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**Agency Purpose**

The Board of Physical Therapy is responsible for protection of the public through the regulation of physical therapists and physical therapist assistants in the State of Minnesota. Regulation is accomplished through licensure examination and renewal, as well as investigation and resolution of complaints under Minnesota Statutes 148.65-148.78 and Rules 5601.0100-5601.3200.

The mission of the Board is to protect the public through licensure of qualified physical therapists (PT) and physical therapist assistants (PTA), and to provide timely and impartial resolution of complaints against licensees, including discipline, when warranted.

**At a Glance**

**Complaint Review & Investigative Services**

- Investigate 102 jurisdictional complaints
- Monitor ten PTs and PTAs under discipline order
- Monitor eight PTs and PTAs under agreements for corrective action
- Assure monitoring of 15 PTs and PTAs in the Health Professional Services Program

**Education Services**

- 968 Continuing Education courses reviewed
- 20 Presentations provided at PT and PTA educational programs

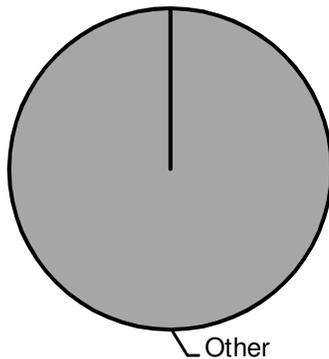
**Credentialing Services**

- 5,400 Licensees
  - 4,100 Physical Therapists (PT)
  - 1,300 Physical Therapist Assistants (PTA)
- 10,407 Licenses renewed, 90% submitted online
- 682 PT and PTA initial applications processed, 52% submitted online
- 307 Temporary Permits issued
- 520 Examinations authorized

**Staff**

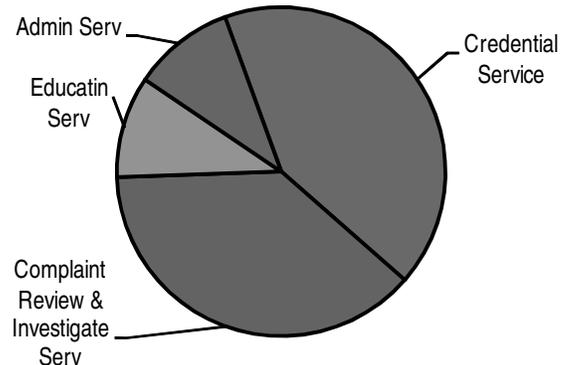
- 3.0 full time equivalent employees

**Est. FY 2010-11 Expenditures by Fund**



Source: Consolidated Fund Statement.

**Est. FY 2010-11 Expenditures by Service**



Source: Board expenses allocated to the services provided by the board.

**Strategies**

- To protect public safety through the investigation of complaints against physical therapists and physical therapist assistants, the identification of licensees who fail to maintain the minimum standards necessary for the provision of safe and quality care, and when warranted, the provision of timely and appropriate disciplinary or corrective action.
- To support public protection by ensuring that applicants meet the standards for initial licensure; and that licensees meet the standards, including continuing competence requirements, for license renewals.
- To provide information and education to the public, other interested parties, and licensees.

**Operations**

The Board is committed to public protection and to responsive, efficient, and cost-effective services. The eleven member Board of Physical Therapy (three public members, five physical therapists, two physical therapist assistants, and one medical doctor) set the direction for the Board, oversee the agency's activities, and serve as

members on the Complaint Review, Continuing Education, Licensure, Administration, and Legislative Committees, and Continuing Competence Task Force.

#### Complaint Review and Investigative Services:

- Public protection is provided through the investigation of complaints and discipline of licensees, and monitoring of licensees under discipline orders and agreements for corrective action.
- The board's website offers services to the public, licensees, employers, third party payers, and other government agencies, including complete text of disciplinary orders, information on the complaint process, complaint registration forms, and individual licensee licensure status and disciplinary history.

#### Credentialing Services:

- Initial Licensure: 52% of applicants used online application service during first year of availability
- License Renewals: 90% of licensees use the online renewal service. Historical growth from FY 2004-05 at 22%, FY 2006-07 at 44%, to FY 2008-09 at 85%.
- Online services include license verification, address and contact information changes, license renewals, information for licensees, and initial licensure application forms. Continuing education application forms and instructions, and physical therapy statutes and rules are printable from the website.

#### Educational Services:

- Information and resources for the public, licensees, employers and other governmental agencies are available from the Board website (<http://www.physicaltherapy.state.mn.us>) and direct communication. Online services include: license verification, address and contact information changes, license renewals, initial license applications, and resources. Online printable forms include: continuing education application forms and physical therapy statutes and rules.
- Public information is provided by dedicated staff answering the phone and responding to email inquiries during business hours.
- Continuing Education courses review and approval
- Educational presentations to the Physical Therapist and Physical Therapist Assistant educational programs in Minnesota.

### Key Activity Goals & Measures

Public Protection: The vision of the board is to ensure that Minnesota citizens receive quality physical therapy services from competent physical therapists.

- Initiate and complete rulemaking for continuing competency revisions by the end of FY 2013.
- Implement online complaint registration function by the end of FY 2013.

Government in Minnesota will be cost-efficient, and the services will be designed to meet the needs of the people who use them. Minnesota Milestones #36 Satisfaction with Government Services and #37 Price of Government.

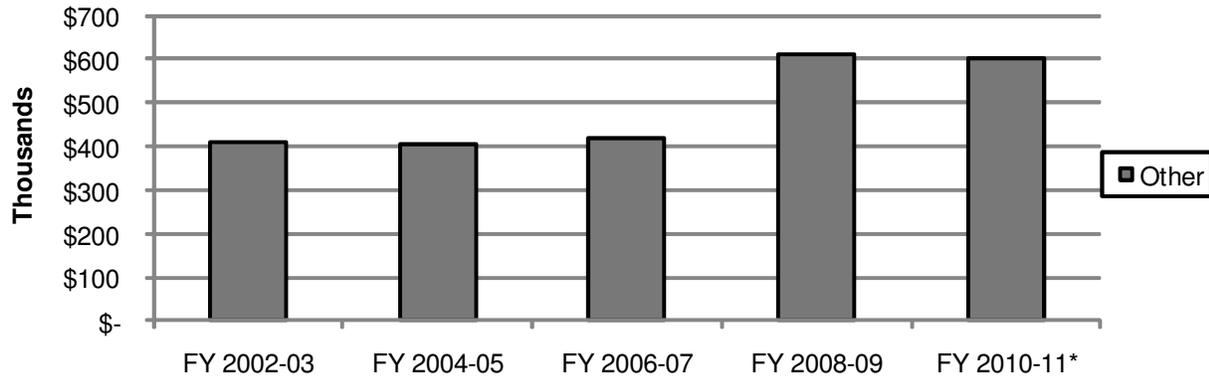
- Maintain the standard of processing online and paper annual renewal applications within 1-2 business days of receipt of all licensing requirements with 85-90% of licensees using the online renewal system. Historical renewal processing has been consistently achieved on the same or next business day with participation rates in FY 2004-05 at 22%, FY 2006-07 at 44%, FY 2008-09 at 85%, and FY 2010 at 90%.
- Process online and paper initial license applications in 1-2 business days with 70% of applications submitted online.
- Enhance and progress the development of the Board's integrated, comprehensive database for discipline, licensing, and web services, to add user friendly functionality for staff and licensees utilizing the most efficient ratio of development and maintenance cost to outcomes and functionality. This is an ongoing goal.

### Budget Trends

The board is responsible for collecting sufficient revenue to cover both direct and indirect expenditures. The board is estimated to collect \$864,000 in FY 2010-11, which is deposited as non-dedicated revenue into the state government special revenue fund.

From this fund, the board receives a direct appropriation to pay for agency activities such as salaries, rent, costs for disciplinary/contested cases and operating expenditures. It also pays statewide indirect costs through an open appropriation. In FY 2010-11, total expenditures for these purposes are estimated at \$601,000. The chart below shows funding trends over the last five biennia for the direct and open appropriation.

**Total Expenditures by Fund**



\* FY 2010-11 is estimated, not actual

Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of 07/31/10.

Board fees are also responsible for covering a prorated share of support functions provided outside of the Board itself. These include legal support (Attorney General), statewide e-licensing system development and operations (Office of Enterprise Technology), centralized administrative support (Health Boards Administrative Services Unit) and funding for services to health professionals (Health Professionals Services Program). In FY 2010-11, some of the health boards' reserves in the state government special revenue fund were also transferred to the general fund. The table below displays direct and open appropriation expenditures, external support costs (prorated share), and the general fund transfers (prorated share) estimated in FY 2010-11.

	FY 2010-11 (in thousands)
Board's Direct and Open Appropriations	\$ 601
Board's External Support Costs and Transfers (prorated Share)	
• Attorney General support	61
• E-licensing support	89
• Central administrative service unit	38
• Health professional service program	22
• General fund transfer	259
Total	1,070
Fees Collected by Board	\$864
Prorated Surplus/(Deficit)	(206)

In most years, Board fee revenues exceed direct expenditures and external support costs, and as directed by law, the surplus is used to maintain a reserve in the state government special revenue fund. It should be noted here that the FY 2010-11 transfers to the General Fund, along with unanticipated increases in the support costs discussed above, have resulted in the Board's fee revenue not covering its prorated costs and transfers.

An external economic factor which will impact the agency's operations is an emerging trend toward single source national association approval for continuing education courses and providers which will likely decrease the Board's revenue from review of continuing education courses during FY 2012-13.

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**PHYSICAL THERAPY BOARD**

Agency Overview

*Dollars in Thousands*

	Current		Governor Recomm.		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Direct Appropriations by Fund</u></b>					
<b>State Government Spec Revenue</b>					
Current Appropriation	295	295	295	295	590
<b>Recommended</b>	<b>295</b>	<b>295</b>	<b>0</b>	<b>0</b>	<b>0</b>
Change		0	(295)	(295)	(590)
% Biennial Change from 2010-11					-100%
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
State Government Spec Revenue	274	316	0	0	0
<b>Open Appropriations</b>					
State Government Spec Revenue	5	7	0	0	0
<b>Statutory Appropriations</b>					
State Government Spec Revenue	0	0	420	420	840
<b>Total</b>	<b>279</b>	<b>323</b>	<b>420</b>	<b>420</b>	<b>840</b>
 <b><u>Expenditures by Category</u></b>					
Total Compensation	235	238	241	248	489
Other Operating Expenses	44	85	179	172	351
<b>Total</b>	<b>279</b>	<b>323</b>	<b>420</b>	<b>420</b>	<b>840</b>
 <b><u>Expenditures by Program</u></b>					
Physical Therapy Bd	279	323	420	420	840
<b>Total</b>	<b>279</b>	<b>323</b>	<b>420</b>	<b>420</b>	<b>840</b>
 <b>Full-Time Equivalents (FTE)</b>	 <b>3.0</b>	 <b>3.0</b>	 <b>3.0</b>	 <b>3.0</b>	

**PHYSICAL THERAPY BOARD**

Change Summary

<i>Dollars in Thousands</i>				
	FY2011	Governor's Recomm.		Biennium
		FY2012	FY2013	2012-13
<b><i>Fund: STATE GOVERNMENT SPEC REVENUE</i></b>				
<b>FY 2011 Appropriations</b>	295	295	295	590
<b>Subtotal - Forecast Base</b>	295	295	295	590
<b>Change Items</b>				
Convert to Dedicated Funding	0	(295)	(295)	(590)
<b>Total Governor's Recommendations</b>	295	0	0	0
<b><i>Fund: STATE GOVERNMENT SPEC REVENUE</i></b>				
<b>Planned Open Spending</b>	7	9	9	18
<b>Change Items</b>				
Convert To Dedicated Funding	0	(9)	(9)	(18)
<b>Total Governor's Recommendations</b>	7	0	0	0
<b><i>Fund: STATE GOVERNMENT SPEC REVENUE</i></b>				
<b>Planned Statutory Spending</b>	0	0	0	0
<b>Change Items</b>				
Convert to Dedicated Funding	0	420	420	840
<b>Total Governor's Recommendations</b>	0	420	420	840

# PHYSICAL THERAPY BOARD

## Change Item: Convert to Dedicated Funding

Fiscal Impact (\$000s)	FY 2012	FY 2013	FY 2014	FY 2015
Health Related Boards Fund (171)				
<b>Direct Appropriated Account</b>				
Expenditures	\$(295)	\$(295)	\$(295)	\$(295)
Non-Dedicated Revenue	(420)	(420)	(420)	(420)
<b>Open Appropriated Account</b>				
Expenditures	(9)	(9)	(9)	(9)
<b>Dedicated Account</b>				
Expenditures	420	420	420	420
Dedicated Revenue	420	420	420	420
Transfer In	0	0	0	0
Net Fiscal Impact	\$116	\$116	\$116	\$116

### Recommendation

The Governor recommends changing the way appropriations are made to the health related licensing boards that operate in the state government special revenue fund. Under this proposal, the boards' funding would be converted from direct appropriations to dedicated appropriations, giving each board spending authority equal to its fee revenue and any accumulated balance. The net effect of this change is the difference between the board's current base appropriations and projected revenues.

### Rationale

This proposal places ownership in the boards' 183 appointed members to be efficient and cost effective in setting their spending levels, while providing continued legislative oversight in the setting of the boards' fees. It encourages the boards to find efficiencies and ensures the fees paid by each occupation are dedicated to the boards' mission to protect the public and ensure that Minnesota citizens receive quality care by qualified licensed health professionals. The establishment of the dedicated appropriation will improve the boards' management of resources and transparency for licensees.

The health related licensing boards are fee-supported organizations that receive no General Fund dollars. The boards currently collect and deposit fees as non-dedicated special revenue into the health related boards account in the state government special revenue fund (171). The legislature then provides a direct appropriation from these revenues to each board for its operating expenses. Unlike agencies that receive direct appropriations from the General Fund, the boards must ensure that licensing fees are collected to recover each board's direct and indirect expenditures to maintain the solvency of the state government special revenue fund. For this reason, the health boards already operate much like agencies with dedicated appropriations—except that they must seek appropriation authority to gain access to their existing fee revenue.

This proposal changes the boards' non-dedicated revenue to dedicated revenue within the same fund and provides each board with a dedicated appropriation from the board's revenue. Additionally, the current accumulated fund balance within the health related boards account will be transferred to individual boards based on each board's contribution to the balance. M.S. 16A.1283 requires that all fee increases be approved by the legislature, so even with a dedicated funding arrangement, the boards must still seek legislative action to increase spending beyond current law fee revenues.

### Key Goals and Measures

Minnesota Milestone: Government in Minnesota will be cost-efficient, and services will be designed to meet the needs of the people who use them. Minnesotans expect their state and local governments to spend money carefully and effectively.

Measures:

- Transparency of fees and expenditures
- The level of service provided to licensees and Minnesota citizens.

**Statutory Change:** Minnesota Statutes Chapter 148

**PHYSICAL THERAPY BOARD**

Agency Revenue Summary

*Dollars in Thousands*

	<b>Actual FY2010</b>	<b>Budgeted FY2011</b>	<b>Governor's Recomm. FY2012   FY2013</b>		<b>Biennium 2012-13</b>
<b><i>Non Dedicated Revenue:</i></b>					
<b>Departmental Earnings:</b>					
State Government Spec Revenue	442	423	0	0	0
<b>Other Revenues:</b>					
State Government Spec Revenue	(37)	0	0	0	0
<b>Total Non-Dedicated Receipts</b>	<b>405</b>	<b>423</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><i>Dedicated Receipts:</i></b>					
<b>Departmental Earnings:</b>					
State Government Spec Revenue	0	0	420	420	840
<b>Total Dedicated Receipts</b>	<b>0</b>	<b>0</b>	<b>420</b>	<b>420</b>	<b>840</b>
<b>Agency Total Revenue</b>	<b>405</b>	<b>423</b>	<b>420</b>	<b>420</b>	<b>840</b>