



## Overview of Bill Draft Request 603 of the 81st (2021) Session of the Nevada Legislature

Nevada Speech Language-Pathology, Audiology  
and Hearing Aid Dispensing Board  
**Assemblywoman Michelle Gorelow, Sponsor**

### WHAT IS BDR 603?

NRS 637B.175 prescribes the maximum fees the Board may charge for licensing and other services. BDR 603 revises the fee caps in NRS 637B.175. Actual fees charged are listed in NAC 637B and must be changed through the administrative rulemaking process during the interim period after the legislative session. The BDR will become an Assembly Bill when it is introduced; notification of the bill number and hearings will be posted on the Board's website. If the bill passes, the Board will be legally allowed to pursue a change to NAC 637B to increase actual fees charged. A careful consideration of the appropriate increase would occur as part of that process, which would include at least both a public workshop and a public hearing with ample opportunity for stakeholder feedback and public comment.

**This BDR will also support our continued work on your behalf.**

Through its operations and actions the Board creates public confidence in the licensed professions by ensuring high quality standards of care in delivery of services and protection of consumers from individuals who do not meet those standards.

In addition, the Board:

- Provides easily accessible applications and licensure processes to practitioners;
- Provides timely communications to licensees allowing them to maintain current licenses;
- And Engages with practitioners and their associations to develop of the fields of practice and ensuring high quality standards of care in delivery of services to the public.

### WE HEARD YOU – AND WE ACTED!

In January 2020, the Board approved its original plan to pursue a BDR to double the current fee caps **but has since revised the proposal out of respect for the current fiscal climate.** Our 2020 licensee survey confirmed that many of you have been financially impacted by COVID-19. While we recognize this is not the ideal time to raise fee caps and fees, the Board's current reserve situation demands it, especially given that the process is lengthy and relies on our biennial legislative process.

Current fee caps and actual fees charged are listed in the following table. The column on the far right illustrates that all, except one, of actual fees charged currently are at the **maximum fee caps.**

<i>Fee</i>	<i>Current Fee Cap</i>	<i>Proposed Fee Cap</i>	<i>Current Actual Fee</i>
<i>Application fee.....</i>	<i>\$150</i>	<i>\$200</i>	<i>\$150</i>
<i>License fee.....</i>	<i>\$100</i>	<i>\$150</i>	<i>\$100</i>
<i>Fee for the renewal of a license.....</i>	<i>\$100</i>	<i>\$150</i>	<i>\$100</i>
<i>Reinstatement fee.....</i>	<i>\$100</i>	<i>\$200</i>	<i>\$100</i>
<i>Examination fee.....</i>	<i>\$300</i>	<i>No Increase</i>	<i>\$200</i>
<i>Fee for converting to a different type of license.....</i>	<i>\$50</i>	<i>No Increase</i>	<i>\$50</i>
<i>Fee for each additional license or endorsement.....</i>	<i>\$50</i>	<i>No Increase</i>	<i>\$50</i>
<i>Fee for obtaining license information.....</i>	<i>\$50</i>	<i>100</i>	<i>\$50</i>

## WHY A FEE CAP INCREASE?

- 1. Replenish Board Reserves** ~ Every year from FY16 to FY19, the Board’s operating budget resulted in a negative net income; fortunately, the Board had available over \$70,000 in reserves to cover the difference. FY21 expenses are projected to cost the Board approximately \$28,000 in excess of revenue. In most years, the deficit budget was developed strategically to allow the Board to invest in technology and support services that increased staff efficiency and benefits to licensees, such as online renewal and fee payment. These investments should help stabilize the Board’s income and expenditures in future years. However, the Board’s current reserve is now below one-year’s operating costs and should be replenished to increase solvency and align with Legislative direction and Board policy regarding reserve funds.
- 2. Create Room for an Increase in Actual Fees Charged** ~ Actual fees charged currently are at the maximum fee cap (except for one). The last change to the Board’s fee caps occurred upon the merger of the formerly separate Audiologists and Speech Pathologist Board and Hearing Aid Specialists Board in 2015. ***The Board has been transparent about its plan to seek a nominal increase in actual fees following this fee cap increase to cover annual expenses and eventually replenish reserves.*** Due to the lengthy NRS and NAC revision process, we must pursue this effort now as we will see no additional funds until at least 2022. An increase in fee caps now will also allow for future fee increases as deemed necessary, without the need to again pursue legislation.
- 3. Licensee Growth** ~ Our Board has seen a consistent annual average increase in licensee totals of 6% since 2015, resulting in an almost 20% increase in licensing and oversight work. We remain extremely responsive and efficient, despite employing only two (2) part-time staff, yet we are committed to maintaining the same level of quality customer service to our licensees as we grow.

4. **Protection of the Public** ~ With growth comes the opportunity for more complaint cases which can be costly to the Board, yet we remain committed to our responsibility to protect patients and consumers. Since FY16 the Board has worked 21 complaint cases, an average of four (4) per year. Only six (6) cases have resulted in a formal order that would allow the Board to recoup costs. The approximate cost of legal and investigative fees to the Board for these cases is unavoidable and substantial but cannot be fully calculated due to the age of records. Only a fraction of this has been recovered to date following a Board Order.
5. **Investments in Technology & Efficiency** ~ The Board has made several investments in the past few years in a licensing database that is integrated with our website to improve licensee access to applications and renewals and provides a more user-friendly backend that allows Board staff to make content changes to the website easily versus relying on a paid third-party to do so. New ZOOM teleconference meeting technology allows the Board to reduce in-person meeting costs. Office 365 has allowed staff to work remotely and without interruption during COVID-19 and will support future remote work that reduces overhead costs. Board staff are committed to a leaner future that includes less reliance on paper and traditional operating expenses.

## HOW ARE BOARD FUNDS MANAGED?

Our Board operates independently and is ***funded solely by licensing fees***. We operate somewhat like a small business responsible for all related operating expenses. Licensees can learn more about the Board's budget by attending Board meetings or viewing supplemental materials on our website. In conjunction with this effort to raise fee caps, the Board has instituted a number of cost-saving measures to ensure funds are used as effectively as possible:

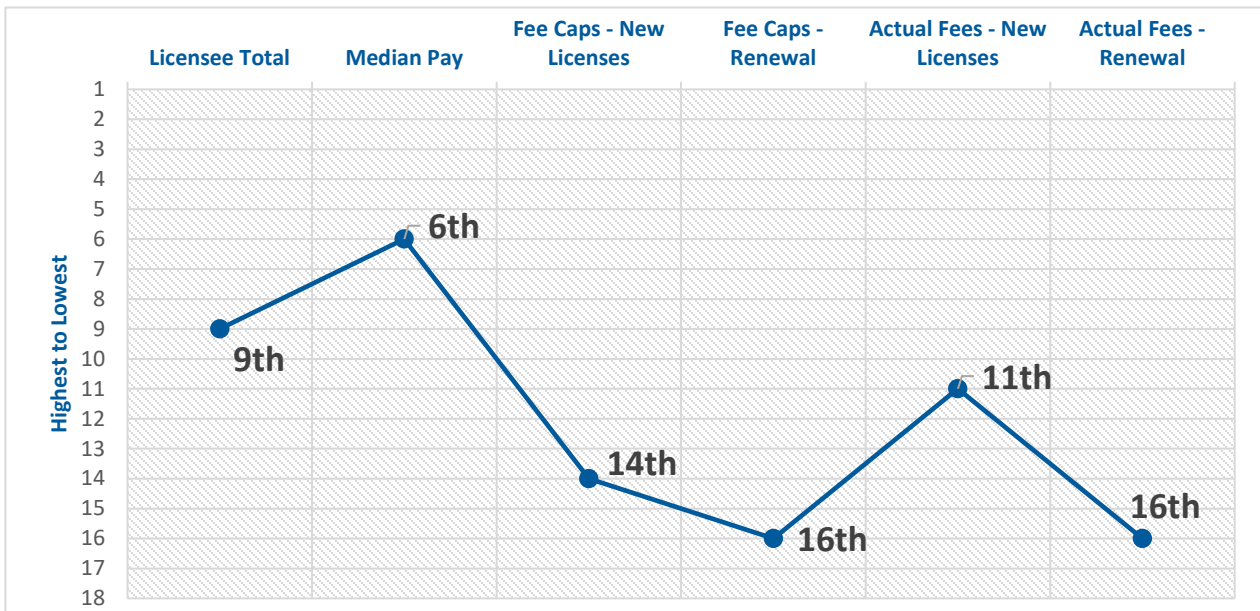
- The Board employs three (3) part-time staff: an Executive Director at .7 FTE, a Licensing Coordinator at .5 FTE, and an Investigator used on an as-needed, hourly basis. Staff will forego salary increases in FY21.
- The Board shares office space with the Occupational Therapy and Environmental Health Specialists Boards to reduce costs. Our FY21 cost-sharing agreement was recently revised to relinquish unneeded office space and lower operating costs going forward.
- Prior to this year, only renewals could be completed online. In October 2020, the Board completed a large-scale revision to the licensing database and website to accept and process new license applications electronically. The application process is now more accessible and convenient for licensees, reduces application processing time, and decreases the Board's dependence on paper and resulting storage fees.
- In early 2020, the Board completed a planned website transition and upgrade that integrated hosting and support with our licensing database vendor. This revision has already reaped significant benefits and maintenance cost-savings as Board staff can directly manage 95% of the website content, reducing the need to pay hourly IT support costs, eliminating delays for simple tasks, and allowing for timely content updates, especially during the COVID-19 pandemic.

- At the end of 2019 we transitioned Board email to Office 365 and began using SharePoint to store Board documents, giving us access to a secure, accessible, and reliable cloud-based document retention and back-up system. This has been especially useful as staff began working remotely due to COVID-19 and has virtually eliminated interruptions in efficiency.
- Historically records have been kept in paper form, resulting in \$480 in ongoing annual storage costs. Board staff are working to adopt processes that rely less on paper by creating and storing records electronically without expending paper and printing resources.
- While we cannot predict the number and nature of complaints received, it is hoped that Board staff will require less support from Legal Counsel as experience is gained in this area, and that future efforts toward licensee education on our practice laws and regulations may result in fewer complaints.
- The Board is attuned to consideration of long-term strategic efforts to reduce other costs. The implementation of ZOOM meetings has improved the Board’s ability to meet remotely and we are continually assessing future operating needs.

## HOW DO WE COMPARE TO OTHER BOARDS?

We compared our licensee census, licensee salaries, and licensing fees against 17 other Nevada Boards that are similar in size and/or professional area to our Board<sup>1</sup>.

- Our Board is **larger (# of licensees) than one-half** of comparison Boards.
- Our practitioners’ **median professional salaries are the 6<sup>th</sup> highest** of all 18 Boards.
- Both our **fee caps and actual fees charged are less than 50%** of comparison Boards.
- Eight (8) of the comparison Boards **changed their NRS fee caps** in the last two legislative sessions: two (2) in 2017, and six (6) in 2019.



## HOW WILL LICENSEES BE IMPACTED BY THIS BDR?

An analysis of median salary data provided by the U.S. Bureau of Labor (BOL) statistics and the results of our 2020 Licensee Survey tell us that most of our licensees earn \$60,000 or more annually:

License Type	BOL Median Pay (2019)	Survey Self-Report of Annual Salary \$60,000 or Higher
Speech-Language Pathologist	\$79,120 annually <sup>2</sup> (\$38.04/hour)	62% (233 of 373 respondents)
Audiologist	\$77,600 annually <sup>3</sup> (\$37.31/hour)	78% (14 of 18 respondents)
Hearing Aid Specialist	\$53,420 <sup>4</sup> (\$25.68/hour)	93% (29 of 31 respondents)

The table below is an analysis of current fees and a modest, hypothetical \$25 increase in new application and renewal fees:

New Application	Current Fee	\$ 25 Increase	Revenue Increase
Application Fee + License Fee	\$ 150 + \$100 = \$250	\$ 175 + \$125 = \$300	
% of Licensee Salary	0.42%	0.50%	\$ 3,750
Revenue (75 new applicants)	\$ 18,750	\$ 22,500	
Current new application and renewal fees cost <u>less than one-half of one percent</u> of a \$60,000 annual salary.	<ul style="list-style-type: none"> <li>• Renewal Fee = \$100 → 0.17% of annual salary</li> <li>• Application + Licensing Fee = \$250 → 0.42% of annual salary</li> </ul>		

Renewal	Current Fee	\$ 25 Increase	Revenue Increase
Renewal Fee	\$ 100	\$ 125	
% of Licensee Salary	0.17%	0.21%	\$ 28,325
Revenue (90%: 1133 of 1259 licensees)	\$ 113,300	\$ 141,625	
A \$25 increase in actual fees charged would keep these fees <u>at or below one-half of one percent</u> of \$60,000.	<ul style="list-style-type: none"> <li>• Application + Licensing Fee = \$300 → 0.50% of annual salary</li> <li>• Renewal Fee = \$125 → 0.21% of annual salary</li> </ul>		

These increases would also provide the Board with approximately \$32,000 in additional revenue:

Total Revenue	\$ 132,050	\$ 164,125	\$ 32,075.00
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## WHEN WOULD LICENSEES SEE A CHANGE?

Our effort to increase FEE CAPS must be made through a change to law in NRS 637B, which occurs via formal legislation. This BDR will be filed for the 2021 Legislative Session and **could pass no later than June 2021**.

Any increase to ACTUAL FEES CHARGED would then have to be pursued through a change to regulation in NAC 637B, which occurs through a formal rulemaking process during an interim between legislative sessions. If this BDR is passed, the Board could pursue an increase to actual fees charged in the 2021-2022 interim, which **could be approved and go into effect sometime in 2022**.

## HOW CAN I FIND OUT MORE?

- Track this BDR at <https://www.leg.state.nv.us/App/NELIS/REL/81st2021/Bills/List>
- Contact us at [board@nvspeechhearing.org](mailto:board@nvspeechhearing.org)
- Follow updates on our website at <https://www.nvspeechhearing.org/about/proposedlawsregs.asp>

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<sup>1</sup> Alcohol, Drug, & Gambling; Athletic Trainers; Barbers and Barbering; Chiropractic; Dispensing Opticians; Funeral; Landscape Architecture; Marriage & Family Therapist; Massage Therapists; Nursing; Occupational Therapists; Optometry; Oriental Medicine; Physical Therapists; Podiatry; Psychological Examiners; Social Workers

<sup>2</sup> <https://www.bls.gov/ooh/healthcare/speech-language-pathologists.htm>

<sup>3</sup> <https://www.bls.gov/oes/2018/may/oes291181.htm>

<sup>4</sup> <https://www.bls.gov/oes/current/oes292092.htm>