

Department of Planning and Budget

2001 Fiscal Impact Statement

1. Bill Number SB 1367

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Saslaw, Richard L.

3. Committee Passed Both Houses

4. Title Physical therapy

5. Summary/Purpose: This legislation would remove the requirement for physical therapy to be practiced upon referral and direction of a licensed doctor of medicine, osteopathy, chiropractic, podiatry, or dental surgery. It would also make certain technical amendments to clarify the authority of the new Board of Physical Therapy and the practice of physical therapy. The Board of Physical Therapy is required to promulgate regulations for continuing competency of physical therapists, and authorizes Board approval of programs to ensure continuing competency.

6. Fiscal Impact Estimates are final

Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2000-01 | \$1,500 | - | NGF |

**Note: See item 8 for impact beyond FY 2003*

7. Budget amendment necessary: No

8. Fiscal implications: The bill would necessitate the promulgation of regulations at a cost of approximately \$1,500 in FY 2001. In addition, there will be costs associated with compliance enforcement of requirements. The board will audit approximately one to two percent of licensees each year to submit documentation of continuing education. While staff time will be involved in the review of documentation, no additional personnel will be required to accomplish this activity. It would be expected that a small percentage of licensees would be non-compliant, resulting in disciplinary action. Most cases will be settled by a pre-consent order (\$100 per case), but some (approximately five per year) may result in the convening of an informal conference at an expenditure of \$500 per case.

What is unknown is the potential impact on the revenue of the board because the imposition of continuing education may cause a few licensees to take an inactive status or to drop their license altogether. There are approximately 5,204 licensees (physical therapists and physical therapist assistants), 885 of whom list an out-of-state address. If ten percent of the out-of-state licensees decided to become inactive (inactive renewal is typically 1/2 of the active renewal fee), that would result in a loss of income to the board of approximately \$5,740 per biennium (14 PTA's @ \$35 and 75 PT's @ \$70). This could likely be absorbed within the existing fee structure and budget of the Board. Physical therapists renewed their biennial licenses in 2000, so the implementation of a

continuing education requirement would likely be with the 2004 renewal and the impact on revenue would not be seen until then.

9. Specific agency or political subdivisions affected: None

10. Technical amendment necessary: No

11. Other comments: The prohibition on invasive procedures added in the definition of physical therapy would eliminate certain practices currently within the scope of the profession. For example, many physical therapists perform “wound debridement,” and other procedures that could be considered “invasive.” In addition, the invasive prohibition would have a severe adverse impact on a few physical therapists (likely less than ten) whose practice consists almost exclusively of performing electroneuromyography (EMG).

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cc: Secretary of Health and Human Resources

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