

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 258 (The Speaker)(By Request - Department of Legislative Services)

Health and Government Operations

State Board of Audiologists, Hearing Aid Dispensers, and Speech-Language Pathologists - Sunset Extension and Program Evaluation

This bill extends the termination date for the State Board of Audiologists, Hearing Aid Dispensers, and Speech-Language Pathologists by 10 years to July 1, 2026, and requires a preliminary evaluation of the board by December 15, 2023.

The bill takes effect July 1, 2014.

Fiscal Summary

State Effect: Special fund revenues and expenditures for the State Board of Audiologists, Hearing Aid Dispensers, and Speech-Language Pathologists are maintained beyond FY 2016. The Governor's proposed FY 2015 budget includes \$354,100 in special funds for the board's operation. The bill's reporting requirements can be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill specifies that, on or before October 1, 2015, the board must submit a report regarding the impact of both (1) a certificate of eligibility for a license to assist in the practice of speech-language pathology on the availability of supervised

opportunities for speech-language pathology assistants and (2) the shifting of the renewal cycle for board-issued licenses on the finances and workload of the board.

Current Law/Background: The State Board of Audiologists, Hearing Aid Dispensers, and Speech-Language Pathologists is 1 of approximately 70 regulatory entities and activities currently subject to periodic evaluation under the Maryland Program Evaluation Act. The Act establishes a process better known as “sunset review” as most agencies evaluated are subject to termination, including the board, which is scheduled to terminate July 1, 2016. The sunset review process traditionally begins with a preliminary evaluation conducted by the Department of Legislative Services (DLS) on behalf of the Legislative Policy Committee (LPC), although a few entities are subject to direct full evaluation. LPC decides whether to waive an agency from further (or full) evaluation. If waived, legislation to reauthorize the agency typically is enacted. Otherwise, a full evaluation usually is undertaken the following year.

A copy of the DLS preliminary sunset evaluation of the board can be found at: <http://dls.state.md.us/Content.aspx?page=104>.

The board operates under the provisions of Title 2 of the Health Occupations Article of the Annotated Code of Maryland. The board is the licensing and regulatory authority for audiologists, hearing aid dispensers, and speech-language pathologists in Maryland. In 2013, there were 441 active full licensed audiologists, 118 active full licensed hearing aid dispensers, 3,511 active full speech-language pathologists, and 52 active full licensed speech-language pathology assistants.

During its sunset review, DLS found that the board has fulfilled its licensing and disciplinary responsibilities through efficient and timely licensing and complaint resolution processes. The number of speech-language pathology licenses grew significantly, peaking in 2011 after Chapter 391 of 2007 made changes to the board’s governing statute. Despite the increased workload, the board has been able to issue licenses in a timely manner. On average, the board has been able to issue a license within three business days of receipt of a complete application.

The number of complaints received by the board annually has doubled since 2008, but remains low relative to the total number of individuals who are regulated by the board. Despite the growing number of complaints, the board recently reduced the amount of time it takes to resolve complaints from an average of 131 calendar days in fiscal 2012, down to 63 days in fiscal 2013.

The board is special funded, supported exclusively by revenues generated from licensing fees. Board revenues have grown significantly since fiscal 2008, due to a higher-than-expected number of speech-language pathology applications. However,

board expenditures have been relatively flat due to budgetary restrictions. Thus, the board's fund balance grew to a high of \$580,333 by the beginning of fiscal 2009 and consistently exceeded the target of 30% of expenditures through fiscal 2012. In response, budget reconciliation and financing legislation transferred \$96,350 from the board to balance the general fund in fiscal 2013, helping to draw the board's fund balance down to \$86,338 (26% of expenditures). As most board licensees (all but hearing aid dispensers) renew in even-numbered fiscal years, the board is proposing regulations to require that licenses instead be renewed two years from issuance – to provide a more consistent workload and revenue flow.

DLS recommended waiving the board from a full evaluation, extending its termination date by 10 years to July 1, 2026, and requiring a follow-up report by October 1, 2015. DLS also advised the board to continue to work with relevant stakeholders on how to amend current law to address the need for more supervised opportunities for applicants for a license to assist in the practice of speech-language pathology. The bill implements these recommendations.

Additional Information

Prior Introductions: None.

Cross File: SB 295 (The President)(By Request - Department of Legislative Services) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2014
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Analysis by: Kathleen P. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510