

IMH Board of Examiners in Optometry

Maryland Department of Health and Mental Hygiene 4201 Patterson Avenue • Baltimore, Maryland 21215-2299 Martin O'Malley, Governor - Anthony G. Brown, Lt. Governor - Joshua M. Sharfstein, M.D., Secretary

September 29, 2011

The Honorable Joan Carter Conway Chair Senate Education, Health and Environmental Affairs Committee Miller Senate Building, 2 West Wing 11 Bladen Street Annapolis, Maryland 21401

STATE OF MARYLAND

The Honorable Peter A. Hammen Chairman House Health and Government Operations Committee Room 241, House Office Building Annapolis, Maryland 21401

## RE: Maryland Board of Examiners in Optometry Report on Licenses Issued, Revenue and Expenditure Trends and Staggered Renewal Cycles

Dear Madame Chair and Mr. Chairman:

As you are aware, the passage of SB 145, Chapter 236 of the Laws of Maryland 2010, required that the Maryland Board of Examiners in Optometry report on the actions it has taken to (1) Monitor the decline in new licenses issued and the trends in the renewal of previously issued licenses and include any recommendations that the Board has made to address it's findings; (2) Review future revenue and expenditure trends to determine if a fee increase may be necessary; and (3) Implement a biennial renewal cycle to maintain a more consistent fund balance.

## **Licenses Issued**

A review of Board data indicates that the number of new licenses issued did not decline but increased from 45 in fiscal 2009 to 57 (27%) in fiscal 2010 and reached a high of 61 in fiscal 2011. The Board projects that new licenses issued in fiscal 2012 and 2013 will remain stable at 60. Trends in the renewal of licenses document that 90% of active licenses are renewed by the expiration date, however, the remaining 10% of licenses are either renewed during the grace period, placed on inactive status, or placed on non-renewed status. The Board will continue to monitor the numbers of new and renewal licenses issued.

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## **Revenue and Expenditure Trends**

The Board had considered a fee increase in fiscal 2011; however, after projecting and reviewing future revenue and expenditure trends, the Board determined that a fee increase was not needed in fiscal 2011, 2012 or 2013. The Board began fiscal 2011 with a fund balance of \$73,608 and collected \$446,749 in revenues. Expenditures for 2011 were \$242,389 and the Board ended that year with \$277,968. Projections for the current year, fiscal 2012, indicate that the Board will end the year with a fund balance of \$133,458. The Board will continue to monitor future revenues and expenditures and work toward stabilizing its fund balance to the set target.

## Staggered Renewal Cycle

Prior to May 2010, all licenses expired on June 30 in the odd-numbered years. However, effective May 2010, the Board established its first staggered renewal cycle (even-numbered year). All new licenses issued from the effective date through December 2011 expire on June 30, 2012. Currently there are 860 active licenses. Of that number, 768 will expire on June 30, 2013 and the remaining 92 will expire on June 30, 2012. In fiscal 2013, the Board proposes to renew one- half of its licenses for a 2 year period and the remaining one-half for a 1 year period followed by a biennial renewal in the following year. This is a major change and will allow the Board to maintain a more consistent fund balance.

This report documents the Board's compliance with the reporting requirement of the law. The Board of Examiners in Optometry is committed to its primary goal of protecting the public and to performing its duties at the highest level of efficiency. Any comments or inquiries can be directed to me at 410-764-5994. Thank you.

Very truly yours,

Patricia G. Bennett, MSW Administrator

cc: Marie Grant, DHMH Office of Governmental Affairs