



Memorandum

May 16, 2007

To: The Honorable Marc Basnight, President Pro Tempore, N.C. Senate
The Honorable James B. Black, Speaker of the N.C. House of Representatives

CC: Michele Nelson at govops@ncleg.net (Fiscal Research Division)
Kathy Davis, Full Commission Assistant at huntntla@ncleg.net

From: Ben F. Massey, Jr., PT, MA, Executive Director
North Carolina Board of Physical Therapy Examiners

Subject: Request for Consultation regarding the proposed fee increase for North Carolina Board of Physical Therapy Examiners

In response to Section 6.8 of S.L. 2005-276 under the Procedures for Consultation Requirements, Guidelines for Reporting Entities, I would like to submit a request for consultation to all members of Governmental Operations, the Commission Assistant, and the Fiscal Research Division. Provided below is the information outlined in Section 6.8. The proposed effective date is November 1, 2006.

1. The amount of the current fee or charge.

21 NCAC 48F .0102 FEES

- (a) The following fees are charged by the Board:
- (1) application for physical therapist licensure;
 - (A) by endorsement or examination taken in another state, one hundred thirty-five dollars (\$135.00);
 - (B) by examination, one hundred thirty-five dollars (\$135.00);
 - (2) application for physical therapist assistant licensure;
 - (A) by endorsement or examination taken in another state, one hundred thirty-five dollars (\$135.00);
 - (B) by examination, one hundred thirty-five dollars (\$135.00);
 - (3) renewal for all persons, eighty dollars (\$80.00);
 - (6) transfer of licensure information fee, including either the examination scores or licensure verification or both, twenty-five dollars (\$25.00);
 - (8) certificate replacement or duplicate, twenty-five dollars (\$25.00);

- 1 -

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2. The amount of the proposed new or increased fee or charge.

21 NCAC 48F .0102 FEES

(a) The following fees are charged by the Board:

- (1) application for physical therapist licensure;
 - (A) by endorsement or examination taken in another state, one hundred ~~thirty-five~~ fifty dollars (~~\$135.00~~); (\$150.00);
 - (B) by examination, one hundred ~~thirty-five~~ fifty dollars (~~\$135.00~~); (\$150.00);
- (2) application for physical therapist assistant licensure;
 - (A) by endorsement or examination taken in another state, one hundred ~~thirty-five~~ fifty dollars (~~\$135.00~~); (\$150.00);
 - (B) by examination, one hundred ~~thirty-five~~ fifty dollars (~~\$135.00~~); (\$150.00);
- (3) renewal for all persons, ~~eighty one hundred~~ dollars (~~\$80.00~~); (\$100.00);
- (6) transfer of licensure information fee, including either the examination scores or licensure verification or both, ~~twenty-five~~ thirty dollars (~~\$25.00~~); (\$30.00);
- (8) certificate replacement or duplicate, ~~twenty-five~~ thirty dollars (~~\$25.00~~); (\$30.00);

3. The statutory authority for the increase of the fee or charge.

G.S. 90-270.24-90-270.39

PHYSICAL THERAPY PRACTICE ACT: NORTH CAROLINA

Effective: December 30, 1985 / Fee Schedule Amended: 1999

Article 18B Physical Therapy

90-270.33. Fees.

The Board may collect fees established by its rules, but those fees shall not exceed the following schedule for the specified items:

- | | |
|--|----------|
| (1) Each application for licensure | \$150.00 |
| (2) License renewal | \$120.00 |
| (3) Transfer/verification/replace certificate | \$30.00 |
| (4) Examination retake | \$60.00 |
| (5) Late renewal | \$20.00 |
| (6) Licensure revival (in addition to renewal) | \$30.00 |
| (7) Directory | \$10.00 |
| (8) Licensee lists or labels | \$60.00 |

4. A detailed explanation of the need for the establishment or increase of the fee.

	Current fee	Proposed fee	Current Income	Anticipated Income	Difference
Application PT	\$ 135.00	\$ 150.00	\$ 58,000	\$ 64,400	\$ 6,400
Application PTA	\$ 135.00	\$ 150.00	\$ 25,000	\$ 27,800	\$ 2,800
Renewal	\$ 80.00	\$ 100.00	\$ 575,000	\$ 720,00	\$ 145,000
Transfer of licensure information	\$ 25.00	\$ 30.00	\$ 14,000	\$17,000	\$3,000
Certificate Replacement	\$ 25.00	\$ 30.00	\$1,100	\$ 1,300	\$200
TOTAL					\$157,400.00

Justification for the fee increase for the North Carolina Board of Physical Therapy Examiners:

1. The Board has not hired additional staff since July, 2000. Meanwhile, the number of licensees that the Board is responsible to administer has increased from 5,350 licensees to 7,785 licensees, an increase of 46%. The Board needs to hire one additional administrative staff person (Salaries + benefits approximately = \$ 38,000 / year) and hire an additional professional physical therapist staff person to administer a program in continuing competence / continuing education. (Salaries + benefits = \$ 72,000)
2. The Board has been located in its current office space of 1,873 square feet since 1989. The current contract expires in 2007. The Board needs to expand its space by 50% to accommodate the anticipated staffing increase, etc. Currently, the office space, electricity, and janitorial services are approximately \$24,000 / year. The anticipated increase in cost is approximately \$12,000 / year.
3. The annual budget for the North Carolina Board of Physical Therapy Examiners is approximately \$700,000. The Board has not increased fees since 2003. Over the same period of time, operating expenses have increased approximately 5.45% annually or \$ 35,000 / year.

Summary of Increased Expenses	
Operating expenses	\$ 35,000
New staffing requirements	\$ 110,000
Additional office space	\$12,000
TOTAL	\$157,000.00

SUMMARY FINANCIAL JUSTIFICATION:

Projected increased income \$157,400
Projected increased expenses 157,000
Projected Income Over Expenses \$ 400