

# 2014-16 Strategic Plan

## Department of Health Professions [223]

### Mission

The mission of the Department of Health Professions is to protect the public by licensing healthcare providers, enforcing standards governing their practice, and providing information to healthcare providers and the public.

### Vision

Department of Health Professions: Competent professionals providing healthcare services within the boundaries of their standards of practice to an informed public.

### Values

- Exceptional Customer Service
- Superior Professional Standards
- Honesty and Fairness
- Competence
- Continuous Improvement
- Personal Accountability

### Finance

#### Financial Overview

Like its counterparts in all other states, the Department of Health Professions is a self-supporting, fee-based agency. No support is provided from the state's General Fund. For Fiscal Year 2014, total revenues were approximately \$30.8 million. Of that, approximately 96.89% was from fees associated with the licensure, certification, or registration of the various healthcare professions. All fees are set by regulations adopted by the health regulatory boards through the state's rulemaking procedures consistent with the Administrative Process Act. Of the remaining amount, approximately 2.45% represented the combined Medicare and Medicaid share of the Certified Nurse Aide program, funded through reimbursements from the Department of Health and the Department of Medical Assistance Services. Miscellaneous revenue from non-revenue producing departments accounted for .27% of total revenue.

Approximately .39% of the agency's Fiscal Year 2014 revenue came from interest earned on the Prescription Drug Monitoring Trust Fund. Investment of the Trust Fund is managed by the Department of the Treasury, and all interest earned is credited to the Department of Health Professions for the support of the Prescription Monitoring Program.

Approximately 65% of the agency's operational budget is devoted to the investigation and adjudication of complaints against healthcare providers. Approximately 20% is devoted to initial licensing and subsequent renewals. The remaining 15% is divided between the Agency's administrative, support, financial, information technology, and rulemaking activities. Approximately 65% of the Agency's expenditures are for employee salaries, wages, and fringe benefits.

The increases are associated with additional funding for the Prescription Monitoring Program, the new statewide accounting system, information technology and telecommunication charges, the cost of the Performance Budgeting system, and workers compensation premiums. Increases will also be associated with the creation of a new licensing category and regulatory oversight of sterile compounding outsourcing facilities and the cost of processing background checks on all initial applications for licensure for Registered Nurses and Licensed Practical Nurses as passed by the 2015 General Assembly.

#### Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	0	27,622,241	0	27,731,429
Changes to Initial Appropriation	0	0	0	374,655

*(Changes to Initial Appropriation will be 0 when the plan is created. They will change when the plan is updated mid-biennium.)*

### Customers

#### Anticipated Changes to Customer Base

As with virtually all states, demand for healthcare services is expected to increase for the foreseeable future as the population increases and access expands with the implementation of the Affordable Care Act. Although shortages are already experienced in some areas of the state, by 2020 estimates indicate that the number and geographical distribution of physicians, nurses, dentists, pharmacists, and other health professions

will be insufficient to cope with the increasing demand for healthcare services, especially in a growing and aging population. In addition, the systems of healthcare delivery are expected to develop new and innovative treatments that will also increase demand. It is likewise expected that this increased demand will result in increased numbers of applicants, licensees, and disciplinary cases as well as more emerging healthcare professions. For the first three pre-defined groups, the number served annually reflects the number reported at the end of Fiscal Year 2014. The potential number of annual customers was calculated using the percent change over the 2012-2014 Biennium as applied to the number of customers served annually. The number of registered users of the Prescription Monitoring Program was reported at the end of Fiscal Year 2014. The potential number of annual customers of the Prescription Monitoring Program was approximated based on the potential impact of new legislation effective July 1, 2015 requiring all prescribers (with the exception of veterinarians) to be registered for the Prescription Monitoring Program by DHP no later than Jan 1, 2016. This law was passed by the 2015 General Assembly.

### Current Customer List

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Applicants	Applicants for licensure, certification, registration, or permitting	41,569	44,936	Increase
Consumer	Parties seeking practitioner information	4,031,836	4,418,892	Increase
Health Professions	Licensees required to abide by laws or rules governing their practice	374,626	408,353	Increase
Consumer	Registered users of the Prescription Monitoring Program	20,818	60,818	Increase
Student	Recipients of scholarships	66	66	Stable

### Partners

Name	Description
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### Agency Goals

- **Promote the safety of patients and the public through licensing and regulation of competent healthcare professionals.**

#### Summary and Alignment

Efficiently license competent healthcare professionals and take timely and appropriate disciplinary action where there is evidence of professional misconduct to support the public's access to safe and effective healthcare.

#### Associated State Goal

Government and Citizens: Be recognized as the best-managed state in the nation.

#### Associated Societal Indicator

Consumer Protection

#### Objectives

- » **Increase awareness and improve public safety through promoting participation and utilization of the Prescription Monitoring Program**

##### Description

Virginia's Prescription Monitoring Program (PMP) promotes the appropriate use of controlled substances for legitimate medical purposes while deterring the misuse, abuse and diversion of controlled substances. The Prescription Monitoring Program staff collects the total number of queries by all user types as well as the total number of prescriptions added to the Prescription Monitoring Program database. A relative comparison of both totals gives us an idea of the perceived value of Prescription Monitoring Program information. As utilization of the Prescription Monitoring Program increases among prescribers and pharmacists, we would expect the percentage of queries related to the number of prescriptions added to increase as healthcare providers see the value in being able to identify those seeking medications for other than legitimate purposes.

##### Objective Strategies

- Continue outreach efforts through educational sessions within the prescribing, pharmacy, and public safety communities.

##### Measures

- ◆ The number of queries to the Prescription Monitoring Program as a percent of prescriptions added

- » **Enhance consistency, efficiency, transparency, and credibility of Department of Health Professions disciplinary process.**

##### Description

The agency strives to enhance consistency, efficiency, transparency, and credibility of the Department of Health Professions disciplinary process through the use of Sanction Reference Points. Sanction Reference Points were developed to model typical cases,

with an understanding that there will be mitigating or aggravating reasons for departure in occasional cases. So, the Sanction Reference Points recommendations would be predicted to be selected in a majority of cases.

#### *Objective Strategies*

- Continue to maintain and assess Sanction Reference Points in collaboration with health regulatory boards

#### *Measures*

### » **Improve agency operations through leveraging information technology.**

#### *Description*

Utilize technology to increase the efficiency of the licensing and disciplinary processes as well as provide information to practitioners and the public.

#### *Objective Strategies*

- Complete implementation of electronic renewal notice for designated license types for all boards.
- Complete implementation of online licensing applications for designated license types for all boards and encourage licensees to take advantage of the benefits.

#### *Measures*

- ◆ Percent of initial licensure applications processed within 30 days of receipt of a completed application
- ◆ The number of queries to the Prescription Monitoring Program as a percent of prescriptions added

### » **License competent and safe healthcare professionals.**

#### *Description*

Ensure that applicants for licensure comply with established professional competency requirements for education, training, and examination.

#### *Objective Strategies*

- Continue to share results of quarterly Key Performance Measures with the relevant boards and staff members to provide feedback and to maintain an understanding of its importance.
- Streamline licensure, primarily through the use of technology enhancements, such as dynamic on-line applications.

#### *Measures*

- ◆ Percent of initial licensure applications processed within 30 days of receipt of a completed application
- ◆ The cost to issue a new registered nurse license.

### » **Take timely action when there is evidence of practitioner, licensee, or entity misconduct that violates law and regulation.**

#### *Description*

To adjudicate and impose appropriate and timely sanctions when there is sufficient evidence that practitioners have engaged in conduct which violates law or regulations governing their practice.

#### *Objective Strategies*

- Continue the standardization of adjudication documents as well as the creation of documents that facilitate taking timely action against practitioner, licensee, or entity.
- Expand delegated probable cause review authority.
- Increase efficiency of internal transfers of reports and evidence.
- Expand the use of computer-based conferencing for investigator witnesses, and other efforts to reduce time and costs.
- Expand the use of the Prescription Monitoring Program data.

#### *Measures*

- ◆ Percent of patient care cases pending over one year
- ◆ Percent of patient care cases resolved within 250 business days

## • Strengthen the culture of preparedness within the Department of Health Professions

### Summary and Alignment

The Department of Health Professions maintains a Continuity of Operations Plan to ensure we are prepared to continue our work in the event that there is a site specific or more generalized disaster. This goal ensures compliance with federal and state regulations, policies and procedures for Commonwealth preparedness, as well as guidelines and best practices promulgated by the Secretary of Veterans Affairs and Homeland Security, in collaboration with the HHR Secretariat Interagency Preparedness Workgroup, the Virginia Department of Emergency Management, the Department of Planning and Budget, and the Council on Virginia's Future.

### Associated State Goal

Public Safety: Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

### Associated Societal Indicator

Emergency Preparedness

### Objectives

#### » Maintain emergency preparedness and readiness within the Department of Health Professions.

##### Description

The agency will strengthen employee safety and preparedness for emergencies thereby ensuring effective continuity of operations in the event of emergency.

##### Objective Strategies

- The Agency's Continuity of Operations Plan will be regularly updated and tested in accordance with guidelines from the Virginia Department of Emergency Management and appropriate training will be provided to staff.

Measures

## • Improve quality healthcare education in Virginia.

### Summary and Alignment

By promoting quality nursing programs, approving qualifying pharmacy-related training programs, and facilitating continuing competency of licensees, the Agency will improve the health and well-being of the population.

### Associated State Goal

Government and Citizens: Be recognized as the best-managed state in the nation.

### Associated Societal Indicator

Consumer Protection

### Objectives

#### » Promote the quality of nursing programs in the Commonwealth.

##### Description

Promote the quality of nursing programs in the Commonwealth by continuing to fund nursing scholarships, providing quality oversight of nursing educational programs in the state, and providing consultation to nursing education programs to implement strategies to increase the pass rate on the National Council Licensure Examination (NCLEX).

##### Objective Strategies

- Provide consultation to nursing education programs to implement strategies to increase the pass rates.
- The agency will continue to track and investigate the problems with nursing education programs reported by students, faculty, or the general public to reduce or eliminate problems that may be addressed through Board action.
- Evaluate the site visit processes and results and provide consultation services to the site.

Measures

#### » Fund nursing scholarships according to the nursing scholarship and loan repayment fund

##### Description

In 1991, the General Assembly created the Nursing Scholarship and Loan Repayment Fund. Funding for the scholarship fund is provided through a \$1.00 surcharge assessed on the renewal of licenses for registered and licensed practical nurses. The purpose of the fund is to finance scholarships for part-time and full-time students enrolled in or accepted for enrollment by licensed practical or registered nursing programs and those registered nurses, licensed practical nurses, and certified nurse aides who agree to perform a period of nursing service in a Virginia long-term care facility. The program is administered jointly by the Department of Health Professions and the Virginia Department of Health. A portion of the total funding for the program is provided by Virginia Department of Health. Department of Health Professions collects the money and deposits it into the Scholarship Fund. The Virginia Department of Health determines the recipients and sends to Department of Health Professions the names of the recipients and the schools they plan to attend. The Department of

Health Professions, in turn, distributes the awards to the schools according to the list provided by the Virginia Department of Health. Any balances left in the fund at year-end automatically carry forward to the next fiscal year. For Fiscal Year 2014, revenue amounted to \$67,237 and expenditures totaled \$58,257. (NOTE: These numbers reflect Department of Health Professions revenue and expenditures, only. They do not include Virginia Department of Health's portion of the program.)

#### *Objective Strategies*

- Collect money from nursing licensure renewals as required by statute and make requisite payments to the relevant educational programs on behalf of the individuals identified by the Department of Health.

#### Measures

### • **Promote the development of a strong healthcare workforce that is able to meet the increasing and shifting demand for healthcare services**

#### **Summary and Alignment**

The Department of Health Professions Healthcare Workforce Data Center in collaboration with subject matter experts and stakeholders, works to improve the data collection and measurement of Virginia's healthcare workforce through regular assessment of workforce supply and demand issues among the practitioners licensed in Virginia by Department of Health Professions. The Board of Health Professions researches emerging health professions and the potential expansions of existing scopes of practice to address growing demands for healthcare in the Commonwealth. Their findings are shared with the Department of Health Professions health regulatory boards to support their efforts to modify or introduce laws and regulations to meet the changing health care landscape. The information is also provided online through website and social media postings and through formal presentations to inform healthcare decision makers, hospital systems, academic institutions, and constituents statewide.

#### **Associated State Goal**

Public Interest: Engage and inform citizens to ensure we serve their interests.

#### **Objectives**

- » **Build public awareness of the future needs and opportunities of an expanded healthcare workforce.**

#### *Description*

Reflecting the importance of the healthcare sector to citizens, stakeholders, and policymakers, with focus on the future needs for an expanded healthcare workforce.

#### *Objective Strategies*

- Provide presentations to policymakers, stakeholders, and health regulatory boards.
- Coordinate with the Virginia Health Workforce Development Authority and/or other stakeholders.
- Make the Healthcare Workforce Data Center information available to the public.

#### Measures

- » **Conduct studies on emerging professions and potential expansion of scopes of practice.**

#### *Description*

Analyze future healthcare workforce requirements through surveys and analyses of healthcare professions and occupations to determine the need for regulation of emerging professions and occupations and expanded scopes of practice.

#### *Objective Strategies*

- Perform studies, surveys, and data analysis of current professions and healthcare needs to determine the necessity to expand/modify scopes of practice or regulate additional professions.
- Collaborate with subject matter experts and stakeholders to improve the data collection and measurement of Virginia's healthcare workforce supply and demand.

#### Measures

- » **License competent and safe healthcare professionals.**

#### *Description*

Ensure that applicants for licensure comply with established professional competency requirements for education, training, and examination.

#### *Objective Strategies*

- Continue to share results of quarterly Key Performance Measures with the relevant boards and staff members to provide feedback and to maintain an understanding of its importance.

- Streamline licensure, primarily through the use of technology enhancements, such as dynamic on-line applications.

Measures

- ◆ Percent of initial licensure applications processed within 30 days of receipt of a completed application
- ◆ The cost to issue a new registered nurse license.

» **Take timely action when there is evidence of practitioner, licensee, or entity misconduct that violates law and regulation.**

*Description*

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*Objective Strategies*

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- Increase efficiency of internal transfers of reports and evidence.
- Expand the use of computer-based conferencing for investigator witnesses, and other efforts to reduce time and costs.
- Expand the use of the Prescription Monitoring Program data.

Measures

- ◆ Percent of patient care cases pending over one year
- ◆ Percent of patient care cases resolved within 250 business days

• **Improve processes, systems, organizational structure and workforce capability to enhance organizational effectiveness.**

**Summary and Alignment**

By promoting an effective and knowledgeable Department of Health Professions' workforce, better leveraging technology, improving agency communications, improving coordinated action, and implementing agency operations efficiency measures, the agency will ensure that services are provided in the most effective and efficient manner possible and thereby aid in the programmatic delivery of services.

**Associated State Goal**

Government and Citizens: Be recognized as the best-managed state in the nation.

**Associated Societal Indicator**

Government Operations

**Objectives**

» **Provide opportunities for staff development and training**

*Description*

To maintain a strong and effective workforce, staff development and training/cross training opportunities must be available.

*Objective Strategies*

- Provide annual agency-wide training to include: updates and new regulations, continuity of operations and emergency preparedness, internal processes, best practices, new technology, and standard operating procedures.

Measures

» **Take timely action when there is evidence of practitioner, licensee, or entity misconduct that violates law and regulation.**

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*Objective Strategies*

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Measures

- ◆ Percent of initial licensure applications processed within 30 days of receipt of a completed application
- ◆ The number of queries to the Prescription Monitoring Program as a percent of prescriptions added

» **Improve agency communications to staff, regulants, and the public.**

*Description*

Increased staff, regulants, and public access to the Department of Health Professions information.

*Objective Strategies*

- Explore, evaluate, and expand avenues for communication, including current technological and social media options.
- Update and enhance the Agency website.
- Expand presentations to both professional and public groups by Agency staff and board members.

Measures

## Major Products and Services

The Department of Health Professions issues nearly 150 types of licenses, certificates, and registrations to over 100 kinds of health professions and facilities. At the end of FY14, there were 374,626 regulants, up 6.2% over the previous year and up 8.4% over the last biennium.

The number of disciplinary cases received rose 5.6%, (5,189 in FY13 to 5,483 in FY14), but remained steady with the last biennium. The average days to close cases increased by 7.7% from FY13 (165 in FY13 to 180 days in FY14). This rise reflects the increase in the number and complexity of the cases, as well as temporary staffing issues during the biennium. The average days to close patient care cases still remains significantly lower than the benchmark of 250 days.

The Prescription Monitoring Program collects prescription data for Schedule II-IV drugs and drugs of concern into a central database which can then be used by authorized users to assist in deterring the illegitimate use of prescription drugs. The information collected in this program is maintained by the Department of Health Professions, and strict security and confidentiality measures are enforced. At the end of FY14, there were 1,576,742 Prescription Monitoring Program requests.

The Department of Health Professions also provides administrative, communications, policy, IT, and research support for the boards, the Health Practitioner Monitoring Program and the Healthcare Workforce Data Center. Information on practitioners, licensure requirements, practice standards, health workforce, emerging professions, agency operations, and more is made available to a variety of audiences. Additionally, Department of Health Professions funds student financial assistance to support healthcare practice in underserved areas of the state and approves nursing and pharmacy technician education programs.

The Department of Health Professions' services are affected by several forces. Chief among these are:

- Legislative federal and state mandates largely arising from health reform that increase practitioner regulation requirements
- Number of new professions the General Assembly designates as requiring licensure
- Number of individuals who apply for licensure, certification, or registration, and the number who renew
- Number and nature of reports alleging licensee misconduct
- Demand for information from the general public, employers, insurers, and others
- Board regulations which affect licensee practice
- Demand and associated costs for technology

Virginia's demand for safe and effective healthcare services and attendant information will continue to increase along with its growing and aging population and health reform measures anticipated increasing access to care.

## Performance Highlights

The Department of Health Professions' two Key Performance Measures relate directly to its mission. The safety, health, and well-being of the general public and patients are promoted by the prompt processing of qualified applications for initial licensure. DHP also provides information to health care practitioners and prescribers through the Prescription Monitoring Program (PMP). This technology assists prescribers in deterring the illegitimate use of prescription drugs.

Licensure efficiency is assessed through the Key Performance Measure of percent of initial licenses processed within 30 days of receipt of a complete application. The perceived value of the PMP information to prescribers is measured by the Key Performance Measure of the number of prescriber queries to the PMP as a percent of prescriptions added. Prescriptions are added to the PMP database at the time of dispensing. An increase in prescriber queries to this database would indicate that prescribers see the system as a useful tool for providing good patient care.

The percent of initial licenses processed in 30 days of receipt of a complete application has remained consistently high, maintaining well above the goal of 97%. The PMP Key Performance Measure is relatively new, but is expected to increase as healthcare providers see the value in the ability to identify those seeking medications for illegitimate purposes.

These key measures are utilized to gauge and monitor performance. This information is available on a quarterly basis and provides a ready means to educate others on the Department of Health Professions actions.

## Staffing

Authorized Maximum Employment Level (MEL)	219
Salaried Employees	210
Wage Employees	31
Contracted Employees	20

## Key Risk Factors

### Increasing Costs:

The Department of Health Professions receives no support from the General Fund; cost increases are absorbed entirely from licensure and renewal fees. The biggest cost-drivers are complaints against licensees, IT services from the VITA/NG Partnership, and employee-related expenses. Complaints have increased 7.4% between FY13 and FY14. The trend is likely to continue as demand for healthcare services increases, particularly as the population ages and the full effects of healthcare reform legislation begin to manifest. As costs increase so may the necessity to seek fee increases.

To keep pace with societal changes and to minimize the need for additional program staff, additional resources may need to be devoted to Information Technology. There will also need to be a fundamental change in approach and underlying assumptions of how business is done.

### Occupations with Few Licensees:

Some regulated occupations lack sufficient numbers to cover their regulatory costs. This is placing a strain on individual boards' cash resources.

### Changing Face of Healthcare:

Healthcare reform is expected to bring significant changes to the nation's healthcare system. Some of this will involve new professions, scopes of practice, and alternative approaches to patient care. These could have significant impacts on the licensure and regulation of health professionals which could be felt by the end of the next biennium; others not for many years. In any event, the agency will have to adapt to the changing face of healthcare.

## Management Discussion

### General Information About Ongoing Status of Agency

Virginia's demand for safe and effective healthcare services continues to rise with its growing and aging population and health reform measures aimed at increasing access. Healthcare is rapidly responding with efforts to avoid shortages resulting from the inevitable retirement of baby boom practitioners and younger practitioners desire for work and home balance. In response, innovative team delivery approaches, new occupations, and practitioner employment status changes are emerging.

Patient and public health and well-being remains primary and will continue to be promoted through efficient licensing and regulating of competent healthcare professionals and facilities, taking timely and appropriate disciplinary action in cases of misconduct, and providing relevant information to the public.

The Department of Health Professions intends to continue to provide exemplary performance on its four Key Measures related to licensing and discipline and to continue the Sanctions Reference Point Program. The agency will complete implementation of dynamic online licensing applications for all boards, expand the use of online license renewal notifications through e-mail, and assess other communication improvements. The Department of Health Professions is also expanding Board of Health Professions and Healthcare Workforce Data efforts that provide objective research to inform key, relevant health practice and workforce policies.

The Department of Health Professions also endeavors to improve quality healthcare education through ensuring that 100% of nursing scholarship payments are processed, assuring quality nursing education program oversight through site visits, consultations, and investigation of complaints.

Finally, the Department of Health Professions intends to increase coordination with other agencies on health workforce issues and to promote enhanced communications with licensees, the public, and the media. These efforts are designed to raise awareness statewide of the importance of the healthcare sector and the future needs for an expanded healthcare workforce.

### **Information Technology**

Proposed IT initiatives include migrating the agency's mission critical licensing system to a web-based system and expanding dynamic on-line licensure applications to all professions. All proposed initiatives can be funded within the agency's operating budget. Increases in IT funding may be necessary if VITA/NG related costs continue to increase. It is anticipated that data storage costs will increase as we are required to retain large amounts of historical data as part of our mission. There may also be additional costs related to information security and ensuring successful continuity of operations.

### **Estimate of Technology Funding Needs**

### **Workforce Development**

The Department of Health Professions continues to attract and retain employees who possess considerable health care experience and have earned related advanced degrees. Many employees are older than average state employees and are second career professionals. The number of official/administrators and professional occupation positions is 67%, well above the 38% state average.

The current turnover rate is relatively low, at 6.9%. But, approximately 8.3% of our current employees including over 90% of executive leadership staff could retire immediately with reduced or unreduced benefits.

The agency routinely monitors pay, hiring, disciplinary and grievance information to ensure that our practices support federal, state and agency goals and objectives related to sound workforce management. Given significant retirement projections, the Department of Health Professions Salary Administration Plan includes exceptional recruitment and retention options. Average Department of Health Professions salary is above \$62,000, exceeding average state salaries by about 35%. The Agency efforts continue to diversify the overall employee population. Opportunities for females in professional and administrative management occupations are statistically recognized, and the Department of Health Professions has a track record of successfully recruiting and retaining veterans. Approximately 54% of the Department of Health Professions employees participate in an alternative work schedules and almost 64% are eligible to telecommute.

In addition to the need to assess agency resources based upon retirement risks, the Department of Health Professions management continues to review its organizational structure to ensure that appropriate resources are assigned to core activities.

### **Physical Plant**

The agency leases non-state space at an annual cost of approximately \$1.32 million. It also requires that some of its employees establish home offices. Currently 64% of the Department of Health Professions' employees participate in telecommuting. Teleconferencing systems have been put into place to optimize existing infrastructure use. Due to these strategies no expansion of office space is anticipated.

## **Supporting Documents**

<b>Title</b>	<b>File Type</b>
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**Scholarships [10810]**

**Description of this Program / Service Area**

In 1991, the General Assembly created the Nursing Scholarship and Loan Repayment Fund. Funding for the scholarship fund is provided through a \$1.00 surcharge assessed on the initial application and on the renewal of licenses for registered and licensed practical nurses. The purpose of the fund is to finance scholarships for part-time and full-time students enrolled in or accepted for enrollment by licensed practical or registered nursing programs and those registered nurses, licensed practical nurses, and certified nurse aides who agree to perform a period of nursing service in a Virginia long-term care facility. The program is administered jointly by the Department of Health Professions and the Virginia Department of Health. A portion of the total funding for the program is provided by Virginia Department of Health.

Department of Health Professions collects the money and deposits it into the Scholarship Fund. The Department of Health determines the recipients and sends to the Department of Health Professions the names of the recipients and the schools they plan to attend. The Department of Health Professions, in turn, distributes the awards to the schools according to the list provided by Virginia Department of Health. Any balances left in the fund at year-end automatically carry forward to the next fiscal year. For Fiscal Year 2014, revenue amounted to \$67,237 and expenditures totaled \$58,257. (NOTE: These numbers reflect Department of Health Professions' revenue and expenditures only. They do not include Virginia Department of Health's portion of the program.)

**Mission Alignment**

Although this service area is fiscally modest, it is an integral part of the agency's mission, particularly given the well-documented shortage of health care professionals, especially in the nursing field.

**Products and Services**

**Description of Major Products and Services**

The service provided through this activity is scholarships to nursing students.

**Anticipated Changes**

Given the limit on revenues created by the legislative cap on the surcharge, it is unlikely that there will be significant changes in the program for the foreseeable future.

**Factors Impacting**

**Financial Overview**

All funding for this service area is derived from a legislatively mandated surcharge on renewal fees for licensed practical and registered nurses.

Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	0	65,000	0	65,000
Changes to Initial Appropriation	0	0	0	0

**Supporting Documents**

**Title** **File Type**

## Technical Assistance to Regulatory Boards [56044]

### Description of this Program / Service Area

Virginia's 13 health regulatory boards are responsible for the licensing and the discipline of health practitioners, and promulgating the regulations that govern health practitioners. Some boards have additional responsibilities. For example, the Board of Nursing accredits nursing programs. The Department of Health Professions' employees support the boards in their activities, but it is the members of these boards who have the ultimate authority to promulgate regulations and make case decisions.

The Governor appoints all board members, most of whom are health professionals licensed by the boards to which they are appointed. All boards have citizen members – at least one and as many as four, depending on the size of the board. Board members serve four-year terms and cannot serve more than two successive full terms.

Licensure or certification in each profession typically requires the completion of a board-approved professional education program and the passage of an approved examination in the applicant's chosen professional field. At the end of the 2012-2014 Biennium, the 13 health regulatory boards regulated more than 374,000 health professionals, facilities, and other designated entities. This represents a 8.4% increase over the prior biennium and a 36.4% increase during the last ten years.

A vital part of the boards' licensing responsibilities is the investigation and adjudication of complaints and allegations of misconduct against licensees. During the 2012-2014 Biennium, the boards managed over 11,800 disciplinary cases.

The investigation and preparation of disciplinary cases presented to the boards is handled by Department of Health Professions staff. Formal hearings are prosecuted by the Attorney General's Office or by the Department of Health Professions' Administrative Proceedings Division. All disciplinary cases are decided in accordance with Virginia's Administrative Process Act .

The health regulatory boards are also responsible for promulgating the regulations governing the professionals under their purview. These regulations establish initial licensure requirements, set fee rates and renewal requirements, and establish standards for practice.

The Board of Health Professions (BHP) was created in 1977 to assist the health regulatory boards develop guidelines governing health care professionals in Virginia. The Board of Health Professions is also responsible for reviewing the agency's budget and advising the Department of Health Professions Director, General Assembly, and the Governor on matters related to the regulation of health care professions. The Board of Health Professions is comprised of 18 members, one from each of the 13 health regulatory boards, and five citizens (consumers), all appointed by the Governor.

The primary activities included in this service area are:

- Licensing applicants who meet defined standards as determined by law and regulation.
- Issuing licenses or permits to specified health related facilities that are in compliance with applicable laws and regulations, and inspecting to verify continued compliance.
- Ensuring occupational competency by monitoring and enforcing continuing education or experience requirements, as required by law and/or regulation.
- Enforcing compliance with legal policies and assuring professional accountability through diligent investigation of complaints, application of established standards, and objective disciplinary decisions.
- Studying, evaluating and recommending the appropriate type and degree of regulation for health professions and occupations.

### Mission Alignment

This service area supports the core mission of the agency.

#### Statutory Authority

Sections 54.1-100 through 54.1-117, Code of Virginia

Sections 54.1-2400 through 54.1-3813, Code of Virginia

#### Chapter 24 of Title 54.1; General Provisions

- Provides the general powers and duties of health regulatory boards including the responsibilities for licensure, promulgation of regulations, levying and collecting fees sufficient to cover all expenses, holding administrative proceedings, and taking appropriate disciplinary actions.
- Provides for the confidentiality of investigations, suspension of licenses for certain causes, and mandated reporting of misconduct by health care institutions and other officials.
- Enacted 1966, last updated 2014.

#### Chapter 24.1 of Title 54.1; Practitioner-Self Referral Act

- Prohibits referrals by health providers of patients to facilities where that practitioner has an ownership interest in that entity.
- Contains cost of health care by reducing unnecessary demand for services; permits freedom of choice.
- Enacted 1993, parts became effective July 1, 2010.

#### Chapter 25 of Title 54.1; Department and Board of Health Professions

- Provides administrative structure and authority for administration, enforcement, oversight, coordination and policy analysis dealing with the regulation of health care provided in the Commonwealth.
- Board coordinates policy reviews and provides advisory oversight for disciplinary and regulatory issues.
- Assures coordination with other government agencies economies of scale, effectiveness and adequate policy analysis.
- Enacted 1977, last updated 2012.

#### Chapter 25.1 of Title 54.1; Health Practitioners' Monitoring Program; Director, DHP

- Provides monitoring services for practitioners affected by physical or mental disabilities, including substance abuse.
- Operated for the benefit of all boards by the Department
- Enacted 1997, last updated 2009.

#### Chapter 25.2 of Title 54.1; Prescription Monitoring Program

- Provides for the collection and limited disclosure of all Schedule II through IV controlled substances dispensed in Virginia.
- Provides information to law enforcement officers, prescribers, dispensers, and regulators regarding inappropriate and unlawful receipt of controlled drugs to combat abuse.
- Enacted 2002, last updated 2014.

#### Chapter 26 of Title 54.1; Audiology and Speech-Language Pathology

- Licenses and regulates audiologists and speech-language pathologists providing hearing and speech therapy.
- Assures minimum competency and provides for disciplinary action in response to misconduct.
- Enacted 1972, last updated 2014.

#### Chapter 27 of Title 54.1; Dentistry

- Licenses and regulates dentists and dental hygienists who provide oral health care to the public; authorized to register dental assistants II with expanded duties in oral care.
- Assures minimum compliance of those entering the profession and disciplinary action in response to misconduct.
- Enacted 1886, last updated 2013.

#### Chapter 28 of Title 54.1; Funeral Directors and Embalmers

- Licenses and regulates funeral service practitioners and establishments including regulation of commercial practices and handling of pre-need funeral contracts including trust funds. Registers funeral service interns and crematories.
- Assures minimum competency for those providing services and inspection of facilities and accounts. Provides avenue for complaints by citizens.
- Enacted 1894, last updated 2014.

#### Chapter 29 of Title 54.1; Medicine

- Assures minimum competency of individuals to deliver medical and allied health care services and provide an avenue for action for misconduct in the course of the delivery of these services.
- Enacted 1884, last updated in 2014.

#### Chapter 30 of Title 54.1; Nursing

- Licenses and regulates nurses, nurse practitioners (see Section 54.1-2957), registered nurses, and practical nurses. Certifies massage therapists and registers medication aides.
- Assures minimum competency for the practice of nursing and takes action against nurses for misconduct.
- \$1.00 from each nurse's license application and renewal fee goes to a scholarship fund for the education of registered and licensed practical nurses.
- Requires registration of medication aides who administer drugs to residents of assisted living facilities.
- Enacted 1903, last updated 2012.

#### Chapter 30 of Title 54.1-Article 4 and 42 U.S.C §§ 1395i-3(e), (f), and (g); 1819; and 1919 of the Social Security Act; Nurse Aides of the Board of Nursing

- Provides for certification, registration and regulation of nurse aides who care for patients in skilled care facilities or home health settings.
- Assures minimum competency of nurse aides to care for residents in skilled care facilities and provides for removal from practice of aides who abuse or neglect patients or steal their property.
- Virginia law enacted in 1989, updated 2011. Federal law enacted 1987, and last amended in 1997.

#### Chapter 31 of Title 54.1; Long-Term Care Administrators

- Regulates individuals who are administrators of skilled care and assisted living facilities.
- Assures minimum competency of those who administer nursing homes and assisted living facilities and provides for disciplinary action for misconduct.
- Enacted 1970, last updated 2011.

#### Chapter 32 of Title 54.1; Optometry

- Regulates individuals who practice optometry, which includes ascertaining eye defects that may be treated using lenses, visual training, orthoptics or certain permitted pharmaceutical agents.
- Assures minimum competency of those offering optometric services to the public and provides a mechanism for action dealing with misconduct by practitioners.
- Enacted 1916, last updated 2009.

#### Chapter 33 of Title 54.1; Pharmacy

- Regulates the practice of pharmacy and the manufacturing, wholesaling, dispensing, selling, and compounding of drugs. The board also registers practitioners, pharmacy technicians, or entities who sell or possess drugs.
- Assures the safe dispensing of drugs to patients and coordination of drug therapies through the testing for minimum competency for pharmacists; also provides for disciplinary action for misconduct.
- Enacted 1886, last updated 2014.

#### Chapter 34 of Title 54.1; Drug Control Act

- This basic law governs the conduct of manufacturers, wholesalers, distributors, prescribers and dispensers and others in manufacturing, distribution, prescribing, administering and dispensing of drugs.
- Assures the safe delivery of controlled drugs and prevents illegal diversion and misuse.
- Enacted 1970, updated 2014.

#### Chapter 34.1 of Title 54.1; Physical Therapy

- Licenses physical therapists and physical therapist assistants, who evaluate, treat, educate, and rehabilitate individuals with physical disorders due to trauma, disease or defect.
- Assures minimum competency and disciplinary action in response to misconduct.
- Enacted 2000 as separate board; updated 2010.

#### Chapter 35 of Title 54.1; Professional Counseling

- Regulates counseling, rehabilitation providers, substance abuse counseling, and marriage and family therapy services rendered to individuals and families to facilitate development and remediate emotional or behavioral disorders.
- Assures minimum competency of those individuals providing counseling services to the public and an avenue for disciplinary action in response to misconduct by these providers.
- Enacted 1976, last updated 2013.

#### Chapter 36 of Title 54.1; Psychology

- Regulates individuals who provide psychotherapy and counseling, including school psychologists and sex offender treatment providers.
- Assures minimum competency and disciplinary action for those who engage in misconduct.
- Enacted 1946, last updated 2004.

#### Chapter 37 of Title 54.1; Social Work

- Regulates individuals who provide social work services to individuals, groups and families in a relationship intended to help modify behavior.
- Assures minimum competency for those who engage in social work and provides for disciplinary action for misconduct.
- Enacted 1966, last updated 2013.

#### Chapter 38 of Title 54.1; Veterinary Medicine

- Regulates the practice of veterinarians, veterinary technicians, and equine dental technicians who prevent, cure or alleviate disease and injury in animals. Facilities are also regulated.
- Assures minimum competency for those engaged in veterinary practice and disciplinary action for misconduct.
- Enacted 1896, last updated 2014.

### **Products and Services**

#### **Description of Major Products and Services**

- Licensing, certifying, registering, and permitting individuals and entities that meet requirements to practice health care professions in Virginia.

- Enforcing laws and regulations governing health care delivery.
- Investigating and adjudicating reports and complaints against health care providers.
- Reviewing, developing, and proposing regulations and legislation promoting the safe delivery of health care.
- Approving educational programs that satisfy requirements for initial and ongoing licensure, certification or registration.
- Providing consumer information about health care providers, requirements, and standards.
- Providing administrative services in support of the 14 health regulatory boards, the agency's mission, and its programs.
- Collecting data and providing information through the Prescription Monitoring Program secure database to deter the misuse, abuse, and diversion of controlled substances.
- Collecting and providing information relative to healthcare workforce through the Department of Health Professions Healthcare Workforce Data Center.
- Monitoring impaired healthcare providers through the Healthcare Practitioner Monitoring Program.

### **Anticipated Changes**

Both the number of patients entering the healthcare system and the number of licensees are anticipated to increase over the next decade. These factors are likely to increase the number of complaints and mandatory reports filed with the agency leading to increased resources that must be devoted to the investigation and adjudication of those complaints. The demand for information from the general public, healthcare institutions, employers and insurers will also likely increase as the number of licensees and complaints increase.

The Prescription Monitoring Program will expand its secure database and increase educational efforts with the additional funding noted below in Financial Overview.

### **Factors Impacting**

The agency's services are affected by a number of different forces. Chief among these are:

- Federal and state legislative mandates and requests regarding requirements for regulating practitioners and facilities, the use and scope of the Prescription Monitoring Program, and policy analysis involving health care practice and workforce needs.
- the number of individuals and facilities who apply for licensure, registration, or certification in a covered healthcare profession,
- the number of individuals and facilities who renew their licenses each year,
- the number of new professions designated by the General Assembly as requiring licensure,
- the number and nature of reports and complaints alleging misconduct on the part of a regulated individual or facility,
- the demand for information from the general public, employers, and insurers,

- regulations adopted by health regulatory boards affecting the practice of their respective licensees and their scope of practice, and
- increasing demand and associated costs for technology.

### Financial Overview

The Department of Health Professions is a self-supporting, fee-based agency. No support is provided from the state’s General Fund. For fiscal year 2014, total revenues were approximately \$30.8 million. Of that, approximately 96.89% was from fees associated with the licensure, certification, or registration of the various healthcare professions. All fees are set by regulations adopted by the health regulatory boards through the state’s rulemaking procedures consistent with the Administrative Process Act. Of the remaining amount, approximately 2.45% represented the combined Medicare and Medicaid share of the Certified Nurse Aide program, funded through reimbursements from the Department of Health and the Department of Medical Assistance Services. Miscellaneous revenue from non-revenue producing departments accounted for 0.27% of total revenue.

Approximately 0.39% of the Agency's Fiscal Year 2014 revenue came from interest earned on the Prescription Drug Monitoring Trust Fund. Investment of the Trust Fund is managed by the Department of the Treasury, and all interest earned is credited to the Department of Health Professions for the support of the Prescription Monitoring Program.

Approximately 65% of the agency’s operational budget is devoted to the investigation and adjudication of complaints against healthcare providers. Approximately 20% is devoted to initial licensing and subsequent renewals. The remaining 15% is divided between the agency’s administrative, support, financial, information technology, and rulemaking activities. Approximately 65% of the agency’s expenditures are for employee salaries, wages, and fringe benefits.

The increases are associated with additional funding for the Prescription Monitoring Program, the new statewide accounting system, information technology and telecommunication charges, the cost of the Performance Budgeting system, and workers compensation premiums. Increases will also be associated with the creation of a new licensing category and regulatory oversight of sterile compounding outsourcing facilities and the cost of processing background checks on all initial applications for licensure for Registered Nurses and Licensed Practical Nurses as passed by the 2015 General Assembly.

#### Biennial Budget

	2015 General Fund	2015 Nongeneral Fund	2016 General Fund	2016 Nongeneral Fund
Initial Appropriation for the Biennium	0	27,557,241	0	27,731,429
Changes to Initial Appropriation	0	0	0	374,655

### Supporting Documents

**Title** **File Type**