		This space for use by IRRC
(1) Agency		RESERVES
Department of State, Bureau of Profe	essional and	2000 APR -7 AHHI: 22
Occupational Affairs, State Board of		REVIEW COMMISSION
(2) I.D. Number (Governor's Office Us	e) ,	REVIEW CO. MADDIUM
16A-5112		IRRC Number: 203
(3) Short Title		
Fees		
(4) PA Code Cite	(5) Agency Contacts & T	elephone Numbers
49 Pa. Code §§21.5, 21.147 and 21.253	State Board of Secondary Contact: J	pert G. Cameron, Counsel Nursing (717) 783-7200 Toyce McKeever, Deputy Chief tment of State (717) 783-7200
(6) Type of Rulemaking (check one) Proposed Rulemaking	Attached?	Day Emergency Certification
X Final Order Adopting Regulation Final Order, Proposed Rulemaking	X No	the Attorney General
Omitted	, 	the Governor
(8) Briefly explain the regulation in cle		
by endorsement, applications for ou licenses, temporary practice permits, applications for approval of new examinations, certification of scores	t of state graduates, resto extension of temporary p nursing programs, revi and certification of licen	Nursing by revising fees for licensure oration after sanction, reactivation of eractice permits, CRNP certifications, lew and challenge of RN and PN se history. The new fees are needed no longer reflect the cost of providing
(9) State the statutory authority for the	regulation and any relevan	t state or federal court decisions.
Law, Act of May 22, 1951, P.L. 317, a	<u>s amended,</u> 63 P.S. §§221.	(a) and (d) of the Professional Nursing 2(a) and (d) and under section 17.5(a) 1211, as amended, 63 P.S. §667.5(a).

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(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. The Board is required by statute to adopt regulations setting fees. See Item No. 9 for the specific law.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The enabling statute of the Board requires that the Board set fees by regulation so that revenues meet or exceed expenditures over a biennial period. The operating expenses of the Board are generally borne by the licensee population through biennial renewal revenue. Expenses related to services which are provided directly to individual licensees or applicants are excluded from general operating revenues so that only the licensee who uses a particular service pays for a service being provided to him or her. By this regulation, the cost of providing the service will be apportioned to users, rather than burdening the entire licensee population.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

Nonregulation could potentially adversely impact fiscal integrity of the Board. If left unregulated, the costs of providing services would be borne by the general licensing population, some of whom did not or would not receive a benefit from the service.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The licensing population generally will benefit by having costs of services which are utilized by only a portion of the licensees or applicants paid by those actually receiving the service.

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(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

The Board has identified no group of individuals or entities who will be adversely affected by the regulation. Applicants for services or licenses will be required to bear up-to-date costs of providing the services involved.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

Applicants for licensure by endorsement, out-of-state graduates applying to take the RN or PN examination, licensees applying for restoration after sanction, applicants for license reactivation, applicants for temporary permits and extended temporary permits, applicants for CRNP certification, applicants for approval of new nursing education programs, applicants who request a review and challenge of the RN and PN examination, and those who request certification of scores and certification of license history will be required to pay the applicable fees. The Board estimates that 31,371 persons will avail themselves of one or more of the enumerated services in a two year period.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

These regulations do not place requirements on licensees concerning their conduct or compliance with state law regarding the performance of a licensing duty under licensing statutes. The regulation embodies the fees which capture the cost of providing the service an applicant or licensee requests. Therefore, the information requested in this item is not applicable.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The Board estimates that 31,371 persons will avail themselves of one or more of the enumerated services within a biennial period. Total aggregate additional cost for the regulated community for a biennial period would be approximately \$1,204,345.00. However, only those requesting the services will be affected. No legal, accounting or consulting procedures will be implicated in complying with the regulatory amendments.

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	estimate of the costs and/or savings to local governments associated with ny legal, accounting or consulting procedures which may be required.
Local governments	would not be affected by this regulation.
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(19) Provide a specific e	estimate of the costs and/or savings to state government associated with the
	egulation, including any legal, accounting, or consulting procedures which may
	ot incur an increase in administrative cost by implementing the regulation. The symmetry amendments will permit the Board to recoup the costs of providing the

Recultion Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current	FY +1	FY +2	FY +3	FY +4	FY +5
SAVINGS:						
Regulated Community	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Local Government						
State Government						
Total Savings						
COSTS:						
Regulated Community	\$602,197.50	\$602,197.50	\$602,197.50	\$602,197.50	\$602,197.50	\$602,197.50
Local Government						
State Government						
Total Costs						
REVENUE LOSSES:	N/A	N/A	N/A	N/A	N/A	N/A
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

The cost estimates are based upon the following number of persons which the Board estimates will avail themselves of the specified service over a fiscal year (one-half biennium) period multiplied by the savings or additional cost to the applicant for the service:

<u># c</u>	of people/y	<u>ear</u>	Cost(c) or Savings (s)		
a) license application by endorsement	3000	X	\$75(c)	=	\$225,000(c)
b) out-of-state graduate applications	375	X	\$70(c)	=	\$26,250(c)
c) restoration after sanction	5	X	\$50(c)	=	\$250(c)
d) reactivation after five years	5	X	\$30(c)	=	\$150(c)
e) Temporary permits	4900	X	\$15(c)	=	\$73,500(c)
f) extended temporary permits	24	X	\$60(c)	=	\$1,440(c)
g) CRNP certification	3000	X	\$55(c)	=	\$165,000(c)
h) new program approval	.5	X	\$175(c)	=	\$87.50(c)
i) challenge PN exam	.5	X	\$40(c)	=	\$20(c)
j) challenge RN exam	.5	X	\$50(s)	=	\$25(s)
k) certification of scores	4300	X	\$25(c)	=	\$107,500(c)
l) certification of license history	75	X	\$40(c)	=	\$3,000(c)
			Total Aggregate Co	st	\$602,172.50

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N/A Program	FY-95-96	FY- 96-97	FY -97-98	Current FY
See attached fee	F 1 -73-90	F1- 90-97	F I -3 /-30	Currentry
report forms				
report forms				
· · · · · · · · · · · · · · · · · · ·	_	provided above, explain	in how the benefits of	f the regulation
outweigh the advers	se effects and costs.			
The amendmen	ts to the existing reg	ulations will assure t	hat the costs of pro	viding the specified
		sees will be borne by	_	
(00) 70 11 11	1 1 1	• • • • • • • • • • • • • • • • • • • •		43. 41
Provide the reasons		ives considered and th	e costs associated wi	in those alternatives.
Trovide die reasons	ioi uion disiinssai.			
, –	•	considered because		g statute requires
the Board to prom	ulgate regulations t	o establish fees or ch	anges thereto.	
,				
				91
(23) Describe alter Provide the reasons		emes considered and t	he costs associated w	in those schemes.
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See No. 22 abov	ve.			
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(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No federal licensure standards apply.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

It appears the proposed fees would not put Pennsylvania at a competitive disadvantage with other states. It is difficult to compare the fees Pennsylvania proposes to charge for the services implicated in this proposal because other states seem to anticipate and include the following expenses in their license renewal fees: restoring licenses after sanctions, extending temporary practice permits, certifying license histories, challenging examinations, and the increased cost for out of state graduate applications. For example, the surrounding states that do not charge fees for restoring licenses after sanctions, extending temporary practice permits, challenging examinations, and certifying license histories impose significantly higher license renewal fees than Pennsylvania. In comparing Pennsylvania's fees to those in surrounding states, it is important to recall that license renewal fees are borne by the entire licensee population, whereas fees for the provision of other Board services are borne only by those licensees requesting the services. Additionally, in Pennsylvania approval and oversight of nursing education programs rests with the Board. In some other states oversight and approval of nursing education programs is within those states' Departments of Education, and therefore, their Boards have no program approval fees.

(Continued on page 9)

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will have no effect on other regulations of the Board or other agencies.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Board reviews its regulatory proposals at regularly scheduled public meetings each month. Meetings are held in the Board's offices at 116-124 Pine Street, Harrisburg, Pennsylvania. The meeting dates are posted on the internet and are available by calling the Board office at (717) 783-7142.

Regulatory Analysis Form (28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available. No changes to reporting, recordkeeping or other paperwork are required by this regulation. (29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers. The Board has perceived no special needs of any subset of its licensees for whom special provisions should be made. (30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained? The regulation will be effective upon publication in the <u>Pennsylvania Bulletin</u>. (31) Provide the schedule for continual review of the regulation.

The Board reviews its revenues and costs of its programs on a fiscal year and biennial basis.

(#25 Continued from page 7)

The following table compares the current fees for biennial renewal (REN) and the Commonwealth's proposed fees for licensure by endorsement (END), applications for out of state graduates (OSG), restoration after sanction (RES), reactivation of licenses (REA), temporary practice permits (TPP), extension of temporary practice permits (ETPP), CRNP certifications (CRNP), applications for approval of new nursing programs (PROG), review and challenge of RN and PN examinations (CHAL), certification of scores (CS) and certification of license history (CL).

	PA	NJ(2,a)	NY(3)	MD(2)	ОН	DE(b)
REN(1)	16-26	50-75	30-50	30-61	35-100	76
END	100	60	120	75	50	10 (+prorated)
OSG	100	-	•	-	-	•
RES	50	-	-	-	-	10 (+prorated)
REA	50	100	30-50	30-61	85-150	10 (+prorated)
TPP	35	-	35	25	_	-
ETPP	60	•	-	-	-	-
CRNP	100	100	80	50	100	10 (+prorated)
PROG	475	-	-	-	500-1000	•
CHAL	170	-	25	-	-	•
CS	25	30	20	25	15	10
CL	40	•	-	-	-	-

- (1) The range of fees represents the renewal fees for practical nurses, registered nurses, and CRNPs.
- (2) The New Jersey and Maryland boards are funded solely by Board fees.
- (3) The New York board is not required to generate sufficient revenue to meet operating expenses; all 38 Boards are funded from the same account.
- (a) Fees can be increased 50% without legislative approval.
- (b) The department director controls budget and has authority to set fees.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Application Fee - License by Endorsement:

\$100.00

Estimated Biennial Revenue: \$600,000.00

(6,000 applications x \$100.00)

Fee Description:

The fee will be charged to every person who applies for licensure by endorsement of another jurisdictions' license.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for license by endorsement and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.08 hr)	1.62
Board administrator- process application	(.17 hr)	5.03
Education Evaluator: assess qualifications	(.67 hr)	26.23
Attorney: avg. time to review legal issues	(.08 hr)	4.27
Board Mtg.: - avg. time review/discuss	. (.08 hr)	50.00
Professional Staff: determine equivalency	(.08 hr)	3.28
Exec. Sec.: - avg. time per app	(.02 hr)	1.50
Administrative Overhead	•	8.21
	Total Estimated Cost:	100.14
	Proposed Fee:	\$100.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$100.00 be established to review and evaluate an application for licensure by endorsement.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

License Application Fee-Graduates of non-Pa approved programs: \$100.00

Estimated Biennial Revenue: \$75,000.00

 $(750 \text{ applications } \times \$100.00)$

Fee Description:

The fee will be charged to every applicant for the licensing examination who graduated from a non-Pa approved nursing program.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application from a graduate of a program from a non-Pa approved nursing program and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.75 hr)	15.23
Staff time - process application	(.50 hr)	15.10
Attorney: avg. time to review legal issues	(.08 hr)	4.27
Board Mtg.: - avg. time review/discuss	(.08 hr)	50.00
Professional Staff: determine equivalency	(.17 hr)	6.56
Exec. Sec.: - avg. time per app	(.03 hr)	1.50
Administrative Overhead	,	_8.21
	Total Estimated Cost:	100.87
	Proposed Fee:	\$100.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$100.00 be established to review and evaluate an application for examination from a candidate who graduated from a non-Pa. approved program.

Agency:

State - BPOA

Date: 01/15/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Restoration After Sanction Fee:

\$50.00

Estimated Biennial Revenue: \$500.00

(10 applications x \$50.00)

Fee Description:

The fee will be charged to every person who applies to reactivate license following legal sanction in Pennsylvania. This fee is charged in addition to the appropriate biennial renewal fee.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for reactivating a license following legal sanction in Pennsylvania and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare examination appl	ication (.17 hr)	3.38
Board administrator - process application	(.17 hr)	10.03
Professional staff -evaluate application	(.17 hr)	6.56
Attorney-avg. time to review legal issues	(.03 hr)	1.71
Board Meeting - avg. time to review/vote	(.03 hr)	20.00
Exec. Sec avg. time per app:	(.02 hr)	.75
Administrative Overhead:		8.21
	Total Estimated Cost:	50.64
	Proposed Fee:	\$50.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$50.00 be established to review and evaluate an application to reactivate a nursing license after legal sanction in Pennsylvania.

Agency:

State - BPOA

Date: 01/15/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Reactivation Fee-Lapsed Pennsylvania License-(after 5 years): \$50.00

Estimated Biennial Revenue: \$500.00 (10 applications x \$50.00)

Fee Description:

The fee will be charged to every person who applies to reactivate an expired license following five years of inactive (lapsed) status in Pennsylvania. This fee is charged in addition to the appropriate biennial renewal fee.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for reactivating a license and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare examination appl	ication (.17 hr)	3.38
Board administrator - process application	(.17 hr)	10.03
Professional staff -evaluate application	(.17 hr)	6.56
Attorney-avg. time to review legal issues	(.03 hr)	1.71
Board Meeting - avg. time to review/vote	(.03 hr)	20.00
Exec. Sec avg. time per app:	(.02 hr)	.75
Administrative Overhead:		8.21
	Total Estimated Cost:	50.64
	Proposed Fee:	\$50.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$50.00 be established to review and evaluate an application for reactivation of a nursing license after five (5) years of lapsed status.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Temporary Practice Permit Fee:

\$35.00

Estimated Biennial Revenue: \$343,000.00 (9,800 applications x \$35.00)

Fee Description:

The fee will be charged to every person who applies for a temporary practice permit while awaiting licensure as an RN or PN.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for a temporary practice permit and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.25 hr)	5.08
Board administrator- process application	(.17 hr)	5.03
Attorney: avg. time to review legal issues	(.08 hr)	4.27
Board Mtg.: - review/discuss	(.02 hr)	10.00
Exec. Sec.: - avg. time per app	(.02 hr)	1.50
Administrative Overhead		8.21
·	Total Estimated Cost:	34.09
•	Proposed Fee:	\$ 35.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$35.00 be established to review and evaluate an application for a temporary practice permit.

Agency:

State - BPOA

Date: 01/15/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Application to Extend Temporary Practice Permit:

\$60.00

Estimated Biennial Revenue: \$2,880.00

(48 applications x \$60.00)

Fee Description:

The fee will be charged to every person who requests extension of a temporary practice permit.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for extension of a temporary practice permit and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.50 hr)	10.15
Professional Staff - evaluate circumstances	(.50 hr)	19.67
Attorney: avg. time to review legal issues	(.02 hr)	.85
Board Mtg.: - review/discuss	(.02 hr)	10.00
Exec. Sec.: - avg. time per app	(.17 hr)	7.48
Administrative Overhead	· · ·	8.21
	Total Estimated Cost:	56.36
	Proposed Fee:	\$ 60.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$60.00 be established to review and evaluate an application for extension of a temporary practice permit.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Application Fee - CRNP Certification:

\$100.00

Estimated Biennial Revenue: \$600,000.00 (6,000 applications x \$100.00)

Fee Description:

The fee will be charged to every person who applies for certification as a CRNP (Certified Registered Nurse Practitioner).

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for certification as a CRNP (Certified Registered Nurse Practitioner) and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.50 hr)	10.15
Board administrator- process application	(.42 hr)	12.58
Attorney: avg. time to review legal issues	(.08 hr)	4.27
Board Mtg.: - avg. time review/discuss	(.07 hr)	40.00
Professional Staff: determine equivalency	(.50 hr)	19.67
Exec. Sec.: - avg. time per app	(.08 hr)	3.74
Administrative Overhead		_8.21
	Total Estimated Cost:	98.62
	Proposed Fee	\$100.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$100.00 be established to review and evaluate an application for certification as a CRNP (Certified Registered Nurse Practitioner).

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Application Fee: Approval of Nursing Education Program:

\$475.00

Estimated Biennial Revenue: \$475.00

(1 applications x \$475.00)

Fee Description:

The fee will be charged to evaluate each application for approval of a new nursing education program in Pennsylvania.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process an application for approval of a new nursing education program and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare application	(.17 hr)	3.38
Board administrator - evaluate application	(.08 hr)	2.52
Attorney-avg. time to review legal issues	(.50 hr)	25.63
Board Mtg: - review/discuss	(.50 hr)	300.00
Prof. Staff - evaluate & make recommendation	(3.33 hr)	131.13
Exec. Sec avg. time per app:	(.08 hr)	3.74
Administrative Overhead:		8.21
	Total Estimated Cost:	474.61
	Proposed Fee:	\$475.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$475.00 be established to review and evaluate an application for approval of a new nursing program in Pennsylvania.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Fee for Review and Challenge of PN or RN Examination:

\$170.00

Estimated Biennial Revenue: \$340.00

(2 applications x \$170.00)

Fee Description:

The fee will be charged to each applicant who requests review and possible challenge of the PN or RN licensing examination. This fee does not include charges contractually imposed by examination agencies.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to provide this service and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- review and prepare documents	(.17 hr)	3.38
Board administrator - evaluate documents	(.08 hr)	2.52
Attorney-avg. time to review legal issues	(.17 hr)	8.54
Board Mtg: - review report	(.02 hr)	10.00
Prof. Staff - proctor exam review	(2.08 hr)	81.96
Exec. Sec report challenge for board review:	(.08 hr)	3.74
Avg. secured delivery charge(outgoing & return)		50.00
Administrative Overhead:		8.21
	Total Estimated Cost:	168.35
	Proposed Fee:	\$170.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$170.00 be established to provide this service.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No. 783-7194

Fee Title, Rate and Estimated Collections:

Certification of Scores:

\$ 25.00

Estimated Biennial Revenue: \$215,000.00

(8,600 certifications x \$25.00)

Fee Description:

The fee will be charged to every applicant who requests certification of scores.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process a request for certification and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- process request for certification (.75 hr)		15.23
Bureau Average Administrative Overhead:		<u>9.76</u>
	Total Estimated Cost:	\$24.99
	Proposed Fee:	\$25.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$25.00 be established for certification of scores.

Agency:

State - BPOA

Date: 01/07/99

Contact:

C. Michael Weaver

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Certification of License History:

\$ 40.00

Estimated Biennial Revenue: \$6,000.00

(150 certifications x \$40.00)

Fee Description:

The fee will be charged to every applicant who requests certification of license history.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Nursing to review and process a request for certification of license history and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- process request for certification	(.25 hr)	5.08
Board Administrator - avg. time to process	(.08 hr)	2.52
Executive Secretary - avg. time to process	(.50 hr)	· 22.45
Administrative Overhead:	•	8.21
	Total Estimated Cost:	\$38.26
	Proposed Fee:	\$40.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$40.00 be established for certification of license history.

FACE SHEET FOR FILING DOCUMENTS WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

2000 APR -7 AMII: 22

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		Susanne M. Kelly, BSN, RN	(Deputy General Counsel (Onter Counsel) Independent Agency (Strike inapplicable title)
		TITLE: Chairperson (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)	
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onlections att	acneu.		[] Check if applicable. No Attorney General approval or objection within 30 day after submission.

FINAL RULEMAKING
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
49 PA. CODE, CHAPTER 21
STATE BOARD OF NURSING
FEES
16A-5112

The State Board of Nursing ("Board") amends §§21.5, 21.147, and 21.253 (relating to fees) as set forth in Annexes A, B and C, by revising those fees which are not related to license renewals but rather to applications and specific services so as to accurately reflect the cost of processing applications and providing services.

A. Effective Date

The amendments will be effective upon publication in the <u>Pennsylvania Bulletin</u>.

B. Statutory Authority

Section 11.2(a) and (d) of the Professional Nursing Law, Act of May 22, 1951, P.L. 317, <u>as amended</u>, 63 P.S. §221.2(a) and (d), and §17.5(a) of the Practical Nurse Law, Act of March 2, 1956, P.L. (1995) 1211, <u>as amended</u>, 63 P.S. §667.5(a), require the Board to set fees by regulation. The same provisions require the Board to increase fees to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties are not sufficient to meet expenditures.

C. Background and Purpose

General operating expenses of the Board are funded through biennial license renewal fees. Expenses related to processing individual applications or providing certain services directly to individual licensees or applicants are excluded from general operating revenues and are funded through fees in which the cost of providing the service forms the basis for the fee. The fee is charged to the person requesting the service.

A recent systems audit of the operations of the Board within the Bureau of Professional and Occupational Affairs (Bureau) determined that the current fees did not reflect the actual cost of processing applications and performing the services. The amendments update the fees to accurately reflect the cost of processing the applications and providing the services. A detailed explanation of the background of these fees as well as a description of the fees was published at 29 Pa.B. 2299 (May 1, 1999).

D. Summary of Comments and Responses on Proposed Rule Making

Notice of Proposed Rulemaking was published at 29 Pa. B. 2299 (May 1, 1999). Publication was followed by a 30-day public comment period. The Board did not receive comments from the general public. Following the close of the public comment period, the Board received comments

from the House Professional Licensure Committee (HPLC) and the Independent Regulatory Review Commission (IRRC). The following is the Board's response to those comments.

1. Certification Fee.

The HPLC questioned under what circumstances the Board certifies an examination score. Both the HPLC and IRRC requested an explanation of the difference between the administrative overhead costs for certification of scores and the administrative overhead costs for other services.

The certification of a score is made at the request of a licensee when the licensee is seeking to obtain licensure in another state based upon a license in this Commonwealth which was issued on the basis of a uniform national or regional examination which was taken in this Commonwealth. Generally, the state of original license is the only source of the score of the licensee, as testing agencies do not maintain this information. The licensing laws of many states include provisions that licensure by reciprocity or endorsement based on a license in another state will be granted only if the board or agency determines that the qualifications are the same or substantially similar. Many state agencies have interpreted this provision to require that licensees have attained a score equal to or exceeding the passing rate in that jurisdiction at the time of original licensure. For this reason, these states require that the Board and other licensing boards certify the examination score the applicant achieved on the licensure examination.

The difference between the verification and certification fees is the amount of time required to produce the document requested by the licensee. States request different information when making a determination as to whether to grant licensure based on reciprocity or endorsement from another state. The Bureau of Professional and Occupational Affairs (Bureau) has been able to create two documents from its records that will meet all of the needs of the requesting state. The licensee, when the applicant applies to the other state, receives information as to what documentation and form is acceptable in the requesting state. The Bureau then advises the licensee of the type of document the Bureau can provide and the fee. In the case of a "verification" the staff produces the requested documentation by a letter, usually computer-generated, which contains the license number, date of original issuance and current expiration date, and status of the license. The letters are printed from the Bureau's central computer records and sent to the Board staff responsible for handling the licensee's application. The letters are sealed, folded and mailed in accordance with the directions of the requestor. The Bureau estimates the average time to prepare this document to be five minutes. The Bureau uses the term "certification fee" to describe the fee for a request for a document, again generally to support reciprocity or endorsement applications to other states, territories or countries, or for employment or training in another state. A certification document contains information specific to the individual requestor. It may include dates or locations where examinations were taken, or scores achieved or hours and location of training. The information is entered onto a document which is usually supplied by the requestor. The average time to prepare a certification is 45 minutes. This is because a number of resources, such as files, microfilm and rosters must be retrieved and consulted in order to provide the information requested. The Board staff then seals and issues this document.

2. Administrative Overhead

IRRC requested that the Bureau and the Boards thoroughly examine its cost allocation methodology for administrative overhead and itemize the overhead cost to be recouped by the fees. IRRC commented that although the Bureau's method was reasonable, there is no indication that the fees will recover the actual overhead cost because there is no relationship to the service covered by the fees and because the costs are based upon past expenditures rather than projected expenditures. IRRC expressed the view that there is no certainty that the projected revenues of the new fees will meet or exceed projected expenditures as required under the Board's enabling statutes. The HPLC requested an explanation regarding why the proposed fees are rounded up and are not the actual cost of services as estimated by the Board.

In computing overhead charges, the Boards and the Bureau include expenses resulting from service of support staff operations, equipment, technology initiatives or upgrades, leased office space and other sources not directly attributable to a specific Board. Once determined, the Bureau's total administrative charge is apportioned to each board based upon that board's share of the total active licensee population. In turn, the board's administrative charge is divided by the number of active licensees to calculate a "per application" charge which is added to direct personnel cost to establish the cost of processing. The administrative charge is consistently applied to every application regardless of how much time the staff spends processing the application.

This method of calculating administrative overhead to be apportioned to fees for services was first included in the biennial reconciliation of fees and expenses conducted in 1988-89. In accordance with the regulatory review, the method was approved by the Senate and House Standing Committees and IRRC as reasonable and consistent with the legislative intent of statutory provisions which require the Board to establish fees which meet or exceed expenses.

IRRC suggested that within each Board, the administrative charge should be determined by the amount of time required to process each application. For example, an application requiring one-half hour of processing time would pay one-half as much overhead charge as an application requiring one hour of processing time. The Bureau concurs with IRRC that by adopting this methodology the Bureau and the Boards would more nearly and accurately accomplish their objective of setting fees that cover the cost of the service. Therefore, in accordance with IRRC's suggestions, the Bureau conducted a test to compare the resulting overhead charges obtained by applying the IRRC suggested

time factor versus the current method. This review of a licensing board's operation showed that approximately 25% of staff time was devoted to providing services described in the regulations. The current method recouped 22% to 28% of the administrative overhead charges versus the 25% recouped using a ratio-based time factor. However, when the time factor is combined with the licensing population for each Board, the resulting fees vary widely even though different licensees may receive the same services. For example, using the time-factor method to issue a verification of licensure would cost \$34.58 for a landscape architect as compared with a cost of \$10.18 for a cosmetologist. Conversely, under the Bureau method the administrative overhead charge of \$9.76 represents the cost of processing a verification application for all licensees in the Bureau. Also, the Bureau found that employing a time factor in the computation of administrative overhead would result in a different amount of overhead charge being made for each fee proposed.

With regard to IRRC's suggestions concerning projected versus actual expenses, the licensing boards note that the computation of projected expenditures based on amounts actually expended has been the basis for biennial reconciliations for the past ten years. During these five biennial cycles, the experience of both the licensing boards and the Bureau has been that using established and verifiable data, which can be substantiated by collective bargaining agreements, pay scales and cost benefit factors, provides a reliable basis for fees. Also, the fees are kept at a minimum for licensees, but appear adequate to sustain the operations of the Boards over an extended period. Similarly, accounting, record keeping and swift processing of applications, renewals and other fees were the primary basis for "rounding up" the actual costs to establish a fee. This rounding up process has in effect resulted in the necessary but minimal cushion or surplus to accommodate unexpected needs and expenditures.

For these reasons, the Boards have not made changes in the method by which it allocates administrative expenditures and the resulting fees will remain as proposed.

3. Other Comments.

The HPLC requested an explanation as to what Board costs are reflected in the fees in which a component of the fee is apportioned for Board meeting time to review and/or vote on the applications. The application fees for services which require the attention of the Board, and for which the cost is excluded from the general operating expenses of the Board, include this apportioned cost. For example, before a new nursing education program is approved, the program is throughly reviewed by the Board, and representatives of the program appear before the Board to answer the Board's questions. The cost for the Board to review new nursing education programs is apportioned only to those who apply for program approval and benefit from the service. This cost is not borne by the general licensee population because they are not using the service and do not benefit. The cost apportioned as Board review equals the cost for the Board to review the application

for the specified amount of time.

The HPLC noted that the aggregate biennial increase in cost to the licensees and the corresponding increase in biennial revenue to the Board would be \$1,204,345.00. The HPLC requested justification for the increase. The aggregate increase reflects both the increase in Board costs to provide each of the services and the estimated number of licensees who use will the services. The current fees are outdated and no longer cover the costs of providing the specified services. Some fees have not been increased for 13 years, and most have not been increased for nine years. In the last six years, the number of licensees has increased by 26,200. As noted in proposed rulemaking, the fees for license applications by endorsement, CRNP certification, and certification of scores have not been revised since 1987. Fees for out-of-state graduate license applications, temporary practice permits, new nursing program approval applications, and challenge of the RN and PN examinations have not been revised since 1991, and the fee for reactivating a license after five years of inactivity was last revised in 1993. The new fees for license restoration after a sanction, applications for extending a temporary practice permit, certification of scores and certification of license history reflect the actual cost of providing these services. Details of the Board's analysis of the cost of each fee are attached to the Regulatory Review Form, which is available upon request.

The application fees are charged only to those who the request the specified service. The fees charged reflect the costs to the Board. The Board estimates that 15,686 individuals will use the specified services annually. The average increase in cost to each individual who requests a service will be \$38.39. If those requesting services were not charged with the cost of providing the services, then the cost to provide these services to individuals would be borne by the entire licensee population in order to raise the fees to meet expenditures as required by statute, however, the general licensee population would receive no benefit from services provided to those individuals. In FY98-99 there were 257,986 nurses licensed by the Board. If the general licensee population subsidized the application fees, an increase in the biennial renewal fees of \$4.67 would result. As noted above, the aggregate increase represents not only an increase in the cost to the Board to provide the service, but also includes the estimated number of individuals who will request the services. For example, if no one used the Board's services, the increased cost to the Board would be \$0.00, the increased cost to the licensees would be \$0.00, and the aggregate increase in revenue to the Board would be \$0.00. If twice the number of people used the services as projected, the increased costs and corresponding revenue would also double, but the average increase to each individual would remain the same. The estimated 15,686 individuals who ask for and benefit from the requested services will pay the fees, not the general licensee population.

The Board believes that this rulemaking will not put the Commonwealth at a competitive disadvantage with other states. Other states (New York, New Jersey, Maryland, Ohio and Delaware) seem to anticipate and include the costs of many of these services in their license renewal fees. As a result, their renewal fees range from \$35.00 to \$100.00 and are significantly higher than the

Commonwealth's which range from \$16.00 to \$24.00. Details of the Board's analysis are in the Regulatory Analysis Form, which is available upon request.

E. Compliance with Executive Order 1996-1, Regulatory Review and Promulgation

The Board reviewed this rulemaking and considered its purpose and likely impact upon the public and the regulated population under the directives of Executive Order 1996-1, Regulatory Review and Promulgation. The final-form regulation addresses a compelling public interest as described in this Preamble and otherwise complies with Executive Order 1996-1.

F. Fiscal Impact and Paperwork Requirements

These final-form regulations will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The fees will have a modest fiscal impact on those members of the private sector who apply for services from the Board. The amendments will not impose additional paperwork requirements upon the Commonwealth, political subdivisions or the private sector.

G. Sunset Date

The Board continuously monitors the effectiveness of its regulations. Therefore, no sunset date has been set.

H. Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), the Board submitted a copy of the Notice of Proposed Rulemaking, published at 29 Pa.B. 2299 (May 1, 1999), to IRRC and to the Chairpersons of the HPLC and the Senate Consumer Protection and Professional Licensure Committee (SCP/PLC) for review and comment. In compliance with section 5(c) of the Regulatory Review Act, the Board also provided IRRC and the Committees with copies of comments received, as well as other documentation.

In preparing these final-form regulations the Board has considered all comments received from the Committees, IRRC and the public.

	This fina	al form regi	ulation w	as (deemed) appr	oved by the HPLC on				
and	(deemed)	approved	by the	SCP/PLC	on		_•	IRRC	met	on
		a	nd (deen	ned) approv	ed the	regulation in accordanc	e wit	h Section	on 5.1	1(e)
of th	e Regulato	ry Review	Act (71]	P.S. § 745.5	a(e)).					

I. Contact Person

Further information may be obtained by contacting Ann Steffanic, Administrative Assistant, State Board of Nursing, P.O. Box 2649, Harrisburg, PA 17105-2649, (717) 783-7200.

J. Findings

The State Board of Nursing finds that:

- (1) Public notice of proposed rulemaking was given under Sections 201 and 202 of the Act of July 31, 1968 (P.L. 769, No. 240) (45 P.S. §§ 1201 and 1202) and the regulations promulgated thereunder at 1 Pa. Code §§ 7.1 and 7.2.
- (2) A public comment period was provided as required by law and all comments were considered.
- (3) These amendments do not enlarge the purpose of proposed rulemaking published at 29 Pa.B. 2299 (May 1, 1999).
- (4) These amendments are necessary and appropriate for administration and enforcement of the authorizing acts identified in Part B of this preamble.

K. Order

The Board, acting under its authorizing statutes, orders that:

- (1) The regulations of the Board, 49 Pa. Code Chapter 21, are amended by amending §§21.5, 21.147, and 21.253 to read as set forth in Annexes A, B and C.
- (2) The Board shall submit this order and Annexes A, B and C to the Office of General Counsel and to the Office of Attorney General as required by law.
- (3) The Board shall certify this order and Annexes A, B and C and deposit them with the Legislative Reference Bureau as required by law.
 - (4) This order shall take effect on publication in the Pennsylvania Bulletin.

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS PART I. DEPARTMENT OF STATE SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS CHAPTER 21. STATE BOARD OF NURSING SUBCHAPTER A. REGISTERED NURSES FEES

§21.5. Fees.

(a) The following fees are charged by the Board:

Examination and Licensure	\$35
Reexamination	\$30
Licensure by endorsement	[\$25] <u>\$100</u>
Temporary permit	[\$20] \$35
Extension of temporary permit	
Application for approval of new nursing program	
Fee for review and challenge of RN exams	[\$220] \$170
Application fee for out-of-state graduates	[\$30] \$100
Biennial renewal of license	\$21
Verification of licensure	
Reactivation of license (after five years or longer)	[\$20] <u>\$50</u>
Restoration after suspension or revocation	
Certification of scores	\$25
Certification of license history	\$40

(b) In addition to the examination and licensure fee of \$35 prescribed in subsection (a), which is payable directly to the Board, a candidate for the registered nurse licensing examination shall also pay a fee of \$40 to the National Council of the State Boards of Nursing to cover costs associated with the preparation and administration of the registered nurse licensing examination. Effective April 1994, or upon implementation of the computer adaptive examination, the fee paid directly to the National Council of the State Boards of Nursing or its designated agent is \$88.

ANNEX B

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS PART I. DEPARTMENT OF STATE SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS CHAPTER 21. STATE BOARD OF NURSING SUBCHAPTER B. PRACTICAL NURSES FEES

§21.147. Fees.

(a) The following fees are charged by the Board:

Examination and Licensure	\$35
Reexamination	\$30
Licensure by endorsement	
Temporary permit	
Extension of temporary permit	
Application for approval of new nursing program	[\$300] \$475
Fee for review and challenge of PN exams	[\$130 <u>] \$170</u>
Application fee for out-of-state graduates	[\$30] <u>\$100</u>
Biennial renewal of license	\$16
Verification of licensure	\$15
Reactivation of license (after five years or longer)	[\$20] <u>\$50</u>
Restoration after suspension or revocation	\$50
Certification of scores	\$2 <u>5</u>
Certification of license history	\$40

(b) In addition to the examination and licensure fee of \$35 prescribed in subsection (a), which is payable directly to the Board, a candidate for the practical nurse licensing examination shall also pay a fee of \$40 to the National Council of the State Boards of Nursing to cover costs associated with the preparation and administration of the practical nurse licensing examination. Effective April 1994, or upon implementation of the computer adapted examination, the fee paid directly to the National Council of the State Boards of Nursing or its designated agent is \$88.

ANNEX C

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS PART I. DEPARTMENT OF STATE SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS CHAPTER 21. STATE BOARD OF NURSING SUBCHAPTER C. CERTIFIED REGISTERED NURSE PRACTIONERS FEES

§21.253. Fees.

The following fees are charged by the Board:

Certification	[\$45 <u>] \$100</u>
Biennial renewal of certification	
Verification of certification	\$15



COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS STATE BOARD OF NURSING

(717) 783-7142 FAX: (717) 783-0822 P.O. BOX 2649 HARRISBURG, PA 17105-2649

April 7, 2000

The Honorable John R. McGinley Independent Regulatory Review Commission 14th Floor, Harristown 2 333 Market Street Harrisburg, PA 17101

RE: Final Regulation

State Board of Nursing

Agency: 16A-5112

Fees

Dear Chairman McGinley:

Enclosed is a copy of a final rulemaking package of the State Board of Nursing pertaining to fees.

The Commission will be pleased to provide whatever information your Committee may require during the course of its review of the rulemaking.

Sincerely,

Vr. Stephen Ande Con CRNAD

Chairperson State Board of Nursing

SMK/dn Enclosures

cc: John T. Henderson, Jr., Chief Counsel
 Department of State
 Dorothy Childress, Commissioner
 Bureau of Professional and Occupational Affairs

April 7, 2000

Joyce McKeever, Deputy Chief Counsel
Department of State
Herbert Abramson, Senior Counsel in Charge
Bureau of Professional and Occupational Affairs
Robert G. Cameron, Counsel
State Board of Nursing
State Board of Nursing

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE REGULATORY REVIEW ACT

I.D. NUMBER: 16A-5112 2000 APR -7 MIII: 22 SUBJECT: State Board of Nursing - Fees REVIEW COMMISSION AGENCY: DEPARTMENT OF STATE \mathbb{Z} TYPE OF REGULATION Proposed Regulation X Final Regulation Final Regulation with Notice of Proposed Rulemaking Omitted 120-day Emergency Certification of the Attorney General 120-day Emergency Certification of the Governor Delivery of Tolled Regulation With Revisions b. Without Revisions FILING OF REGULATION DATE **SIGNATURE DESIGNATION** HOUSE COMMITTEE ON PROFESSIONAL LICENSURE SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE INDEPENDENT REGULATORY REVIEW COMMISSION ATTORNEY GENERAL LEGISLATIVE REFERENCE BUREAU