



Board of Physical Therapy Examiners

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

Karen Gordes, Chair – Laurie Kendall-Ellis, Executive Director
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2022 SESSION POSITION PAPER

BILL NO: SB 209
COMMITTEE: House Health and Government Operations
POSITION: Support with Amendment

TITLE: State Board of Physical Therapy Examiners – Sunset Extension

BILL ANALYSIS: This bill, as originally written, would continue the State Board of Physical Therapy Examiners (the Board) in accordance with the provisions of the Maryland Program Evaluation Act (sunset law) by extending the Board’s existence to July 1, 2032.

POSITION AND RATIONALE: The Board supports SB 209 with a Board amendment.

This bill was amended in the Senate to change the termination provisions relating to the statutory and regulatory authority of the Board to only two (2) years until July 1, 2025, instead of the originally proposed Bill that extended the Board for ten (10) years until July 1, 2033. The Board strongly disagrees with this two (2) year amendment for the following reasons:

The State Board of Examiners of Psychologists - (SB 195), the State Board of Examiners in Optometry - (SB 202), and the State Board of Physical Therapy Examiners - (SB 209) are aware that during the voting session, an amendment was made to extend these Boards for two (2) years instead of ten (10) because of legislative audit findings of all health Boards, not necessarily the three that are up for a Sunset review. It is important to note that the Boards were not given the opportunity to provide any information or answer questions about the audit report since this concern was not raised until the voting session. The Boards continuously work with the Office of Internal Controls and Audit Compliance, implementing corrective actions to remedy any cited issues. Quarterly progress reports are also provided to the Office of Internal Controls and Audit Compliance. The most recent report submitted for the April 2022 quarterly report, is included as an attachment for your review. The Boards take the auditors' findings seriously and want nothing more than to operate as securely and efficiently as possible.

During the 2021 legislative session, SB 125 - State Board of Chiropractic Examiners – Sunset Extension and SB 247 - State Board of Podiatric Medical Examiners – Sunset Extension were introduced. The termination provisions for both Boards were extended for ten (10) years without regard to the audit findings. However, both the Senate and House had received the fiscal compliance audit report of the Health Professional Boards.

The Board of Physical Therapy Examiners has no outstanding deficiencies to correct and the passing of SB 209 with amendment will ensure the continuation of the Board’s mandated

responsibilities to carry out its mission to protect the health, safety, and welfare of all Marylanders through the promotion and oversight of the Physical Therapy Practice Act and to ensure physical therapists and physical therapist assistants meet and exceed the physical therapy standards of practice through its licensing, compliance, and disciplinary processes.

The Board respectfully asks that the committee amend this legislation to extend the termination provisions relating to the statutory and regulatory authority of the Board, as was originally proposed, to the following:

Amendment 1

Page 2, line 7: Strike **2024** and insert **2032**.

The Board appreciates your consideration and requests a favorable report with amendment. If you'd like to discuss this further, please do not hesitate to contact Laurie Kendall-Ellis, Executive Director at laurie.kendall-ellis@maryland.gov or at 410-764-4718.

See separate attachment.

The opinion of the Board expressed in this document does not necessarily reflect that of the Department of Health or the Administration.

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Finding 3

Controls over collections directly received at and the deposits made by the majority of the HPBCs were not adequate, and duties related to cash receipts and licensing were not properly segregated.

Recommendation 3

We recommend that the applicable HPBCs

- a. perform documented verifications that credit card collections were deposited and properly recorded in the State’s accounting records (repeat);
- b. continue investigative action to determine whether the aforementioned \$386,000 in unrecorded collections were deposited and properly recorded in the State’s accounting records;
- c. ensure that employees processing collections are denied the system capability to issue or renew licenses, certificates, or permits, (repeat) or to update the related billing records;
- d. in conjunction with MDH, perform a documented consideration of the feasibility of using a bank lockbox account to receive collections (repeat); and
- e. periodically reconcile licensing activity with the related collections (repeat).

Agency Response			
Background / Analysis	Agree		
Please explain any concerns with factual accuracy.			
Recommendation a	Agree	Estimated Completion Date:	07/01/2020
Please provide details of corrective action or explain disagreement.	<u>Board of Physical Therapy</u> – COMPLETED 07/01/2020 The <i>State Treasurer’s Office Daily Deposit Report</i>, MDH <i>Monthly Detail Revenue Report</i>, credit/debit card vendor monthly statement & bank monthly statement are utilized to perform monthly reconciliation of revenue transactions and deposits. The Board office maintains a fiscal year paper binder with the completed monthly reconciliations. The <i>Request for Revenue Transfer</i> worksheet is provided to the MDH Fiscal Officer on an as needed basis to ensure deposits have the correct object code for the State’s accounting records. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.		
Recommendation b		Estimated Completion Date:	

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Please provide details of corrective action or explain disagreement.			
Recommendation c	Agree	Estimated Completion Date:	08/24/2020
Please provide details of corrective action or explain disagreement.	<p><u>Board of Physical Therapy</u> – COMPLETED 08/24/2020 Monthly access testing of the online licensing and cash log system is performed by the Administrative I staff to ensure the staff processing collections are denied the ability to issue or renew licenses and the staff issuing or renewing licenses are denied the ability to process collections. IT is instructed to make any needed changes and provide a verification. The office maintains a fiscal year spreadsheet documenting the monthly access testing results. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.</p>		
Recommendation d	Agree	Estimated Completion Date:	06/14/2021
Please provide details of corrective action or explain disagreement.	<p><u>Board of Physical Therapy</u> – COMPLETED 06/14/2021 The Board in conjunction with the MDH Fiscal Officer performed and documented a feasibility evaluation (provided June 2021) in reference to using a bank lockbox account. Due to the extremely low volume of checks (on average, less than 4 per week), the cost benefit analysis does not support a bank lockbox account as a cost effective fiduciary responsible approach.</p>		
Recommendation e	Agree	Estimated Completion Date:	08/24/2020
Please provide details of corrective action or explain disagreement.	<p><u>Board of Physical Therapy:</u> – COMPLETED 08/24/2020 Weekly licensing activities and payment collection reconciliations are performed. The office maintains a fiscal year paper binder with the completed weekly reconciliations. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.</p>		

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Finding 4

Twenty-one HPBCs did not perform documented system access reviews of their licensing system to ensure that user access capabilities were adequately restricted. As a result, numerous users could unilaterally issue or renew licenses, and current or former employees had unnecessary system access.

Recommendation 4

We recommend that the HPBCs

- a. perform documented periodic access reviews of the licensing systems;
- b. establish online or manual controls to prevent users from unilaterally issuing or renewing licenses, including those noted above; and
- c. ensure that users are assigned only those capabilities needed to perform job duties and to eliminate unnecessary access, including those noted above.

Agency Response			
Background / Analysis	Agree		
Please explain any concerns with factual accuracy.			
Recommendation a	Agree	Estimated Completion Date:	08/24/2020
Please provide details of corrective action or explain disagreement.	Board of Physical Therapy – COMPLETED 08/24/2020 Monthly access testing of the online licensing and cash log system is performed to ensure the staff processing collections are denied the ability to issue or renew licenses and the staff issuing or renewing licenses are denied the ability to process collections. IT is instructed to make any needed changes and provide a verification. The office maintains a fiscal year spreadsheet documenting the monthly access testing results. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.		
Recommendation b	Agree	Estimated Completion Date:	08/24/2020
Please provide details of corrective action or explain disagreement.	Board of Physical Therapy – COMPLETED 08/24/2020 Restrictions to the online licensing and cash log system based on staff job duties are in place and verified through monthly access testing. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.		

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Recommendation c	Agree	Estimated Completion Date:	08/24/2020
Please provide details of corrective action or explain disagreement.	<u>Board of Physical Therapy</u> – COMPLETED 08/24/2020 Restrictions to the online licensing and cash log system based on staff job duties are verified through monthly access testing. Quarterly audits by IT are conducted and the results are provided to the Board. The office maintains a fiscal year spreadsheet documenting the monthly and quarterly access testing results. Written standard operating procedures are in place and at a minimum reviewed and updated as needed annually.		

Finding 7 (Policy Issue)

Consolidation of licensing, procurement, and other fiscal operations to enhance internal controls and maximize efficiencies had not been pursued by the HPBCs.

Recommendation 7

We recommend that the HPBCs collectively identify opportunities for consolidating certain operations to enhance internal controls and maximize efficiencies and, if deemed practical, develop a formal plan to accomplish such enhancements.

Agency Response			
Background / Analysis	Agree		
Please explain any concerns with factual accuracy.			
Recommendation a	Agree	Estimated Completion Date:	12/31/2022
	<u>Board of Physical Therapy</u> – ESTIMATED COMPLETION DATE 12/31/2022 Due to the pending 12/01/2021 DoIT report (HB 224), LMS discussions with 17 Boards were placed on hold in October 2021. The Board of Physical Therapy along with 17 Boards use the same customized licensing management system (LMS) modules. With the receipt of the DoIT report, discussions about a LMS RFP have started for functionality and cost comparisons. Regularly scheduled meetings take place with HPBCs to discuss and compile information about the practicality and cost-effectiveness of centralizing certain fiscal and operational functions. The Board of Physical Therapy and 5 HPBCs collaborated in the writing of a HPBCs <i>Executive</i>		

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	<p><i>Director’s Planning Resource Guide.</i> Its purpose is to support all HPBC executive directors in carrying out their roles, responsibilities, and commitments through identified common internal operational and financial functions to maximize efficiencies. Valuable resources are included. The Board of Physical Therapy and 4 other boards utilize <i>DocuXplorer</i> (digital record management software). A presentation by the vendor to all boards is scheduled for April 2022. The Board of Physical Therapy collaborates with 18 small boards utilizing the services of an onsite IT team with expertise in the board’s shared customized LMS, databases and key service areas. The Boards share the utilization of the MDH Fiscal Officer, Legislative & Regulations Coordinator, AG Board Counsels, Investigators, HUB, MDH website platform, credit/debit card vendor, banking vendor, printing vendor, and comptroller to name a few. Procurements follow MDH protocol and Boards obtain Google and Microsoft access, and security training through the utilization of the DoIT Enterprise Network.</p>
<p>Contact Information for the Board of Physical Therapy Examiners</p>	<p>Laurie Kendall-Ellis – The Board of Physical Therapy Executive Director - laurie.kendall-ellis@maryland.gov</p>