

FY 2012-2013 BUDGET TESTIMONY
BEFORE THE SENATE FINANCE COMMITTEE



Presented by
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Senate Finance Committee

Fiscal years 2010-2011 Budget Testimony

Chairman Widener and members of the Senate Finance Committee, my name is Nancy Manns and I am the Executive Director of the Ohio Optical Dispensers Board. I am pleased to be here this morning to present testimony on the Board's fiscal year 2012 and 2013 Executive Budget recommendations and to answer any questions the Committee may have about the continuing operations of the Optical Dispensers Board and the Board's funding requirements for the upcoming biennium.

Introduction and Overview

The mission of this Board is to protect the public by maintaining standards in the practice of Ocularistry and Ocularistry to enhance safe and competent practice. This is accomplished through the establishment of standards for pre-licensure education, including registration of apprentice trainees; examination requirements for licensure; and, approval of continuing education required for license renewal.

The Board currently licenses about 3,200 Opticians and Ocularists, and between 1,100 and 1,900 apprentices depending on the licensure cycle. The Board issued 162 new licenses In FY '10 and maintains approximately 3,100 to 3,200 each year. The Board initiated on-line renewal of licenses for all Opticians and Ocularists for the 2011 licensure period. 95% of all Opticians and 88% of all Ocularists renewed on-line. Comments from licensees who used the on-line renewal system were very positive. This new initiative cost the Board approximately \$11,000 for set up in the e-licensing system and for bank fees.

The apprentice program provides an "earn-as-you-learn" program that prepares individuals to take the national certification exam required for licensure as an Optician in Ohio. The two-year apprenticeship program provides an excellent opportunity to increase Ohio's workforce as these individuals receive a salary while gaining the necessary experience for licensure as an Optician or Ocularist. Between FY '09 and FY '10, the number of apprentice registrations increased by 81%, from 1,085 registrations to 1,969 registrations.

Opticians and Ocularists are required to obtain continuing education credits in order to renew their respective licenses. The Board approved forty-two classroom continuing education programs and three on-line programs in FY '10 for a total of approximately 890 hours of continuing education for Opticians and Ocularists. It has been noted that more and more licensees are opting for on-line programs.

The Board is also charged with monitoring and discontinuing the illegal dispensing/sales of contact lenses and is the only entity in the state of Ohio with the authority to do so. In 2005, the U.S. Food and Drug Administration declared contact lenses, including decorative plano lenses, as medical devices. This legislative action effectively bans the sale of decorative plano (zero powered) contact lenses without a prescription. The law regulating Opticianry and Ocularistry in Ohio also requires that contact lenses be dispensed in accordance with a prescription specific for contact lenses. From January, 2010 and March, 2011, the Board received thirty-six complaints about entities illegally dispensing/selling decorative lenses around the state of Ohio. The Board issued, in that same time period, thirteen Cease and Desist Notices to the stores, mostly beauty supply stores, gas stations, costume shops, tanning salons, and clothing boutiques.

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The Board continues to publish all Board actions, including discipline, on the Board's web page, and in publications that are issued by professional associations. The web page provides access to applicants and licensees for all forms used for registration, applications for licensure and other documents frequently requested by licensees and apprentices. The easy access to information and forms by licensees and employers has dramatically reduced the number of calls to the office.

The Board meets its core functions of initial licensing, renewal, and enforcement with a staff of three employees. Each of these employees is able to provide effective and efficient services to licensees and the general public due to their extensive knowledge of the issues and requirements that are specific to licensure applications and the practice acts for the professions of Opticianry and Ocularisty. This is demonstrated by the fact that, despite the increase in the workload of the staff, the staffing level has not increased.

The Board has begun to monitor and measure the timeliness of issuing licenses and the resolution of complaints. Currently the Board is closing disciplinary complaints, on average, within 3 months of opening the complaint. The Board has also begun to monitor the length of time from receipt of a completed licensure application to the date of issuance. The maximum time has been 2 months; the minimum time has been one week.

Revenues

The Optical Dispensers Board is a **non-GRF funded agency**. The Board is required to generate sufficient revenue to meet its expenditures. Fees generated by the Board are deposited into fund 4k9, the joint professional regulatory Board fund. The office of Budget and Management ensures that each Board collects enough revenue to support all budgetary needs of the agency. In addition, appropriated funds not spent in a given fiscal year are returned to fund 4k9 and credited to each Board's balance in the fund.

The table below shows the Board's revenues for FY '10.

Ohio Optical Dispensers Board **4k9 Fund FY '10** **Revenue**

<u>Source of Revenue</u>	<u>Total Collected</u> \$
Apprentice Registration /Renewal Fee	19,600.00
Optician Renewal	308,000.00
Ocularist Renewal	682.50
Penalty Fee	8,625.00
New Optician/Ocularist License	5,225.00
License by Endorsement	525.00
Duplicate Licenses	200.00
Rosters	125.00
Fines	1,900.00
Ocularist Exam	200.00
Total Revenue FY '10	345,082.50

The Board projects revenues of approximately \$347,000 for FY'11.

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Fee increases were requested in the budget bill that would result in approximately \$15,000 additional revenues per fiscal year. These additional funds would be used to maintain the on-line renewal of licenses and to implement on-line renewal of apprentice registrations in addition for funding the audit to be performed In FY '13.

Executive Budget Recommendations

The recommended budget amount of \$357,039 for FY '12 will cover projected payroll costs for staff and Board members, Board travel expenses and maintenance costs; will allow the Board to continue to conduct a minimum of six Board meetings per year; and, continue to investigate complaints against licensees and the illegal sales of cosmetic contact lenses. In addition, the recommended funding will continue to support the cost of providing on-line renewal. The costs for FY'11 on-line renewal were just under \$11,000.

Careful analysis of the Board's needs in the upcoming biennium led to the agency's initial request. The recommended budget amount of \$347,300 for FY '13, a 2.9% reduction, may force the Board to look at reduction in services such as eliminating on-line license renewal and the initiation of on-line apprentice registration renewal. The biennial audit will again be due In FY '13 which has been projected to cost the Board between \$9,000 to \$11,000. The reduction in the FY '13 appropriation would allow for the costs of the audit, but not for the audit and on-line renewal costs.

At this time I would like to address the cost saving measures that have been undertaken in conjunction with other Boards and Commissions under the auspices of the Central Service Agency (CSA). CSA continues to provide opportunities for cost savings, cost sharing for supplies and equipment needs. In addition to other back office functions, such as budgetary and human resource needs, CSA has taken on the role representing the interests of CSA-served Boards and Commissions with other state agencies and has become a source of financial and professional support.

Thank you for your consideration and continued support. I will be glad to address any questions the Committee may have or provide any additional information you may need.

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