

ARKANSAS STATE MEDICAL BOARD

Enabling Laws

Act 83 of 14

A.C.A. §17-95-202; A.C.A. §17-95-301

A.C.A. §17-88-201; A.C.A. §17-95-704

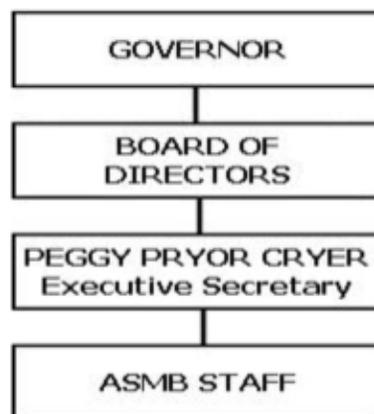
A.C.A. §17-99-201; A.C.A. §17-105-118

History and Organization

In 1955 the General Assembly of the State of Arkansas abolished the three existing medical examining boards to create a single board, namely the Arkansas State Medical Board. A fourteen (14) member Board of Directors appointed by the Governor for six (6) year terms governs it, consisting of twelve (12) physicians and two (2) consumer representatives. In 1971 the Arkansas Osteopathic Board was abolished, and the Arkansas State Medical Board was given the duty of licensing all Osteopathic physicians formerly licensed by the Osteopathic Board. In 1991 a practitioner of Osteopathic medicine was established as a permanent member of the Board of Directors for the Arkansas State Medical Board. In 1995 legislation was passed implementing the State of Arkansas Centralized Credentials Verification Service (CCVS). This Act established a central repository of physicians' credentials in the Arkansas State Medical Board office. In 1999, Act 1066 of 1995 was replaced by Act 1410, which mandated the use of this data repository by all credentialing organizations, hospitals, insurance companies, HMO's (in state and out of state) after specific criteria had been met. This program, which may serve as a model for other states, was designed and developed with the Arkansas State Medical Board. The criterion for implementation of the mandate phase of Act 1410 was met in August 2001, allowing the Board to set the implementation date of January 1, 2002.

The Board licenses and regulates physicians, physician assistants, doctors of osteopathy, occupational therapists, occupational therapy assistants, respiratory therapists, radiologist assistants, and radiology practitioner assistants. The Board also registers medical corporations. Licensure is by credentials, or by those who have successfully passed an examination approved by the Arkansas State Medical Board as set forth in their rules and regulations. Applications are processed by the office of the Executive Secretary, and then presented to the Board for their approval. The Board convenes bi-monthly and conducts all hearings on disciplinary actions as authorized and directed by the Arkansas Medical Practices Act. Under concepts of due process of law, each disciplinary hearing must be preceded by a formal notice, which is prepared by the Board attorney and then issued by the Executive Secretary. Each disciplinary charge is scheduled for a formal hearing before the Board and any citizen filing a charge or complaint against a physician before the Board is afforded a hearing. Any person attempting to practice medicine, respiratory care, occupational therapy, or as a physician assistant, radiologist assistant, or radiology practitioner assistant without being properly licensed, is subject to judicial action by the Board.

The Board is a cash agency and entirely self-supporting. The Board's revenues are received by fees charged for licensure, annual renewals, fines, credentialing requests, issuance of special certificates and permits, and requests for the Board Online Directories which list in real time all physicians, therapists, radiologist assistants, and physician assistants currently licensed by the Board.



Agency Commentary

The General Assembly empowered the Arkansas State Medical Board with the responsibility of ensuring the citizens of this state that those licensed by this Board meet and maintain high standards when providing the health care needs of the citizens of this state. The Board achieves this goal with its thorough licensing process and by applying the laws and regulations passed by the Legislature.

Personnel Request

Re-establish two (2) Pool Positions requested and approved in 2013. Two C113 Pool Positions were approved in 2013-2014 to accommodate the increased workload caused by the changes in the new Nationwide Health Care System. One position was dedicated to initial Licensure and one to the Centralized Credentials Verification Service (CCVS) program. Increased license applications has a direct effect on the increase of orders for physicians' credentials placed by Hospitals, Insurance Companies and other Credentialing Organizations mandated to utilize the Board's Credentials Verification program. The Board requests the continuation of these positions.

Website Developer, D064C - C118 The Board's IT Department is scheduled to rewrite and refresh the seven (7) year old data base that

general public. State Agencies, Legislators and others involved in planning and forecasting the future needs of health care workers in this state are requesting statistical data on a daily basis to assist in their planning effort to care for the needs of the citizens of this state.

Budget Manager, R019C C121 -The Medical Board operates within an approximately \$3,600,000 budget. Revenue is received from license applications, license renewal fees, fines and investigative expense reimbursements. These funds are received 24/7 by on-line credit card services, from license renewals and orders placed by CCVS Customers. These revenue sources must be tracked daily and balances monitored for accuracy and budgetary constraints.

One (1) Extra Help Position -The Board maintains approximately 50 workstations/monitors and 25 servers for an office consisting of 43 employees. Workstation replacement rotation of one-third of the computers is scheduled every year leaving two-thirds of the equipment to be maintained and/or rebuilt throughout the year. As these events exist, temporary personnel are needed to prevent a further strain of the existing full time employees.

Operating Expenses - Character 02

An increase of \$116,000 in FY16 and \$141,000 in FY17 to cover Rent increases of \$10,000 in FY16 and \$21,000 in FY17; \$18,000 in FY16 and \$30,000 in FY17 for Data Processing Supplies, Software Licenses and other expenses and services; \$38,000 in FY16 and \$40,000 in FY17 in Assistance Grants & Aid as outlined in Special Language to provide \$25.00 of each license renewal fee to an Arkansas Foundation that addresses issues with licensees who suffer from an alcohol or drug abuse problem; \$50,000 each year for Temporary Services to cover employment during the assessment and training period in the Credentialing Department which is a production unit that encounters continuous turnover.

Conference and Travel - Character 09

An increase of \$4,000 in FY16 to cover Microsoft Training at Complete Computing for instruction on the new Microsoft programs and technologies. FY17 increased cost covers \$4,000 for additional Microsoft training to maintain state of the art skills within the IT Department.

Professional Fees - Character 10

An increase of \$15,000 in FY17 is to cover the semi-annual survey fee to the National Certification of Quality Assurance (NCQA). The Medical Board's Credentialing Service (CCVS) must maintain NCQA Certification to remain compliant with the enabling legislation. This survey includes a review of the CCVS work product, the Policies and Procedures and to verify that the standard of appropriate data Security as provided through the Board's Information Technology Department is maintained.

Capital Outlay - Character 11

FY16 - \$451,600 is to refurbish the Board’s Master Data Center. The current physical equipment is six (6) years old and outages and periods of downtime impact the staff, C CVS customers, licensees and the general public. Included in this request is the ability to move away from storing backups on magnetic tapes to a more reliable disk/server based system to ensure appropriate 24/7 disaster recovery capabilities.

The Medical Board and the Centralized Credentials Verification Service both utilize this Master Data Center. It is imperative that the system maintain state of the art efficiency and security capabilities to provide service to hospitals, insurance companies and other credentialing organizations that are mandated by statute to obtain their credentialing information from the Board’s service.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE MEDICAL BOARD
FOR THE YEAR ENDED JUNE 30, 2013

Findings	Recommendations
None	None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	5	27	32	82 %
Black Employees	0	7	7	18 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			7	18 %
Total Employees			39	100 %

Cash Fund Balance Description as of June 30, 2014

Fund Account	Balance	Type	Location
3180000	\$200,000	Certificate of Deposit	Bank of England, England, AR

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$250,000	Certificate of Deposit	Iberia Bank, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$100,000	Certificate of Deposit	Eagle Bank, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$196,933	Certificate of Deposit	Parkway Bank, Portland AR

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$800,000	Certificate of Deposit	First Security Bank, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$1,054,816	Checking	Simmons Bank, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$607,611	Certificate of Deposit	Bank of the Ozarks, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
3180000	\$200,000	Certificate of Deposit	Centennial Bank, Little Rock

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Fees and penalties are collected throughout the year

Fund Balance Utilization:

Fund balance each year is carried forward to support the Board's operating budget.

Fund Account	Balance	Type	Location
PMB0100	\$129,583	Payroll	State Treasury

Statutory/Other Restrictions on use:

None

Statutory Provisions for Fees, Fines, Penalties:

A.C.A. §17-95-402 and 17-95-411 Fees, Fines & Penalties as established in law

Revenue Receipts Cycle:

Transfer funds from Operating Account in Fund 3180000

Fund Balance Utilization:

To pay all payroll, retirement, group insurance, board member stipends, workers comp, and unemployment insurance expenses

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Newsletter	A.C.A. §17-95-201	N	N	40,000	Update licensees, boards, and health related organizations.	0	0.00

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted Total	% of Authorized Unused
	Filled	Unfilled	Total				Filled	Unfilled	Total				Filled	Unfilled	Total		
41	40	1	41	0	2.44 %	41	40	1	41	0	2.44 %	41	40	3	43	-2	2.44 %

Budget Number of Positions may exceed the Authorized Number due to transfers from the Agency Growth Pool.

Analysis of Budget Request

Appropriation: A23 - St Medical-Operations

Funding Sources: 318 - Medical Board-Cash

The Arkansas State Medical Board is funded from fees charged by the Agency, as authorized by A.C.A. §17-88-304. The Board licenses and regulates physicians, physician assistants, doctors of osteopathy, physician assistants, occupational therapists and respiratory therapists. The Board also registers medical corporations. The goal of the Medical Board is that all citizens be provided the highest quality health care.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service Payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Bases level salaries will not include Merit Pay Increases. The Base Level salary of unclassified positions reflects the FY15 line item maximum plus the previously authorized 2015 1% Cost of Living Adjustment.

Base Level includes 41 full-time positions and one extra help position as well as maintenance and operation expenses totaling \$3,442,811 in FY16 and \$3,445,145 in FY17.

The Agency Change Level request totals \$759,656 in FY16 and \$363,056 in FY17 and includes the following increases:

- Regular Salaries and Personal Services Matching totaling \$177,829 in FY16 and FY17 to support four (4) positions: one (1) Budget Manager (C120), one (1) Website Developer (C118), and two (2) Licensing Coordinators (C113). These positions will be used to provide high quality Licensing Credential Verification services to licensees and the general public.
- Extra Help and Personal Services Matching totaling \$10,227 in FY16 and FY17 to support one (1) extra help position. This position will provide temporary support as needed to licensees and the general public.
- Operating Expenses totaling \$98,000 in FY16 and \$111,000 in FY17 to provide for a rent increase of \$10,000 in FY16 and 21,000 in FY17; \$38,000 in FY16 and \$40,000 in FY17 assistance grants to licensee; and \$50,000 each year for temporary services to assist with for credentialing services.
- Technology related Operating Expenses totaling \$18,000 in FY16 and \$30,000 in FY17 to provide for data supplies and software licenses.
- Technology related Conference & Travel Expenses totaling \$4,000 in FY16 and FY17 to provide staff additional computer training.

- Professional Fees and Services totaling \$15,000 in FY17 to provide for a certification review from the National Certification of Quality Assurance.
- Technology related Capital Outlay totaling \$451,600 in FY16 and \$15,000 in FY17 to replace aging data processing equipment and data systems which support agency licensing, compliance monitoring, enforcement activities and provide off-site data storage of backups for disaster recovery.

Costs associated with Agency's Technology related requests are documented in the Agency's Information Technology Plan.

The Executive Recommendation provides for Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: A23 - St Medical-Operations

Funding Sources: 318 - Medical Board-Cash

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,459,558	1,512,054	1,534,874	1,468,866	1,597,186	1,597,186	1,470,766	1,599,086	1,599,086
#Positions		43	43	41	41	45	45	41	45	45
Extra Help	5010001	12,086	15,000	15,000	15,000	24,500	24,500	15,000	24,500	24,500
#Extra Help		1	1	1	1	2	2	1	2	2
Personal Services Matching	5010003	529,444	552,050	544,328	537,265	587,501	587,501	537,699	587,935	587,935
Operating Expenses	5020002	1,369,366	1,237,180	1,237,180	1,237,180	1,353,180	1,353,180	1,237,180	1,378,180	1,378,180
Conference & Travel Expenses	5050009	934	15,000	15,000	15,000	19,000	19,000	15,000	19,000	19,000
Professional Fees	5060010	135,359	162,000	162,000	162,000	162,000	162,000	162,000	177,000	177,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements	5110014	3,931	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Capital Outlay	5120011	35,880	0	0	0	451,600	451,600	0	15,000	15,000
Total		3,546,558	3,500,784	3,515,882	3,442,811	4,202,467	4,202,467	3,445,145	3,808,201	3,808,201

Funding Sources										
Fund Balance	4000005	3,116,937	3,538,943		3,817,263	3,817,263	3,817,263	4,274,452	3,514,796	3,514,796
Cash Fund	4000045	3,968,564	3,779,104		3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000
Total Funding		7,085,501	7,318,047		7,717,263	7,717,263	7,717,263	8,174,452	7,414,796	7,414,796
Excess Appropriation/(Funding)		(3,538,943)	(3,817,263)		(4,274,452)	(3,514,796)	(3,514,796)	(4,729,307)	(3,606,595)	(3,606,595)
Grand Total		3,546,558	3,500,784		3,442,811	4,202,467	4,202,467	3,445,145	3,808,201	3,808,201

Budget Number of Positions may exceed the Authorized Number due to transfers from the Agency Growth Pool during the 2013-2015 Biennium. FY15 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium.

Change Level by Appropriation

Appropriation: A23 - St Medical-Operations
Funding Sources: 318 - Medical Board-Cash

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	3,442,811	41	3,442,811	100.0	3,445,145	41	3,445,145	100.0
C01	Existing Program	159,167	1	3,601,978	104.6	187,167	1	3,632,312	105.4
C06	Restore Position/Approp	80,255	2	3,682,233	107.0	80,255	2	3,712,567	107.8
C08	Technology	520,234	1	4,202,467	122.1	95,634	1	3,808,201	110.5
C10	Reclass	0	0	4,202,467	122.1	0	0	3,808,201	110.5

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	3,442,811	41	3,442,811	100.0	3,445,145	41	3,445,145	100.0
C01	Existing Program	159,167	1	3,601,978	104.6	187,167	1	3,632,312	105.4
C06	Restore Position/Approp	80,255	2	3,682,233	107.0	80,255	2	3,712,567	107.8
C08	Technology	520,234	1	4,202,467	122.1	95,634	1	3,808,201	110.5
C10	Reclass	0	0	4,202,467	122.1	0	0	3,808,201	110.5

Justification

C01	The Board is requesting two (2) positions: Budget Manager (C120) and one (1) Extra Help position to provide and maintain high quality licensing verification services. Additional operating appropriation is requested to provide rent increase; assistance grants to licensees with substance abuse issues; temporary services to assist with for credentialing services; and provide for a certification review from the National Certification of Quality Assurance.
C06	The Board request to re-establish two (2) C113 - Licensing Coordinators Pool Positions requested and approved in FY14 and FY15. The positions are needed to accommodate the increased workload caused by the changes in the new Nationwide Health Care System. The positions will address increases in the initial Licensure and Centralized Credentials Verification Service (CCVS) program.
C08	The Board is requesting additional technology related appropriation to support one (1) position a (C118) Web Base Developer to rewrite and refresh the board's seven (7) year old data base that communicates with various programs and services throughout the office, with licensees, other State Agencies and offers transparency to the general public. Capital outlay is requested to refurbish the Board's Master Data Center and upgrade the system backup to a more reliable disk/server based system. The current physical equipment is six (6) years old and outages and periods of downtime impact the staff, CCVS customers, licensees and the general public. The increase will also provide data processing supplies software licenses and staff training.
C10	The Board request to reclassify position C115 Administrative Analyst to C116 Training Instructor to provide staff training to meet program license credentialing services.