

**DRAFT**  
**BOARD OF HEALTH PROFESSIONS**  
**EXECUTIVE COMMITTEE**  
**SEPTEMBER 8, 2005**

**TIME AND PLACE:** The meeting was called to order at 10:40 a.m. on Thursday, September 8, 2005, at the Department of Health Professions, 6603 W. Broad St., 5<sup>th</sup> Floor, Room 1, Richmond, VA 23230.

**PRESIDING OFFICER:** Alan Mayer, Chair

**MEMBERS PRESENT:** Michael Ridenhour, Au.D.  
Harold Seigel, D.D.S.  
Mary Smith, N.H.A.  
Lucia A. Trigiani, Esq.

**MEMBERS NOT PRESENT:** All members were present.

**STAFF PRESENT:** Gail Jaspén, Deputy Director, DHP  
Elizabeth A. Carter, Ph.D., Deputy Executive Director  
Charles Giles, Manager, Finance  
Carol Stamey, Administrative Assistant

**QUORUM:** With all members of the Committee present, a quorum was established.

**PUBLIC COMMENT:** No public comment was presented.

**APPROVAL OF MINUTES:** On properly seconded motion by Ms. Trigiani, the Committee voted unanimously to approve the minutes of the August 25, 2005 meeting.

**BUDGET PRESENTATION:** Ms. Jaspén and Mr. Giles presented an overview of the Agency's proposed budget, with amendments since the August 25<sup>th</sup>, and a draft report of the Committee's recommendations. The Committee revised the report format to present the discussion in an order that reflected their prioritization of the issues. The driving issues affecting the budget are as follows, in the Committee's recommended order of importance:

- (1) Staff for Enforcement;
- (2) Additional Executive Director and reorganization;
- (3) Conversion of Wage Employees to Full Time; Classified Staff;
- (4) Cash Transfers to the Department of Health, and
- (5) Other Items (i.e., on-line renewal expenses, additional work space accommodation, replacement of retiring employees, support services mandated through the Virginia Information Technology Agency, the Prescription Monitoring Program, and Nurse Licensure Compact).

**DISCUSSION:**

On properly seconded motion by Ms. Trigiani, the Committee voted to adopt the report as amended and present to the full board for approval. A copy of the Committee's report is incorporated into the minutes as Attachment 1.

**NEW BUSINESS:**

No new business was presented.

**ADJOURNMENT:**

The Committee adjourned at 11:20 a.m.

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Alan E. Mayer, Chair

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Elizabeth A. Carter, Ph.D, Executive Director

Attachment 1  
**Draft August 29, 2005**

**Report of the Executive Committee of the Board of Health Professions Regarding the Proposed Budget of the Department of Health Professions for the 2006- 2008 Biennium**

September 8<sup>th</sup>, 2005

The Executive Committee of the Board of Health Professions met on July 14, August 25 and September 8, 2005 for the purpose of considering the Budget of the Department. The Committee is pleased to submit this report which comments on that proposed budget as is authorized by §54.1-2510.3 of the *Code of Virginia*.

Attachment A reflects the budget of the Department as proposed by the Director Department in the amount of \$ 47,388,992. This reflects an increase of \$ 4,459,042 over the anticipated expenses for the biennium ending June 30, 2006. As shown in Attachment B this request will include 200 full time classified employees, an increase of 27 over the current authorized maximum employment (MEL) level of 173. Attachment B also reflects the cost centers within the Department where in those additional positions will be located.

As noted in Attachment A the recommended budget is less than the requests submitted by individual cost center managers. The Director's proposal was influenced by the likelihood that some workload anticipated as result of recent legislation covering the licensing of medication aides and administrator's adult living facilities will not materialize until the following biennium, caseloads will not increase at the same rate it has in the past several years and additional efficiencies can be achieved though continued efforts to apply new systems technology and revised procedures in the licensing and the detection, investigation and adjudication of misconduct of regulated professional and occupations. The Committee was provided all requests submitted by cost center managers as well as summary information from the Finance Division of the Department. The Director met the Committee at our meeting our July and August meeting together with Chief Deputy, Deputy Director for Administration and the agency Budget Manager. In addition various cost center managers were made available to the Committee.

The committee believes that the proposed budget is reasonable and necessary to fund the operation of health regulatory boards, the Department and the Board of Health Professions. In addition the Committee examined several issues related to this budget as follows:

1. **Staff for Enforcement** – The proposed budget contains 12 additional positions related to the investigation and adjudication of allegations of misconduct by licensees of health regulatory boards. The 12 positions are necessary in order to address the current backlog of investigations and adjudication of cases and keep pace with the anticipated increase in cases from both new and existing licensees.

2. **Additional executive director** – The Department has maintained seven (7) executive directors for the health regulatory boards within the agency for approximately the last twenty years. Over that period of time the number of licensees has increased by ten of thousands, disciplinary caseloads have greatly increased as have the number of professions regulated. In both size and complexity the demand on board immediate staff. The director has proposed the addition of an executive director and realignment of assignments as follows<sup>1</sup>:

Current Arrangement

Board Executive A

Optometry  
Veterinary Medicine  
Board of Health Professions

Board Executive B

Funeral Director and Embalmers  
Physical Therapy  
Audiology and Speech-Language Therapy

Board Executive C

Dentistry  
Long Term Care Board

Proposed Arrangement

Board Executive A

Optometry  
Board of Health Professions

Board Executive B

Long Term Care Board  
Physical Therapy  
Audiology and Speech-Language Therapy

Board Executive C

Dentistry

Board Executive D

Veterinary Medicine  
Funeral Director and Embalmers

The Committee endorses this proposal.

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<sup>1</sup> This revised structure will not effect support staff for boards of Medicine, Nursing, Counseling, Psychology and Social Work

3. **Conversion of wage employees to full time classified staff** – The Department proposed the conversion of 8 wage staff to full time classified employees. These positions are limited to employment of 1500 hours in a give years and do not receive benefits including health care coverage, paid leave for any purpose. Over the years in a number of instances the Department has become has become dependent on such employees to work in excess of 1500 hours to meet the demands of workload resulting from the increase licensees, allegations of misconduct and additional assignments of responsibilities assigned by the Assembly. The conversion of these employees will assure that agency retains a stable and competent workforce essential to meet its statutory demands.
  
4. **Cash Transfers to the Department of Health** - The Appropriations Act (Chapter 951 of the 2005 Acts of Assembly) at Item 321.A provides for a yearly cash transfer of \$ 560,568 to the Department of Health for financial incentives for physicians to practice in underserved area of the state. This reflects a transfer of funds resulting from fees collected for the Board of Medicine for the regulation of its licensees. At this has become an ongoing liability for the Board of Medicine that to date has resulted in a total transfer of \$ 2.24 million. In order to assure adequate funding for its operation the Board has proceeded to with a Notice of Intended Regulatory Action to increase its fees in order to avoid a shortfall in revenue versus expenses in FY2010. This action is largely due to the cash transfers and not to expenses related to regulation of its licensees. The Board has communicated to the Secretary of Health and Human Resources their concern that his ongoing liability has resulted in need to increase its renewal fees. It is recommended that Board of Health Professions voice our objection to this transfer as well.
  
5. **Other items reviewed** - The Committee also reviewed the following issues related to the budget:
  - The Department has successfully implemented on line renewal for applicants over the past two years which provides a convenience for licensees and has expanded the renewal process allowing for the collection of emergency contact information, completion of questionnaires and the attestation relating to compliance with requirements such as mandatory continuing education. Associated with improved system are transaction clearance fees in the amount of \$350,000.
  - With the addition of staff the Department must plan for a way to accommodate work space for additional employees. As and alternative to acquiring more rental space the Department has expressed and interest in exploring expanded telecommuting and “hoteling” options.
  - The Department has identified the need to plan for and include additional resources for replace a number of employees who will become eligible for full retirement in the coming biennium. Included is cost for recruitment. In addition because the Department often needs to recruit and maintain a stable workforce of health care

providers, the possibility of paying increased salaries to such personnel where such qualified licensees are in great demand may materialize.

- The Department may be liable for increased IT expenses to support services mandated through Virginia Information Technologies Agency (VITA). As an approved and predictable rate structure has not been established for VITA the extent of this liability has not been established.
- The Prescription Monitoring Program continues to support by federal funds. The National All Schedules Prescription Electronic Reporting Act of 2005, which has been signed by President Bush, establishes a funding mechanism via a grant process to be administered by the Secretary of Health and Human Services for this purpose into the future.
- The Nurse Licensure Compact, under which the Board of Nursing lost approximately 10,000 licensees resident in other compact states, continues to impose a significant administrative burden on the that Board. One additional position is added to support the operation of the Compact.

Submitted by the Executive Committee of the Board of Health Professions

The Honorable Alan E. Mayer  
Chair