



TESTIMONY BEFORE THE OHIO HOUSE OF REPRESENTATIVES SUBCOMMITTEE

Ohio Veterinary Medical Licensing Board



FEBRUARY 16, 2021
OHIO VETERINARY MEDICAL LICENSING BOARD
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TESTIMONY BEFORE THE OHIO FINANCE SUBCOMMITTEE ON AGRICULTURE, DEVELOPMENT, AND NATURAL RESOURCES

FISCAL YEARS 2022 & 2023 BUDGET RECOMMENDATIONS

INTRODUCTION:

Chairman Kick, Ranking Minority Member O'Brien 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 2022 and 2023 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 allotment of the Board generated revenue in order to perform the Board's mission effectively and efficiently with a

request for \$30,000 increase in appropriation for FY22 and \$19,000 for FY23. The Board is **self-sustained** fiscally through licensure fees, late fees, and fines. The Board was allotted \$433,150 for FY 2020 with a reduction of \$20,702 as a result of conservation efforts in light of the COVID 19 Pandemic and \$435,046 in FY 2021. FY20, the Board paid \$ 134,413 in operating expenses and \$272,772 in payroll expenses. The Board generated \$845,929 in Revenue for FY20. Of the total revenue in FY20, \$ 43,940 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.

There have been several bills enacted from the last General Assembly which may necessitate rule changes, but may also impact the budget due to increase costs to modify the ELicensing system. HB 67 created another veterinary loan repayment program based on charitable services. HB 33 requires a veterinarian to report suspected animal abuse with set penalties for violations. HB 263 revised the way the board reviews and submits an initial application for licensure especially regarding criminal offenses. **A cost is associated with any modifications to the DAS ELicensing system. Enactment of these bills would require alterations to the ELicensing system.**

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 \$43,940 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, 2019 to June 30, 2020.

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, 2020.

One eligible candidate submitted an application for consideration by the Board at their May 2020 meeting for the Veterinary Student Loan. The Board considered the application based on their willingness to provide large animal veterinary services in a resource shortage area and/or public health setting. The Board awarded a \$20,000 grant for a service commitment of two years to Dr. Casey Skowron, DVM of Pemberville, Ohio. The recipient will submit progress reports biannually. **The Board believes the current appropriation for Fund 5BU0 is adequate to meet the needs of the Program.**

Licensure: 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 FY2020, the Board paid \$12,026 for the DAS E-Licensing System. The anticipated cost, as predicted by DAS-OIT, will increase by approximately 61% in FY22 (\$20,050) and by 79%**

in FY23 (\$22,256). 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.

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 FY22, but less in FY23 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 4612 veterinarians, 4621 registered veterinary technicians, 178 limited licensed veterinarians (whose practice is limited to an academic institution, governmental laboratory, or performing a residency in veterinary medicine), and 159 business facility licenses. The number of practitioner licensees varies slightly from year to year as indicated here:

<u>RVTs:</u>	<u>Veterinarians:</u>
FY16 New: 358 Total: 3782	FY16 New: 233 Total: 4135
FY17 New: 361 Total: 3838	FY17 New: 244 Total: 4397
FY18 New: 348 Total: 4289	FY18 New: 267 Total: 4429
FY19 New: 348 Total: 4277	FY19 New: 266 Total: 4697
FY20 New: 288 Total: 4621	FY20 New: 262 Total: 4612

Once an application is complete, the Board staff issues the license within 24-48 hours.

Complaint & Disciplinary Process:

During FY 20, the Board received 199 complaints. The Board collected \$4,300 in Fines as a result of discipline.

Summary of Board Disciplinary Actions FY 2020

Surrendered license in lieu of discipline	1
Adjudication Orders issued	3
Settlement Agreements Entered	14
Notices issued	27
Referrals to Prosecutor and/or other state agencies	1
Advisory Letters	37
On site investigations	10
Compliance Inspections	120
30 day follow up letters to compliance inspections	28
No Jurisdiction of the subject matter	26

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 FY20 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 the COVID 19 Pandemic, 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, 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 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 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 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 2000. **The Board will need to consider purchasing or leasing 2 new desktop printers the next biennium (anticipate FY2023).**

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 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.
- 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 22& 23. 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.