

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

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|---|---|--------------------------|
| LRB Number 13-1845/1 | Introduction Number AB-0117 | |
| Description Examination and continuing education requirements for chiropractic licensure in this state | | |
| Fiscal Effect | | |
| State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs | | |
| Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts | | |
| Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.165 (1) (gc) | | |
| Agency/Prepared By DSPS/ Michelle Bea Beasley (608) 267-1811 | Authorized Signature Greg Gasper (608) 266-8608 | Date 4/10/2013 |

Fiscal Estimate Narratives

DSPS 4/10/2013

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| LRB Number 13-1845/1 | Introduction Number AB-0117 | Estimate Type Original |
| Description Examination and continuing education requirements for chiropractic licensure in this state | | |

Assumptions Used in Arriving at Fiscal Estimate

The current fee for the practical examination is \$1,435 for each applicant to cover the costs of administering the examination. If the examination is eliminated, the costs will be eliminated. The associated revenues that are collected to cover the costs will also be eliminated. DSPS has administered or will administer the examination to 47 applicants (12 applicants in 2012 and 35 in April 2013).

Long-Range Fiscal Implications

Repeal of WIS Stat. 446.02(3)(a) will result in costs and associated revenues being eliminated.

DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

Fiscal Estimate

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|-------------------------|--|
| Division | Policy Development, Management Svcs, Credentialing |
| Name of Preparer | Bea Beasley, Katie Koschnick, Martha Zydowsky, Angie Herl, Jill Remy, Craig Lovell, Gene Hilpert |
| Bill or Rule | Legislative Bill SB-0105 - Chiropractic Licensure |

*Industry Svcs and Legal Svcs & Compliance indicate no measurable impact.

| One-time Department Costs: | | |
|-----------------------------------|---------|--|
| Classification | Hours | Brief Description |
| Licensing Exam Spec Sr | 1100 | Time spent to research / coordinate exam materials (\$31.15/hr S&F) |
| Program Manager | 100 | Time spent to determine space needs/hotel coordination/fee study (\$36.56/hr S&F) |
| Budget Manager | 10 | Budget assistance / monitor and assist with the budget (\$65.04/hr S&F) |
| Minor IT Support | 8 | Minor IT support for Credentialing on-line renewal process possible (nominal) |
| License/Permit Assoc | 1 | Perform updates to Chiropractic CE webpage as needed (nominal) |
| | | (These costs are amortized) |
| Supplies and Services | | |
| Classification | Amount | Brief Description |
| X-Ray Lightboxes (24) | \$7,830 | Necessary to administer the two (2) radiological portions of the practical exam |
| Chiropractic Benches (3) | \$960 | Necessary to administer the three (3) physical diagnosis scenarios of practical exam |
| | | (These costs are amortized) |

| On-going Department Costs: | | |
|-----------------------------------|-------------|---|
| Classification | Hours | Brief Description |
| Licensing Exam Spec Sr | 80/yr | Staff exam development - time to develop and coordinate practical exam content |
| Licensing Exam Spec Sr | 336/yr | Staff exam admin prep - time to prepare practical exam for administration |
| Program Manager | 15/yr | Dept exam development - completion of candidate exam fee study |
| Budget Manager | 6/yr | Budget assistance - monitor and assist with budget |
| License/Permit Assoc | 1/yr | Perform updates to Chiropractic CE webpage as needed (nominal) |
| | | Total: \$13,896/year |
| Supplies and Services | | |
| Classification | Amount | Brief Description |
| Examiner compensation | \$35,000/yr | \$350/day x 2 days (training & exam administration) x 25 examiners x 2 exams per year |
| Examiner mileage | \$5,100/yr | \$.051/mile x 200 miles average x 25 examiners x 2 exams per year |
| Examiner meals | \$3,400/yr | \$34/day x 2 days (training and exam administration) x 25 examiners x 2 exams per year |
| Examiner lodging | \$7,000/yr | hotel guest rooms for 25 examiners @ \$70/night x 2 nights x 2 exams per year |
| Hotel exam rooms | \$7,180/yr | To administer exam to up to 36 candidates (12 rooms x 2 days) x 2 exams per year |
| Moving company expense | \$420/yr | To transport equipment and supplies to/from the hotel exam site x 2 exams per year |
| Chiro board mileage | \$816/yr | \$.051/mile x 200 miles average x 4 board members x 2 exams per year |
| Chiro board meals | \$544/yr | \$34/day x 2 days (training & exam administration) x 4 board members x 2 exams per yr |
| Chiro board lodging | \$1,120/yr | hotel guest rooms for 4 board members @ \$70/night x 2 nights x 2 exams per year |
| Misc. exam supplies | \$550/yr | Paper, printing materials, copies, pens, clip boards, stop watches x 2 exams per year |
| Add'l chiro benches (3) | \$960/yr | Chiropractic Examining Board wants to order additional chiro benches in the future |
| DSPS Staff Lunch | \$126/yr | Covers lunch on exam day for 7 staff x \$9 x 2 exams per year |
| Staff salary/fringe | \$2,928/yr | 3 Staff @ \$25/hr x 8 hours x 2 days, 3 Proctors @ \$11/hr x 8 hours x 1 day x 2 exams per yr |
| Amortized exam dev't & equip | \$11,100/yr | Based on applicant count (avg of 15 applicants/exam = \$370/applicant) x 2 exams per yr |
| Total | \$76,244/yr | Total of all ongoing supplies/services costs per year (covers 2 exams per year) |
| | | One examination offering will cost \$38,122 (total costs \$76,244 divided by 2) |
| Candidate exam fees | (\$38,745) | Fees retained by DSPS, based on avg applicant count = 30/year x \$1,291.50 fee per appl |
| | | The above costs are incurred when 30 or more applicants sign up to take the exam. |
| | | DSPS will require 60 applicants per year to break even at these costs. |
| | | The April 2013 examination has 35 applicants registered. |

Cost Savings:

Discuss Any Cost Savings as a Result of Implementing the Rule

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|-------------------------------|--|---|
| Repeal Wis Stat. 446.02(3)(a) | | Ongoing costs listed above (and the associated revenues) would be eliminated. |
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The following sections to be completed by the Division of Policy Development:

Benefits of Implementing the Rule and Alternatives to Implementing the Rule

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Long Range Implications of Implementing the Rule

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Compare with Approaches Used by Federal Government

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Compare with Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

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Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original
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 Supplemental

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|--|--|
| LRB Number 13-1845/1 | Introduction Number AB-0117 |
| Description Examination and continuing education requirements for chiropractic licensure in this state | |
| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): | |
| <p>When the exam was originally created, the department incurred costs for exam development including staff time and chiropractic supplies and services (\$49,016 total) that were required for administration of the exam. These costs are being recovered through the exam fee at \$370 per applicant. It was anticipated that it would take 150 applicants or five years (at 30 applicants per year) to satisfy these one-time costs. Repeal of the exam would result in the department not fully recovering these costs. In addition, approximately \$26,000 in exam administration costs are still outstanding and will need to be paid off if the exam requirement is repealed. These costs were incurred because the low number of applicants who took the exam were not enough to cover the costs of exam administration (in April 2012, two applicants took the exam and in October 2012, ten applicants took the exam). Under current law, recovery of these expenses would have occurred over time through examination fee revenues. Repeal of the exam will require these costs to be absorbed by the department, which the department believes is possible.</p> | |
| II. Annualized Costs: | Annualized Fiscal Impact on funds from: |
| | Increased Costs Decreased Costs |
| A. State Costs by Category | |
| State Operations - Salaries and Fringes | \$ \$-13,896 |
| (FTE Position Changes) | |
| State Operations - Other Costs | -76,244 |
| Local Assistance | |
| Aids to Individuals or Organizations | |
| TOTAL State Costs by Category | \$ \$-90,140 |
| B. State Costs by Source of Funds | |
| GPR | |
| FED | |
| PRO/PRS | -90,140 |
| SEG/SEG-S | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | |
| | Increased Rev Decreased Rev |
| GPR Taxes | \$ \$ |
| GPR Earned | |
| FED | |
| PRO/PRS | -90,140 |
| SEG/SEG-S | |
| TOTAL State Revenues | \$ \$-90,140 |
| NET ANNUALIZED FISCAL IMPACT | |
| | State Local |
| NET CHANGE IN COSTS | \$-90,140 \$ |

| | | |
|---|-----------------------------|-------------|
| NET CHANGE IN REVENUE | \$-90,140 | \$ |
| Agency/Prepared By | | |
| DSPS/ Michelle Bea Beasley (608) 267-1811 | Authorized Signature | Date |
| | Greg Gasper (608) 266-8608 | 4/10/2013 |