ranked 35th (DO) and 52nd (MD)
- Indiana ranked 54th (last)
- Kentucky ranked 8th
- West Virginia ranked 23rd

Conclusion

The Medical Board is one of Ohio's most efficient state licensing boards, having reduced processing times by more than half while maintaining flat fees and staffing for decades. The Board has been an outstanding steward of public dollars, taking on more license types, more licensees, more complaints, more actions, and more policy work for decades. Ohio patients count on a Board that can continue to act swiftly and effectively when concerns arise.

Thank you, Chair Ray, Vice Chair LaRe, Ranking Member Brent, and members of the Committee. I'd be happy to answer any questions at this time.