



**Ohio Respiratory Care Board  
Budget Testimony for the FY 2018-2019 Biennium**

**Ohio House  
Finance Subcommittee on  
State Government and Agency Review**

**Ohio Statehouse  
House Hearing Room - 017  
March 7, 2017**

Corey C. Schaal, J.D./M.P.A.  
Executive Director  
Ohio Respiratory Care Board

**OVERVIEW**

- Introduction & Background
- Board Organization & Structure
- Budget Request & Recommendations
- eLicense 3.0 & the Future

## **INTRODUCTION**

Chairman Faber, Ranking Member Patterson and Members of the House Finance Subcommittee on State Government and Agency Review, my name is Corey Schaal and I am the Executive Director of the Ohio Respiratory Care Board. I am here today before this subcommittee to testify with regards to the Budget appropriations for Fiscal Years 2018 and 2019. After a brief description of the Board and its role, I will focus the remainder of my testimony on our budget, several budget provisions and then attempt to answer any questions which you may have for me today.

## **BOARD ORGANIZATION & STRUCTURE**

The Ohio Respiratory Care Board is a unique regulatory agency in that it regulates two distinctly different fields: respiratory care and home medical equipment (HME<sup>1</sup>) facilities. The board's mission is to protect and serve the public of Ohio by effectively and efficiently regulating the practice of Respiratory Care and Home Medical Equipment facility licensure and registration through the credentialing of qualified practitioners and facilities, the establishment of standards for both respiratory care educational programs and HME facility inspections, and the enforcement of the laws and rules governing both practices.

The Board was originally established in 1989 to regulate the practice of respiratory care. Respiratory Care, also known as Respiratory Therapy, is a highly technical and versatile health care profession. These professionals work throughout the state of Ohio treating cardiopulmonary diseases and ailments: chronic obstructive pulmonary disease – COPD, asthma, cystic fibrosis, congestive heart failure. Most therapists work in acute care hospitals, but they can also be found working in long-term care facilities, physician offices, home care companies, schools and research centers. Today, the Board currently regulates 301 active limited permit holders (primarily working students) and 7,960 active licensed respiratory care professionals (RCP).

In 2004, Chapter 4752 of the Revised Code was enacted expanding the Board and its authority to allow for the licensing and regulation of HME facilities. Under Ohio law, companies that provide life-sustaining or technologically sophisticated medical equipment to the public in the state of Ohio are required to hold a

---

<sup>1</sup> In different contexts, the term DME, or Durable Medical Equipment, is also used to refer to HME.

license or a certificate of registration issued by the Ohio Respiratory Care Board. Licensed facilities are inspected by the Board to verify adherence to specific practice standards. Certificate of Registration facilities are accredited by one of eight recognized independent organizations that hold the facility to specific quality standards. Currently, the Board regulates 136 active licensed HME facilities and 722 HME facilities holding a certificate of registration.

The Board consists of nine members: five active respiratory care professionals, two home medical equipment business leaders, one pulmonary physician and one public member. The Board meets every other month to conduct official business and employs five full-time staff members: 1 HME Manager, 1 Investigator, 1 License/Certification Examiner II, 1 Administrative Professional I, and the Executive Director. The Board also contracts with four inspectors to conduct safety inspections of HME facilities.

#### **BUDGET REQUEST & RECOMMENDATIONS**

For FY 2018, the Board requested a flat amount (0% increase) of \$590,032. The Executive Budget recommended \$363,106 or 61.5% of our request. This is keeping with the current proposal to eliminate the Board in January of 2018 – 61.5% of the way into the new fiscal year. For FY 2019, the Executive recommendation would be \$0, whereas the Board request \$635,371, a 7.7% increase of funds due mainly to the increase in DAS costs, primarily the 500% increase announced in the cost of the new eLicense 3.0 licensing system.

As a state licensing and regulatory agency, the Board is a creation of the General Assembly. Therefore, whether the Board is to be abolished, or to remain as an independent entity is a decision for the members of the House & Senate. As most of the staff split time between functions related to respiratory care and home medical equipment, the existing structure produces efficiencies that may be lost by having to split staff with no plan to reduce work or staff levels. As the Board brings in more revenue each biennium than it spends, the existing organization is fully self-sufficient and contributes to the positive balance in the 4K90 fund. However, the Board and its staff will continue to function professionally for as long as the General Assembly deems that this is in the best interest of Ohioans.

While the Board would defer to the House and Senate with regards to the future structure, there are concerns that I was asked to share with the subcommittee regarding the proposed advisory councils which would potential replace the members of the Board in providing input to both the State Medical Board and the State Board of Pharmacy. The current proposals would create advisory councils which are not necessarily permanent, of indeterminate size, not required to be comprised of any actual licensee and with no formal role to play in the disciplining of licensees who violate Ohio's laws and rules. The function which the Board members provide is critically important to the two professions which they regulate. If Board reorganization is to occur, then it is hoped that the members of the General Assembly would act to put safeguards into place to maintain the effective role served by Board members who take their duties and obligations seriously.

### **eLICENSE 3.0 & THE FUTURE**

While the Board has stated concerns regarding reorganization, it is open to discussion and embracing changes which could bring about operational efficiencies and cost savings. No member of the Board was approached to participate in discussions regarding the current reorganization proposal. It has been shared with OBM that historic allocations of expenditures between the Respiratory Care and the Home Medical Equipment operations of the Board probably do not match the actual split of costs. As such, splitting the two functions would likely increase costs for one or both of the new agencies absorbing these duties. In 2004, the Respiratory Care Board was approached and entered into serious policy discussions related to the licensing and regulating of Home Medical Equipment. It was deemed that another separate Board for HME was not necessary and the Respiratory Care Board added members and effectively utilized new and existing staff to accomplish expanding goals. The opportunity to participate in these discussions could result in expanding upon existing efficiencies and the Board would welcome this. Further sharing of existing resources and shared services among our Boards could also result in greater savings and benefits.

With regards to the new eLicense system, with the increased costs, currently 500% announced from FY 2018 to FY 2019, the Board hopes to gain some added efficiencies which will result in some minor cost savings. However, our Board and others currently fund the systems operation from our appropriated funds. The budget currently proposes to add an additional fee to applicants and licensees who use the system. I

would urge the members of the Finance Committee to contemplate this shifting cost and the burden that it places on their constituents. The Respiratory Care Board gives licenses (limited permits) to students and recent graduates for one year. These permits can be renewed for a maximum of three years under certain conditions. The short length is beneficial to these individuals as they soon apply for full RCP licenses. For renewing students and for veterans and active duty military personnel receiving the initial limited permit, the added transaction fee would result in a 35% increase in their cost of receiving the license. I would encourage the members of the finance committee to possibly consider limiting this fee to a percentage (1% or 2%); waiving it on student licenses and licenses applied for by veterans and active duty personnel; or having this apply to licenses or license transactions which cost a certain amount – those over \$50 or \$100 dollars. While the currently proposed increase to all the Boards participating in eLicense 3.0 recently dropped from 1600 percent to only 500 percent for FY 2019, the planned and potential future increases likely mean that our Board, and others, will have to seek fee increases in the very near future.

## **CONCLUSION**

In conclusion, the Board and our staff are committed to meeting the agency's mission critical objectives within whatever parameters as set by the members of the General Assembly regardless of the agency's future. Should you have any questions regarding the Board or my testimony, I would be pleased to attempt to address them at this time.