

Ohio Board of Nursing  
Budget Testimony  
Fiscal Years 2012-2013

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Senate Finance Committee



Ohio Board of Nursing  
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## Budget Testimony

Chairman Widener and members of the Senate Finance Committee, my name is Betsy Houchen and I am the Executive Director of the Ohio Board of Nursing (Board). Thank you for the opportunity to testify on behalf of the Board. By way of background, I have served as Executive Director since 2005, and am a registered nurse and attorney.

The Board's top priorities are to efficiently license the nursing workforce and remove dangerous practitioners from practice in a timely manner to protect Ohio patients. The public protection role is critical; nursing touches virtually every citizen of Ohio.

The Board regulates over 241,000 licenses and certificates, an increase from 223,000 in 2008, and 210,000 in 2006. The Board regulates more licenses and certificates than any other regulatory board in Ohio, while maintaining staffing levels significantly lower than other Boards per licensee. The Board is funded for 58 staff and has not increased staffing levels since 2006, even though there have been very significant workload increases since that time.

### Self-Sufficient Funding

The Board receives no General Revenue funds. The Board of Nursing is totally funded by license fees paid by the health care professionals regulated by the Board. Not only is the Board self-sufficient through its fees, the Board consistently has a biennial surplus, as reported by the *Ohio's Occupational Licensing and Regulatory Board Report, Annual Report for Fiscal Year 2010*, prepared by the Legislative Services Commission pursuant to Section 103.13 of the Revised Code.

### Demonstrated Track Record and Nationally Recognized

The Board has a demonstrated track record of insuring an excellent level of public protection, funding initiatives to combat the nursing shortage, and regulating the largest number of licensed professionals of any agency in the State of Ohio, while at the same time, engaging in cost reductions and operational efficiencies. These actions are documented in the attachment. The Board operates as a well-run, self-sufficient and publicly accountable business.

The Board was nationally recognized for its regulatory excellence and public protection work in 2009 when the Board received the National Council of State Boards of Nursing (NCSBN) Regulatory Achievement Award. The award is presented annually to the

board that demonstrates significant contributions in promoting public policy related to the safe and effective practice of nursing in the interest of public welfare.

### **Licensing and Discipline: Our Core Functions**

The most significant issue our Board faces in this budget is the dramatic increase in disciplinary complaints. These complaints fall into many categories, including substandard practice, drug theft, substance abuse, patient abuse, and other criminal conduct. For the 2007-2008 biennium, the Board received 7,726 complaints; for the 2009-2010 biennium, there were 11,645 complaints received, a 34% increase.

An increase in complaints also results in increased workloads throughout the disciplinary system. For example, following Board action, individuals are monitored to ensure compliance with Board Orders and settlement agreements. Approximately 2,503 licensees and certificate holders who have been disciplined were assigned to Board staff for monitoring in fiscal year 2010.

The Board continues to be innovative in addressing the increased number of complaints and disciplinary cases. Establishing a Board Hearing Committee and realigning responsibilities of staff to create a Hearing Officer position both have resulted in cost savings and cases proceeding through the hearing process more quickly. The Board has also instituted the use of Post-Notice Settlement Conferences to resolve disciplinary cases and reduce hearing costs. In addition, to increase collaborative work with the private sector and address practice complaints, the Board developed the Patient Safety Initiative to work with nursing employers to impact patient safety. The goal is to increase effective reporting, remediation, modification of systems, and accountability for nursing practice complaints.

These are cost saving initiatives that protect the public, however, these alone are not enough to keep pace with the staggering increases in complaints and disciplinary cases. It is a major challenge to assure complaints are handled in a timely manner, but our appropriation request as proposed by the Governor and funded by the House will enable the Board to add up to three positions for processing discipline cases and provide funds for increased hearing costs. With continued innovation and the funded request we believe we can meet the challenges faced.

### **Nursing Education Programs**

Although most professional licensing boards primarily regulate individuals, the Nursing Board also approves pre-licensure nursing education programs. This is another area of significant growth. Education programs have increased by 23% since 2006, for a total of 44 additional programs.

Competent and safe nursing practice begins with education programs that prepare individuals for nursing practice, and the Board determines whether programs meet and maintain minimum educational standards. Nursing education programs have continued

to proliferate as national educational programs develop multi-state locations and on-line education becomes more common. The Board currently oversees 168 nursing education programs, as compared to 143 in 2008, and 124 programs in 2006.

In recent years, the Board has devoted increasing resources to nursing education programs that do not meet or maintain the regulatory requirements of Ohio law. For example, a number of programs have failed to provide clinical experience in basic areas of nursing practice such as obstetrics and/or pediatrics. The danger is that, as licensed nurses, these individuals could be hired to provide nursing care for patients in these areas without ever demonstrating to an instructor in a clinical setting that they have the skills and ability to provide safe nursing care to obstetric or pediatric patients. Employers expect and rely on the fact that licensed nurses have fulfilled all the required clinical preparation in their basic educational program.

As a result of nursing education programs not meeting the regulatory requirements, the Board sanctioned 12 programs in fiscal years 2009-2010, as compared to sanctioning three programs in the previous biennium. Of these, three programs progressed through the Chapter 119. hearing process after the Board recommended withdrawal of Board approval. Hearing costs associated with these three nursing education programs alone exceeded \$28,000 in the current fiscal year.

### **Summary**

We are proud that the Board has taken the responsibility to absorb the increasing workload without seeking fee increases from Ohio licensees and certificate holders. However, we must be funded to address these significant increases or public health and safety could be jeopardized.

The budget request, as funded, recognizes the need to strengthen operations to meet the challenges of timely licensing a nursing workforce and disciplining those who violate the Nurse Practice Act. It also reflects an increase in the projected number of renewals and associated fees resulting in an increased appropriation for the Nurse Education Grant Program. Ten dollars from each nurse license renewal fee received by the Board is transferred to the Nurse Education Grant Program (NEGP) fund. The NEGP was created by the legislature in the 2004-2005 budget bill to provide grants to nurse education programs that develop partnerships to increase student enrollment capacity (Section 4723.063, RC). Education program grantees have reported increased enrollment.

We look forward to working with the Administration, the General Assembly, other state agencies and private healthcare stakeholders, our licensees, and most importantly the public and patients receiving nursing care, as we strive to protect and better the health and safety of Ohio's citizens.

This concludes my prepared remarks and I will be happy to answer any questions.

## ATTACHMENT

### A PROVEN TRACK RECORD OF EFFICIENCY, COST CONTAINMENT, AND INNOVATIVE REGULATORY PRACTICES

#### Efficiency and Cost Reduction

- Reorganized and decreased administrative staff and costs
  - Eliminated the position of the Assistant Executive Director
  - Disbanded the centralized Administrative Unit
  - Reduced positions in fiscal and human resources
  - Reassigned support staff to program areas
- Discontinued organizational silos and increased effectiveness of staff
  - Cross-trained staff so that the program areas work in a fully integrated manner
  - Streamlined work processes between two units to reduce the licensing processing time by 5-7 business days
- Reduced overhead costs
  - Eliminated four field offices
  - Reduced printing and mailing costs through on-line license renewal
  - Pursued outside vendor for printing and mailing related to licensure renewal and saved \$31,000
  - Achieved overall reductions in supplies, equipment, postage, and overnight mailings
  - Eliminated lock-box fees during the 2010 LPN renewal

#### Implementation of Effective Regulatory Practices for Disciplinary Cases

- Reduced the average time of processing discipline cases, known as “no request for hearing cases,” from 2.5 years to six months, when the Board discontinued outsourcing this function and brought it in-house
- Established a Board Hearing Committee and realigned responsibilities of staff to create a Hearing Officer position. Both resulted in cost savings and cases proceeding through the hearing process more quickly
- Instituted the use of Post-Notice Settlement Conferences to resolve disciplinary cases and reduce hearing costs
- Developed the Patient Safety Initiative to impact patient safety and increase collaboration with nursing employers. The goal is to increase patient safety through effective reporting, remediation, modification of systems, and accountability

### Focus on Services to Licensees and the Public

- Increased the LPN on-line renewal rate to 92% from 87% for the last LPN renewal period
- Completed the phase out of the use of paper wallet cards and thereby eliminated the possibility of the wallet card being altered, forged, or misappropriated
- Displayed disciplinary actions on the Board web site and submitted them to three national databases

### Removing Regulatory Barriers While Providing for Public Protection

- Supported HB 89 (128<sup>th</sup> GA) to enable out-of state employed advanced practice nurses to obtain prescriptive authority in Ohio without completing an externship (additional training)
- Changed administrative rules to allow foreign educated nurses to be faculty if they meet all the other requirements to practice nursing in Ohio and have practiced as a nurse for two years
- Requested and obtained a legislative provision to enable nursing students attending a nursing education program in a border state to obtain their clinical student experience in Ohio without becoming licensed in Ohio

### Provide Funding to Combat the Nursing Shortage

- Ten dollars from each nurse license renewal fee received by the Board is transferred to the Nurse Education Grant Program (NEGP) fund. The NEGP was created by the legislature in the 2004-2005 budget bill to provide grants to nurse education programs that develop partnerships to increase student enrollment capacity (Section 4723.063, RC). Education program grantees have reported increased enrollment.
- Five dollars from each nurse license renewal fee received by the Board is transferred to a fund administered by the Ohio Board of Regents for the purpose of providing tuition assistance through the Nurse Education Assistance Loan Program (NEALP) (Sections 4723.08(B) and 3333.28, RC).
- The Board's budget contains a Special Issues Fund account of \$5,000 used to address patient safety and health care issues related to the supply of and the demand for nurses and other health care workers (Section 4723.062, RC).

In 2011, Ohio was one of three states chosen by NCSBN to participate in their three-year nursing Transition to Practice study. A total of 68 hospitals across the state have committed to participate and the study will include 327 newly licensed nurses.