

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 75 (The Speaker)(By Request - Department of Legislative Services)
Health and Government Operations Education, Health, and Environmental Affairs

State Board of Examiners of Psychologists - Sunset Extension and Program Evaluation

This bill extends the termination date for the State Board of Examiners of Psychologists by 10 years to July 1, 2023, and requires an evaluation of the board by July 1, 2022. The bill includes a related reporting requirement.

The bill takes effect July 1, 2011.

Fiscal Summary

State Effect: Special fund revenues and expenditures for the State Board of Examiners of Psychologists are maintained beyond FY 2013. The Governor's proposed FY 2012 budget includes \$648,361 for board operations. The bill's reporting requirements can be handled with existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Uncodified language requires the State Board of Examiners of Psychologists to submit a report to specified committees of the General Assembly by October 1, 2012, that includes:

- an update on the board's plans to require psychology associates to renew their status every two years and whether psychology associates should be required to take continuing education credits;
- an analysis of the role of psychology associates in the State and whether it would be appropriate to certify or license psychology associates, as well as whether additional disciplinary authority is needed; and
- a long-term financial plan.

Current Law/Background:

Maryland Program Evaluation Act

The board 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 also subject to termination, including the State Board of Examiners of Psychologists, which is scheduled to terminate July 1, 2013. The sunset review process begins with a preliminary evaluation conducted by the Department of Legislative Services (DLS) on behalf of the Legislative Policy Committee (LPC). 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.

The State Board of Examiners of Psychologists

The practice of psychology is regulated in Maryland by the State Board of Examiners of Psychologists. The board is composed of nine members: seven licensed psychologists; and two consumers. The board has four permanent full-time employees and one contractual employee. The board is special funded and therefore required to generate self-supporting revenues. In fiscal 2011, the board will regulate approximately 2,700 licensed psychologists.

In addition to licensing psychologists, the board approves psychology associates, unlicensed individuals who apply for an exemption to the licensing requirement and work under the direct supervision of a licensed psychologist who has been permitted by the board to supervise psychology associates. The board does not have the power to discipline psychology associates; instead, any discipline is taken on the supervising licensed psychologist. Although psychology associates perform the same duties as a licensed psychologist, they are not required to renew their exemption status or take continuing education credits. However, in April 2010, the board voted to require psychology associates to renew their status every two years. The board is planning to

implement this requirement by March 2011. In recent years, the number of psychology associates approved by the board increased from 36 in fiscal 2007 to 153 in fiscal 2010 due to the board reviewing its licensing files and requiring that licensed psychologists submit applications for the approval of any psychology associates that they supervise. In fiscal 2011, the board will regulate an estimated 675 psychology associates.

Sunset Evaluation Findings and Recommendations

The State Board of Examiners of Psychologists last underwent a full sunset evaluation in 2001. Ensuing legislation, Chapter 164 of 2002, extended the board's termination date to July 1, 2013. Due to concerns regarding the board's finances, Chapter 164 also required the board to submit two financial reports to committees of the General Assembly, which were submitted.

During the 2010 interim, DLS conducted a preliminary evaluation of the board, which found that the board is sufficiently meeting its mandated duties, including efficiently issuing licenses and taking disciplinary actions. Since the 2001 sunset evaluation, the board has computerized its examination and completed, on its own initiative, a review of its files so that psychology associates are better accounted for in its records. The board is largely in compliance with the new disciplinary and administrative requirements of Chapters 533 and 534 of 2010 and is actively evaluating how to reach full compliance. Based on these findings, DLS recommended that LPC waive the board from full evaluation and that legislation be enacted to extend the board's termination date by 10 years to July 1, 2023.

To address issues raised in the evaluation, DLS recommended that the board submit a follow-up report to specified committees by October 1, 2012. The report must include an update on the board's plans to require psychology associates to renew their status every two years and whether psychology associates should be required to take continuing education credits; an analysis of the role of psychology associates in the State and whether it would be appropriate to certify or license psychology associates, as well as whether additional disciplinary authority is needed; and a long-term financial plan.

This bill implements DLS' recommendations, as adopted by LPC at its December 21, 2010 meeting.

Additional Comments: HB 72/SB 87 of 2011, the Budget Reconciliation and Financing Act of 2011, would transfer \$44,888 of the funds in the State Board of Examiners of Psychologists Fund to the general fund by June 30, 2012.

Additional Information

Prior Introductions: None.

Cross File: SB 89 (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 31, 2011
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