

3203

From: Bernadette Elinsky
To: ST. Regulatory Counsel
Subject: Public Comment to Regulation #16A-724 (IRRC #3203)
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Independent Regulatory
Review Commission

TO: Independent Regulatory Review Commission
PA State Board of Massage Therapy

Please accept this as my public comment submission for the above-referenced regulation.

I am a Licensed Massage Therapist of 14 years and have only recently been informed (through my liability insurance provider - ABMP) of our State Board's rate hike proposal for license renewal. I stand with many of my colleagues in defining the proposed biennial renewal increase (of 267%!) as a financial hardship for the typical LMT, who is responsible for all costs related to their profession (i.e. licensing, training, supplies, etc.). Further, having learned of this proposal from an outside entity is both an ethical and professional misstep on the part of the Board. (I strongly encourage the Board to rectify its lack of communication with licensees as soon as possible.)

I am not an accountant, but I did take the time to review the proposal in its entirety. The Board's proposed regulation justifies the fee hikes for the 2019 renewal period by stating that such increases will result in a collection of \$1,094,250 (p. 7). The deficit, as of January 2018, is reported as being \$1,058,603.88 (p. 2). As I understand it, this deficit includes a repayment of the "initial operating funds...transferred from the...PLAA" (p. 2), in addition to accrued underestimated operating expenses. Ignoring any argument that the Board has grossly underestimated expenditures and/or is grossly mishandling its management, by my layman's math, the proposed new fees would indeed cover the current deficit balance and repay the PLAA, with which I agree, but I'm concerned with the additional ambiguous justification of these new fees "enabl[ing] the Board to...meet its subsequent estimated expenditures for a *number of years to come*" (p. 2). Once the PLAA fund balance (which has *not* been clearly disclosed in this proposal) and the overall deficit have been repaid (which, presumably, would be accomplished with the total 2019 biennial renewal revenues of \$1,750,800 (p. 18)), there is no justification to keep the fee increases – specifically, the biennial renewal – at the proposed amounts **indefinitely**.

Based on these numbers, presumably, after the 2019 renewal, the Board would basically start with a clean financial slate. My suggestion would be to reevaluate and trim down the expenditures to avoid future deficits.

Playing Devil's advocate, based on the current biennial expenditure estimate of nearly \$1.3 million for fiscal years 2017-18 and 2018-19 (p. 58), and projecting, say, \$1.5 million in expenditures for the next biennial period, lower biennial rates of \$150 to \$175 would be sufficient to cover expenses (not including application or continuing education application fees) (e.g. 8,700 members x \$175 = \$1,522,500).

Overall, based on all of the information provided in this proposal, I would suggest limiting the proposed biennial renewal fee of \$200 to the 2019 renewal period **only** in order to eliminate the Board's deficit and pay toward current operating costs, and returning subsequent renewal fees to \$75. Additionally, I would strongly suggest conducting periodic financial reviews and *proactively* making these results available to the Board's current licensees.

Thank you for your time and consideration.

- Bernadette M. Elinsky, LMT, BCTM