

Individual State Agency Fiscal Note

Bill Number: 2160 E S HB	Title: Physical therapists	Agency: 303-Department of Health
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0	0.7	0.4	0.4	0.4
Account					
Health Professions Account-State 02G-1	0	68,000	68,000	116,000	116,000
Total \$	0	68,000	68,000	116,000	116,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/10/2014
Agency Preparation: Donna Compton	Phone: (360) 236-4557	Date: 03/11/2014
Agency Approval: Kristin Bettridge	Phone: (360) 236-4530	Date: 03/11/2014
OFM Review: Danielle Cruver	Phone: (360) 902-0575	Date: 03/17/2014

Request # 14-104-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The fiscal impact has not changed since the previous fiscal note FN 14-080 (ESHB 2160).

Section 1: A physical therapist may perform spinal manipulation only after being issued a spinal manipulation endorsement by the Secretary of Health (secretary). The secretary, upon approval from the Board of Physical Therapy (board), shall issue an endorsement to a physical therapist who has at least one year of full-time orthopedic experience, postgraduate practice experience that consists of direct patient care and averages at least thirty-six hours a week, may perform spinal manipulation only after providing evidence in a manner acceptable to the board evidence of all of the following additional requirements: 1) Training in differential diagnosis of no less than one hundred hours outlined within a course curriculum; 2) Didactic and practical training related to the delivery of spinal manipulative procedures of no less than 250 hours clearly delineated and outlined in a course curriculum; 3) Specific training in spinal diagnostic imaging of no less than 150 hours outlined in a course curriculum; and 4) At least 300 hours of supervised clinical practical experience in spinal manipulative procedures.

The supervised clinical practical experience must: 1) be supervised by a clinical supervisor who; a) holds a spinal manipulation endorsement; b) is a licensed chiropractor or osteopathic physician and surgeon or; (c) holds an endorsement or advanced certification the training requirements for which commensurate with the training requirements in this section. 2) Be under the close supervision of the clinical supervisor for a minimum of the first one-hundred-fifty hours of the supervised clinical practical experience, after which the supervised clinical practical experience must be under the direct supervision of the clinical supervisor. 3) be completed with eighteen months of completing the educational requirements of in (a) through (c) of this subsection, unless the physical therapist has completed the educational requirements prior to the effective date of this sections, in which case the supervised clinical practical experience must be completed by January 1, 2017.

A physical therapist authorized to perform spinal manipulation shall consult with a health care practitioner, other than a physical therapist, authorized to perform spinal manipulation if spinal manipulative procedures are required beyond six treatments.

A physical therapist authorized to perform spinal manipulation may not: 1) have a practice in which spinal manipulation constitutes the majority of the services provided; 2) practice or utilize chiropractic manipulative therapy in any form; 3) delegate spinal manipulation or 4) bill a health carrier for spinal manipulation separately from or in addition to other physical therapy procedures.

A physical therapist authorized to perform spinal manipulation must complete at least ten hours of continuing education per continuing competency reporting period directly related to spinal manipulation. At least five hours of the training required under this subsection must be related to procedural technique and application of spinal manipulation.

By November 15, 2019, the board shall report to the legislature any disciplinary actions taken against physical therapists whose performance of spinal manipulation resulted in physical harm to a patient. Prior to finalizing

the report, the board shall consult with the Chiropractic Quality Assurance Commission.

Section 2: Effective July 1, 2020, section 2 amends section 1 to remove one of the three optional qualifications for clinical supervisors of physical therapists in practical training of spinal manipulation.

Section 3: The bill adds spinal manipulation and manipulative mobilization of the spine and its immediate articulations to the definition of physical therapy. Also adds a definition of close supervision and amends the definition of direct supervision.

Section 4: Allows the board to add adjustment or manipulation of the spine as a technical procedure qualified applicants should be examined on for license as a physical therapist.

Section 5: Physical therapists shall not advertise that they perform spinal adjustment manipulative mobilization of the spine, chiropractic adjustment, maintenance or wellness manipulation, or chiropractic care of any kind. Any violation of this section is unprofessional conduct under this chapter and chapter 18.130 RCW (Uniform Disciplinary Act)

Section 6: Except for section 2, this act takes effect July 1, 2015.

Section 7: Section 2 takes effect July 1, 2020.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Current law RCW 43.70.250 requires that health care professions be fully self-supporting and the sufficient revenue be collected through fees to fund expenditures in the Health Professions Account, Fund 02G. Nothing in this legislation creates a new fee nor does it authorize increasing fees for the programmatic changes contained in the bill. Depending on the impact of this and other new legislation, DOH may not be able to collect the revenue necessary to implement this bill's changes and fee increases may be required in the future.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Rules

Sections 1 – 5: In FY 2015, there will be one-time costs for rulemaking. It is estimated that rulemaking will take 12 months to implement. There will be two stakeholder meetings-rule workshops and one formal hearing which will be held at regularly scheduled board meetings at no additional cost. Attorney General time will be one day for rule review and one day for stakeholder meetings and the formal rules hearing. Staff time will include rule writing prep work, travel, coordination of stakeholder meetings and rules hearing. By having stakeholder meetings-rule workshops at different locations throughout the state, it allows stakeholders to participate and provide comments during the rulemaking process. One-time costs will include travel for staff to locations outside the Olympia area, board pay and travel, printing and attorney general support for a total of 0.10 Health Services Consultant 4 and \$10,000.

Information Technology

Sections 1-5: During FY 2015, information technology (IT) staff will be required to implement the new endorsement program. This will include conducting a business analysis, configuration, and testing. Tasks include establishing credentialing workflows, user defined fields, templates, fee tables, renewals and modification or creation of reports in the department's Integrated Licensing and Regulatory System (ILRS). Total one-time costs include IT staff and associated costs for 0.2 FTE and \$2,000 in FY 2015. Starting in FY 2016, ongoing costs will be 0.1 Information Technology Specialist 5 and \$1,000 each year.

Program Implementation

Sections 1-5: To implement and administer the Spinal Manipulation endorsement, the department will modify the existing application and renewal forms and update the Physical Therapist Web site.

Sections 1-5: Based on experience with other scope of practice changes in health professions, the department anticipates the customer service call center will respond to calls and emails from approximately 20 percent of licensed physical therapists with questions concerning spinal manipulation endorsement and continuing competency education requirements. Credentialing costs starting in FY 2015 will be for staff to review and process applications for the new endorsement, provide technical assistance and issue endorsements for an estimated 1,478 qualified applicants during FY 2015. Costs will include staff and associated costs for a total of 0.4 FTE and \$39,000. Starting in FY 2016 and ongoing, the department estimates 200 endorsements will be reviewed, processed and issued each year for a total 0.1 FTE and \$7,000 each year.

Discipline

Sections 1 & 5: Based on experience in the physical therapist program, DOH is estimating 10 new complaints per year.

The complaint response process includes five steps: 1) intake, 2) assessment, 3) investigation, 4) case disposition, and 5) adjudication. Staff will review the complaint, identify the history of the person about whom the complaint was made, and help assess whether an investigation is needed. In more than half the cases, investigation is needed. The investigator obtains information about the complaint, and the respondent and prepares a report detailing the findings. After investigation, the disciplining authority decides whether to pursue legal action. Staff attorneys, paralegals, and other staff develop the legal documents and charge the violation. Most cases are settled, and the staff attorney manages that process. If the respondent asks for a hearing, staff must schedule the hearing, and the health law judge considers all legal motions, presides over the hearing, and drafts the final order.

Cost estimates for the complaint response process associated with this bill were calculated using the department's Disciplinary Workload Model. In FY 2015, estimated discipline costs will include staff and associated costs, increased board member time, minimal travel, and minimal equipment costs, for a total of 0.1 FTE and \$17,000 each year. Starting in FY 2016 ongoing costs will be 0.4 FTE and \$50,000 each year. For disciplinary cases that go through the entire disciplinary process, costs can be experienced over multiple years. For these cases costs can be higher in the second year than the first.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years		0.7	0.4	0.4	0.4
A-Salaries and Wages		41,000	41,000	74,000	74,000
B-Employee Benefits		12,000	12,000	22,000	22,000
E-Goods and Other Services		13,000	13,000	18,000	18,000
J-Capital Outlays		1,000	1,000		
T-Intra-Agency Reimbursements		1,000	1,000	2,000	2,000
Total:	\$0	\$68,000	\$68,000	\$116,000	\$116,000

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2014	FY 2015	2013-15	2015-17	2017-19
Fiscal Analyst 2	45,828		0.1	0.1		
FORMS & RECORDS ANALYST 1	36,756		0.1	0.1		
HEALTH CARE INVESTIGATOR	60,120				0.1	0.1
3						
HEALTH CARE INVESTIGATOR	63,192					
4						
HEALTH SVCS CONSLT 1	44,712		0.1	0.1	0.1	0.1
HEALTH SVCS CONSLT 2	53,148		0.2	0.1		
HEALTH SVCS CONSLT 3	61,632		0.1	0.1	0.1	0.1
HEALTH SVCS CONSLT 4	68,016		0.1	0.1		
HEARINGS EXAMINER 3	78,900				0.1	0.1
Total FTE's	512,304		0.7	0.4	0.4	0.4

Part IV: Capital Budget Impact

NONE

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Sections 1 – 5: Will require the Board of Physical Therapy to adopt rules to implement the changes in this bill.