

# BOARD OF NURSING

## FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1  
**BUDGET OVERVIEW, FY 2021 – FY 2023**

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Operating Expenditures:</b>					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	50,006	-	-	-	-
All Other Funds	3,025,934	3,417,107	3,441,286	3,378,966	3,423,871
<i>Subtotal</i>	<u>\$ 3,075,940</u>	<u>\$ 3,417,107</u>	<u>\$ 3,441,286</u>	<u>\$ 3,378,966</u>	<u>\$ 3,423,871</u>
<b>Capital Improvements:</b>					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL</b>	<u><b>\$ 3,075,940</b></u>	<u><b>\$ 3,417,107</b></u>	<u><b>\$ 3,441,286</b></u>	<u><b>\$ 3,378,966</b></u>	<u><b>\$ 3,423,871</b></u>
<b>Percentage Change:</b>					
State General Fund	-- %	-- %	-- %	-- %	-- %
All Funds	4.8 %	11.1 %	11.9 %	(1.1) %	(0.5) %
FTE Positions	27.0	27.0	27.0	27.0	27.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Board of Nursing was created in 1913 to regulate the practice of nursing by maintaining licensure of covered classes, surveying schools, and conducting disciplinary activities. The Board consists of 11 members appointed by the Governor, each serving a 4-year term. As required by law, six Board members are registered professional nurses; two are licensed practical nurses; and three are members of the public. The following three divisions assist in facilitating the responsibilities of the agency.

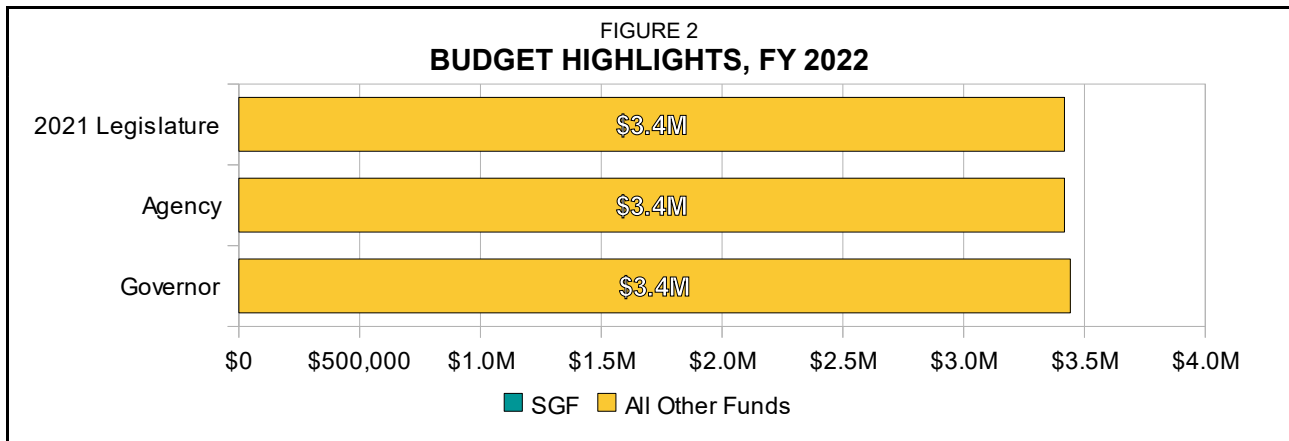
**LICENSING DIVISION.** The Board's Licensing Division evaluates nursing schools and maintains the licensure of practical nurses, registered nurses, advanced practice registered nurses, registered nurse anesthetists, and mental health technicians.

**EDUCATION DIVISION.** The Board's Education Division is tasked with developing stronger ties with professional organizations and nurses across Kansas by providing staff for speaking engagements, setting up information booths at conventions, and conducting presentations about nursing regulation to nursing students. In addition, the Board is responsible for reviewing and approving continuing education providers and programs for its licensees and accredits schools that meet the Board's rules and regulations.

**LEGAL DIVISION.** The Board's Legal Division investigates complaints concerning unlawful practices and may, after hearings, suspend or revoke a practitioner's license. The Board also may discipline licensees who violate the Kansas Nurse Practice Act by classifying the violation, investigating actionable categories, and disposing of cases accordingly.

### EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$3.4 million, all from special revenue funds, for the Board of Nursing for FY 2022 and \$3.3 million, all from special revenue funds, for FY 2023.



The **agency** estimates revised FY 2022 expenditures of \$3.4 million, all from special revenue funds, which is the same amount as the FY 2022 approved amount.

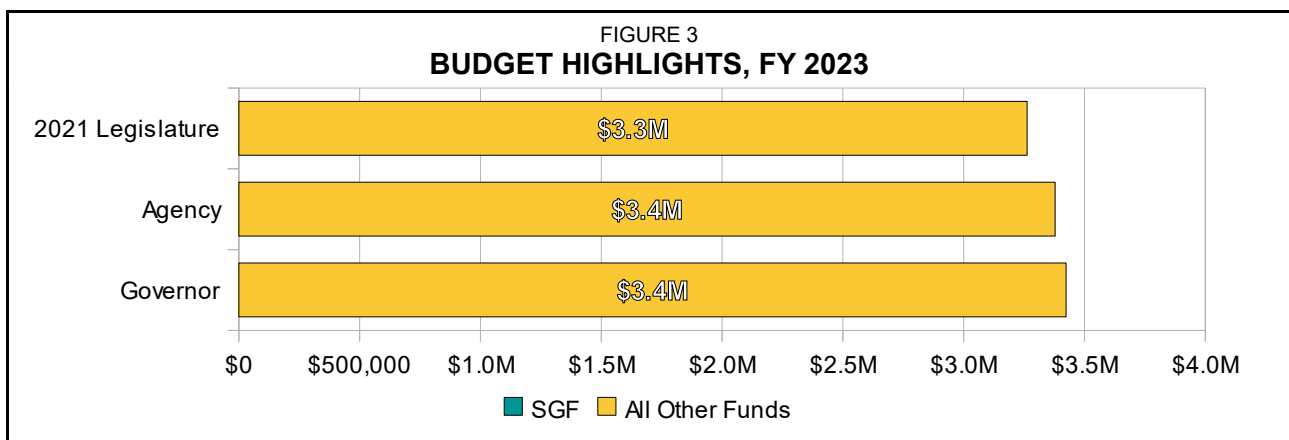
Significant items in the agency estimate include the following:

- **NEW SOFTWARE MODULE.** The agency is purchasing the enforcement module of their current licensing software. This will provide the ability to use technology to track the investigative cases within the agency's licensing system and provide for consistent case documentation.
- **SOFTWARE UPGRADE.** The agency is upgrading their Microsoft software, as required, to ensure compatibility to receive standard security updates.

The **Governor** recommends expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$24,179, or 0.7 percent, above the agency's revised estimate.

Significant items in the Governor's recommendation include the following:

- **NURSE PAY ADJUSTMENT.** The Governor recommends adding \$24,179, all from the Board of Nursing Fee Fund, in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff.



The **agency** estimates revised expenditures of \$3.4 million for FY 2023, all from special revenue funds, which is an all funds increase of \$116,407, or 3.6 percent, above the FY 2023 approved amount.

Significant items in the agency request include the following:

- **LICENSING SOFTWARE UPGRADE.** The agency indicates its licensing software needs to be updated to ensure required security protocol updates are performed for the imaging system, the enforcement module, and public verifications. The upgrade is estimated at \$160,000, but \$43,592 was already budgeted in the FY 2023 approved amount. Therefore, the remaining \$116,407 is requested to meet the total funding for this purchase for FY 2023.

The **Governor** recommends expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$44,905, or 1.3 percent, above the agency's revised estimate.

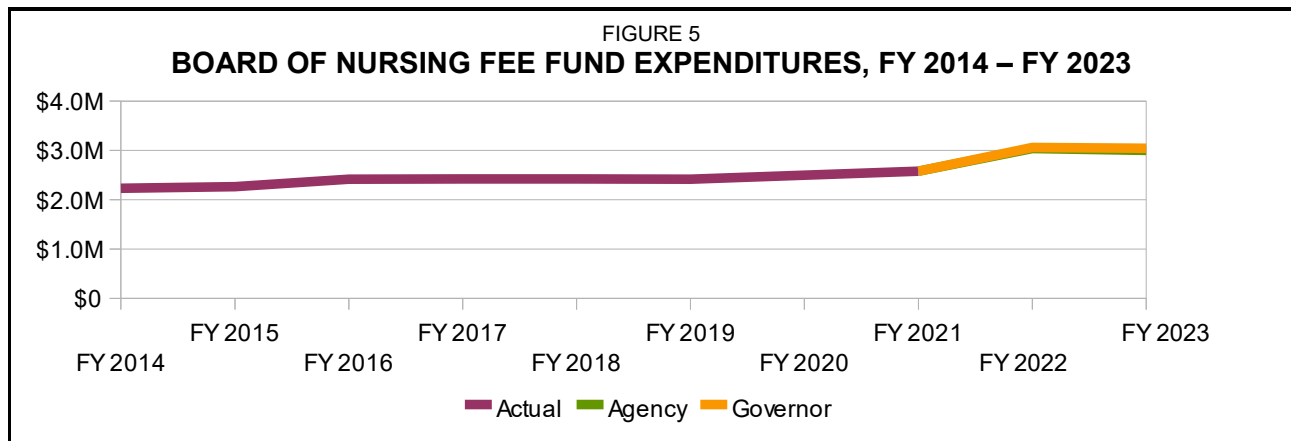
Significant items in the Governor's recommendation include the following:

- **NURSE PAY ADJUSTMENT.** The Governor also recommends adding \$44,905, all from the Board of Nursing Fee Fund, for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as the temporary pay differentials for hourly personnel.

# EXPENDITURES AND FINANCING

FIGURE 4  
**BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023**

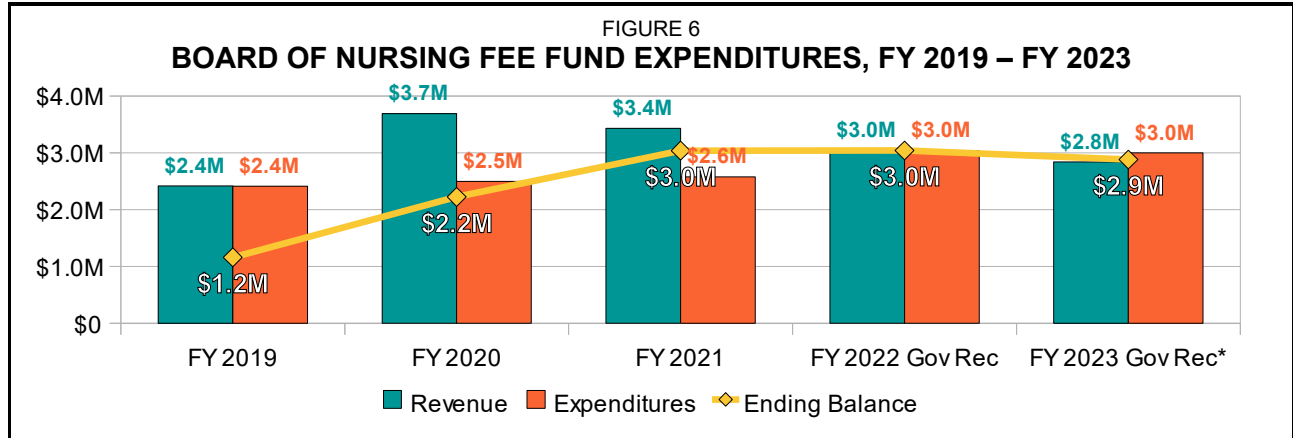
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Category of Expenditure:</b>					
Salaries and Wages	\$ 1,709,619	\$ 1,999,132	\$ 2,023,311	\$ 2,000,209	\$ 2,045,114
Contractual Services	1,178,931	1,221,175	1,221,175	1,334,657	1,334,657
Commodities	11,707	14,100	14,100	15,300	15,300
Capital Outlay	175,683	182,700	182,700	28,800	28,800
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 3,075,940</u>	<u>\$ 3,417,107</u>	<u>\$ 3,441,286</u>	<u>\$ 3,378,966</u>	<u>\$ 3,423,871</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal— Operating</i>	<u>\$ 3,075,940</u>	<u>\$ 3,417,107</u>	<u>\$ 3,441,286</u>	<u>\$ 3,378,966</u>	<u>\$ 3,423,871</u>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
<b>TOTAL</b>	<u><b>\$ 3,075,940</b></u>	<u><b>\$ 3,417,107</b></u>	<u><b>\$ 3,441,286</b></u>	<u><b>\$ 3,378,966</b></u>	<u><b>\$ 3,423,871</b></u>
<b>Financing:</b>					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Board of Nursing Fee Fund	2,577,806	3,037,107	3,061,286	2,998,966	3,043,871
Criminal Background Fund	448,128	380,000	380,000	380,000	380,000
Coronavirus Relief Fund- Federal	50,006	-	-	-	-
<b>TOTAL</b>	<u><b>\$ 3,075,940</b></u>	<u><b>\$ 3,417,107</b></u>	<u><b>\$ 3,441,286</b></u>	<u><b>\$ 3,378,966</b></u>	<u><b>\$ 3,423,871</b></u>
FTE Positions	27.0	27.0	27.0	27.0	27.0



The Board is responsible for examining, licensing, and renewing licenses of qualified nurse applicants and conducting hearings upon charges for limitation, suspension, or revocation of a license. According to KSA 74-1108, the executive administrator of the Board can levy fees, charges, or penalties for these services. KSA 74-1106 authorizes the Board of Nursing to apply for and receive grant funds, as well as receive donations, bequests, and gifts. KSA 75-3170a(a) provides that 90.0 percent of incoming revenues are retained by the agency and 10.0 percent is deposited into the State General Fund (SGF), up to a maximum of \$100,000 per fiscal year per fund.

The 2017 Legislature approved transfers of \$36,000 in FY 2018 and \$37,000 for FY 2019 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency agreement to share costs associated with K-TRACS (the State's prescription drug monitoring program). The 2019 Legislature approved transfers of \$103,500 for FY 2020 and FY 2021 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency plan to provide new funding for K-TRACS. The 2020 Legislature deleted the transfer of \$103,500 from the Board of Nursing Fee Fund to the Board of Pharmacy for K-TRACS in FY 2021.

**BOARD OF NURSING FEE FUND**



\* For FY 2023, the lowest month ending balance for the Board of Nursing Fee Fund will occur in July, with a balance of \$2.8 million.

Board of Nursing Fee Fund revenue increased by \$1.3 million from FY 2019 to FY 2020. From FY 2021 to FY 2023, the funds amount decreased from \$3.4 million to \$2.9 million. There will be an operating transfer of \$70,000 for K-TRACS for FY 2022 and FY 2023.

FIGURE 7  
**LICENSE FEES, FY 2022**

License	Current Fee	Statutory Limit	Authority
Advanced Practice Registered Nurse	\$ 50	\$ 50	KSA 65-1118
Registered Nurse Anesthetist	75	75	KSA 65-1118
Registered Nurse (single state)	100	150	KSA 65-1118
Registered Nurse (multi-state)	125	300	KSA 65-1118
Practical Nurse (single state)	75	100	KSA 65-1118
Practical Nurse (multi-state)	125	300	KSA 65-1118
Mental Health Technician	50	50	KSA 65-4208

## FY 2022 ANALYSIS

FIGURE 8  
**SUMMARY OF BUDGET REQUEST, FY 2022**

	SGF	Special Revenue Funds	All Funds	FTE
<b>Legislative Approved:</b>				
Amount Approved by 2021 Legislature	\$ -	\$ 3,417,107	\$ 3,417,107	27.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	<i>\$ -</i>	<i>\$ 3,417,107</i>	<i>\$ 3,417,107</i>	<i>27.0</i>
<b>Agency Revised Estimate:</b>				
2. No Changes	\$ -	\$ -	\$ -	--
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ -</i>	<i>\$ 3,417,107</i>	<i>\$ 3,417,107</i>	<i>27.0</i>
<b>Governor's Recommendation:</b>				
3. Nurse Pay Adjustment (seven months)	\$ -	\$ 24,179	\$ 24,179	--
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 3,441,286</b>	<b>\$ 3,441,286</b>	<b>27.0</b>

### LEGISLATIVE APPROVED

- Subsequent to the 2021 Session, no adjustments were made to the \$3.4 million appropriated to the Board of Nursing for FY 2022.

### AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$3.4 million, all from special revenue funds, which is the same amount as the FY 2022 approved amount. This amount includes salaries and wages expenditures, which makes up the majority of the agency's budget. Also included in this amount is expenditures for contractual services such as building space rental, computer programming, dues and subscriptions, cellphones, and other normal operating expenditures.

- NO CHANGES.** Despite no changes in total expenditures, the agency reallocated spending from capital outlay for software and salaries to begin the licensing software upgrade.

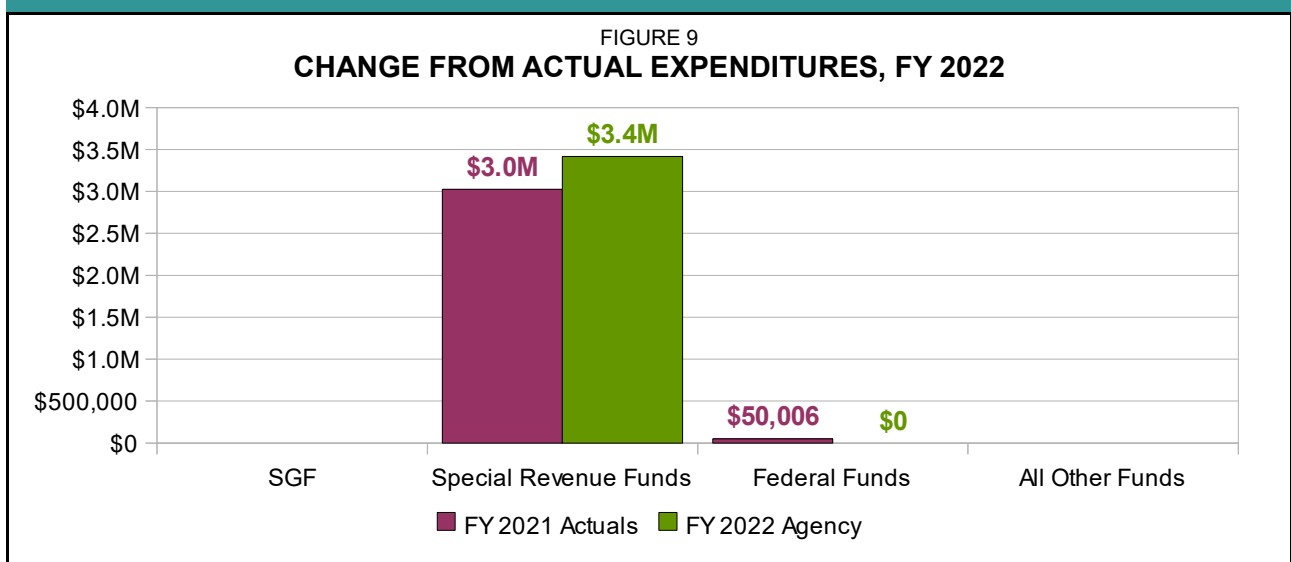
### GOVERNOR'S RECOMMENDATION

The **Governor** recommends expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$24,179, or 0.7 percent, above the agency's revised estimate.

Significant items in the Governor's recommendation include the following:

- NURSE PAY ADJUSTMENT.** The Governor recommends adding \$24,179, all from the Board of Nursing Fee Fund, in FY 2022 to implement the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. The plan provides a temporary base pay increase for hourly and salaried staff, pay differentials for hourly personnel, and one-time premium pay allocations up to \$3,500 for salaried staff. This directive, effective November 28, 2021, includes seven months of FY 2022.

## FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised expenditures of \$3.4 million, all from special revenue funds, in FY 2022. This is an increase of \$341,167, or 11.1 percent, above the FY 2021 actual expenditures. This is due to an increase of expenditures on filling vacant positions, employment benefits, computer software maintenance, state building operating charges, office supplies, and other operating costs.

## FY 2023 ANALYSIS

FIGURE 10  
**SUMMARY OF BUDGET REQUEST, FY 2023**

	SGF	Special Revenue Funds	All Funds	FTE
<b>Legislative Approved:</b>				
Amount Approved by 2021 Legislature	\$ -	\$ 3,262,559	\$ 3,262,559	27.0
<b>Agency Request:</b>				
1. Software Upgrade	\$ -	\$ 116,407	\$ 116,407	--
<i>Subtotal—Agency Estimate</i>	<i>\$ -</i>	<i>\$ 3,378,966</i>	<i>\$ 3,378,966</i>	<i>27.0</i>
<b>Governor’s Recommendation:</b>				
2. Nurse Pay Adjustment (full year)	\$ -	\$ 44,905	\$ 44,905	--
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 3,423,871</b>	<b>\$ 3,423,871</b>	<b>27.0</b>

### AGENCY REQUEST

The **agency** estimates revised FY 2023 expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$116,407, or 3.6 percent, which is attributable to an adjustment for a software upgrade.

The **agency** request includes the following adjustments:

1. **LICENSING SOFTWARE UPGRADE.** The agency indicates its licensing software needs to be updated to ensure required security protocol updates are performed for the imaging system, the enforcement module, and public verifications. The upgrade is estimated at \$160,000, but \$43,592 was already budgeted in the FY 2023 approved amount. Therefore, the remaining \$116,407 is requested to meet the total funding for this purchase for FY 2023.

### GOVERNOR’S RECOMMENDATION

The **Governor** recommends expenditures of \$3.4 million, all from special revenue funds. This is an increase of \$44,905 or 1.3 percent, above the agency’s revised estimate.

Significant items in the Governor’s recommendation include the following:

2. **NURSE PAY ADJUSTMENT.** The Governor also recommends adding \$44,905, all from the Board of Nursing Fee Fund, for FY 2023 to continue the 24/7 pay initiative recommended by the SPARK Taskforce and approved by the State Finance Council. For FY 2023, the plan provides a continuation of the temporary base pay increase as well as the temporary pay differentials for hourly personnel.



# ENHANCEMENT REQUEST

REQUEST 1  
**SOFTWARE UPGRADE**

<b>FY 2023 AGENCY ENHANCEMENT</b>						
Item	Agency Request			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Software Upgrade	\$ -	\$ 116,407	--	\$ -	\$ 116,407	-

The agency requests \$116,407 for a software upgrade in FY 2023. This upgrade will allow the agency to maintain new security protocols for the enforcement module and public verifications. This ensures that security updates are regularly being installed as recommended by the vendor and also ensures proper function of the software system used for licensure requirement purposes. The total cost of the upgrade is \$160,000, of which \$43,593 is funded within the existing approved budget.

The Governor recommends fully funding this enhancement request for FY 2023.

## SPECIAL TOPICS

### TOPIC 1

#### **NURSING LICENSURE COMPACT**

The 2018 Legislature passed 2018 HB 2496, which established provisions for the implementation of the Nursing Licensure Compact. This classified the traditional license for professional nurses and practice nurses as a single-state license and created a new category of licensure for multistate applicants.

The bill also increased the statutory limit for the application fee for a professional nurse license from \$75 to \$150, the application fee for a practice nurse license from \$50 to \$100, and the biennial license renewal fee for professional nurses and practical nurses from \$60 to \$120. In addition, it increased the statutory limit for license reinstatement fees from \$70 to \$150, and increased the statutory limit on the license reinstatement fee for a temporary permit from \$100 to \$175. In addition, the bill set the statutory limit for a multistate license application fee for a professional nurse or practice nurse at \$300, set the statutory limit for the biennial renewal fee for a multistate license for professional nurses and practical nurses at \$200, and set the statutory limits for reinstatement fees for multistate licenses and multistate licenses with temporary permits at \$300.

#### **K-TRACS**

K-TRACS is the prescription drug monitoring program for the State of Kansas. Established by KSA 65-1683, it is used by prescribers and pharmacists to promote patient safety through prevention of prescription drug misuse, abuse, and diversion. Pharmacies are required to report the controlled substances and other drugs of concern they dispense to K-TRACS on a daily basis.

K-TRACS is administered by the Board of Pharmacy, but the Board of Nursing has provided funding through a transfer from the Board of Nursing Fee Fund. Recent budgetary adjustments include:

- The 2017 Legislature approved transfers of \$36,000 in FY 2018 and \$37,000 for FY 2019 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency agreement to share costs associated with K-TRACS.
- The 2019 Legislature approved transfers of \$103,500 for FY 2020 and FY 2021 from the Board of Nursing Fee Fund to the Board of Pharmacy, as part of a multi-agency plan to provide new funding for K-TRACS.
- The 2020 Legislature deleted the transfer of \$103,500 from the Board of Nursing Fee Fund to the Board of Pharmacy for K-TRACS in FY 2021.
- The 2021 Legislature approved a budget that includes a transfer of \$70,000 from the Board of Nursing Fee Fund to the Board of Pharmacy for K-TRACS in both FY 2022 and FY 2023.

## PROGRAM AND PERFORMANCE MEASURES OVERVIEW

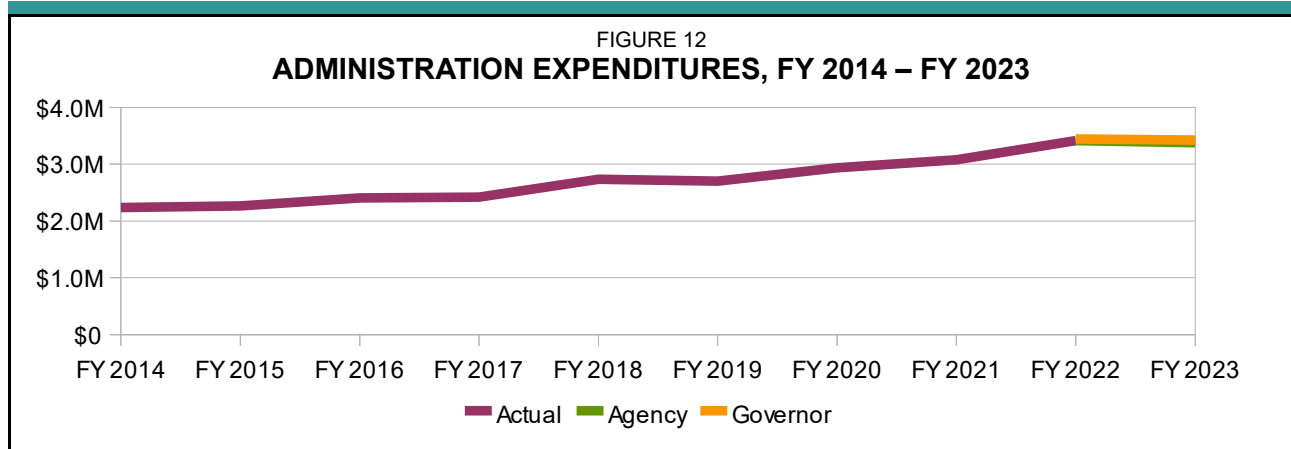
FIGURE 11  
**EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023**

Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Expenditures:</b>					
Administration	\$ 3,075,940	\$ 3,417,107	\$ 3,441,826	\$ 3,378,966	\$ 3,423,871
<b>FTE Positions:</b>					
Administration	27.0	27.0	27.0	27.0	27.0

### PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

# ADMINISTRATION



**STATUTORY BASIS:** • License requirements are governed by KSA 65-1115 (RN); KSA 65-1116 (LPNs); KSA 65-1130 (advanced practice RN); KSA 65-1152 (registered nurse anesthetist)

**PROGRAM GOALS:** • Provide licenses and renewal licenses to eligible practical nurses, registered nurses, advanced practice registered nurses, registered nurse anesthetists, and mental health technicians.

- Issue licenses to practice or authorization to practice within three business days after receipt of all required information 95 percent of the time.
- Review and approve continuing education providers and programs that meet the Board's rules and regulations.
- Oversee the nursing programs, which includes surveying each nursing program once every five to ten years.
- Review complaints received in the agency for possible violations of the Nurse Practice Act and assign a priority within two weeks of date received.

FIGURE 13  
**ADMINISTRATION, PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
<b>Outcome Measure:</b>					
1. Number of investigations open	1,197	597	1331	550	600
2. Percent of initial applications processed within three business days	100.0 %	99.8 %	99.9 %	98.0 %	98.0 %
3. Percent of reinstatement licensure applications processed within three business days	88.9 %	100.0 %	96.3 %	98.0 %	98.0 %
4. Percent of application information entered in licensing software accurately	93.1 %	99.9 %	97.3 %	96.0 %	96.0 %
5. Percent of investigations completed within nine months of receiving a complaint	66.0 %	29.2 %	53.0 %	35.0 %	40.0 %
6. Number of initial orders, consent orders and evidentiary hearings (new in FY 2020)*	168	29	--	30	30
7. Number of denied licenses*	12	6	13	10	10

8. Percentage of renewal licensure applications processed within 3 business days after receipt of required information*	98.8 %	100.0 %	98.6 %	98.0 %	98.0 %
9. Percentage of nursing programs submitting an annual report as per regulation*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
10. Number of Diversion agreements*	52	20	44	30	30
11. Cost per License*	\$ 9.00	\$ 8.55	\$ 8.42	\$ 10.03	\$ 9.76
<b>Output Measure:</b>					
12. Total fines deposited in State General Fund for violations of the Nurse Practice Act*	\$ 33,384	\$ 17,546	\$ 35,107	\$ 40,000	\$ 40,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	50,006		-	-
All Other Funds	2,936,430	3,025,934		3,441,286	3,423,871
<b>TOTAL</b>	<u>\$ 2,936,430</u>	<u>\$ 3,075,940</u>		<u>\$ 3,441,286</u>	<u>\$ 3,423,871</u>
<b>Percentage Change:</b>					
SGF	-- %	-- %		-- %	-- %*
All Funds	(99.0) %	4.8 %		11.9 %	(0.5) %
FTE Positions	27.0	27.0		27.0	27.0

\* The Governor's Office does not utilize this measure for evaluation purposes.