

**Table of Contents**  
**Board of Physical Therapy**

<i>Agency Profile</i> .....	1
Agency Expenditure Overview .....	3
Agency Financing by Fund .....	4
Agency Change Summary .....	5
<b><u>Change Item(s)</u></b> .....	6
<i>Maintain Current Service Levels</i> .....	6
<i>New Staff Position - Licensure Specialist</i> .....	7

<https://mn.gov/boards/physical-therapy/>

**AT A GLANCE**

- The Board’s main function is to protect the public through the regulation of nearly 8,000 physical therapy professionals, including physical therapists (PTs) and physical therapist assistants (PTAs)
- 8,177 total licensees (6,326 PTs and 1,851 PTAs)
- 974 new licenses issued (724 PTs and 250 PTAs)
- 71 total complaints
- 68 resolved complaints
- 18 discipline orders
- 7 total open complaints on 6/30/2021
- 2,365 Continuing Education courses reviewed

FY2020 and FY2021 data

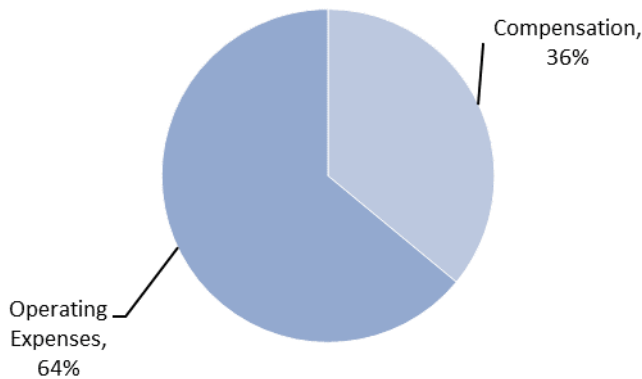
**PURPOSE**

The Board works to ensure that people in Minnesota are safe. We license qualified applicants, and make sure that physical therapists (PTs) and physical therapist assistants (PTAs) maintain competence. We thoroughly investigate complaints against licensees, provide timely and impartial resolution, and when necessary, discipline licensees.

Our mission is to ensure that Minnesotans receive appropriate physical therapy from competent PTs and PTAs.

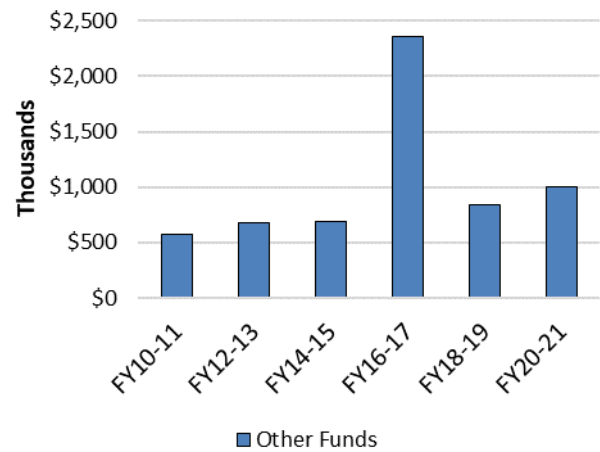
**BUDGET**

**Spending by Category  
FY 2021 Actual**



Source: Budget Planning & Analysis System (BPAS)

**Historical Spending**



FY 14-15 includes spending for Physical Therapy. FY 16-17 includes Health Professionals Services Program (HPSP) and Physical Therapy spending.

Source: Consolidated Fund Statement

The Board is funded by licensure fees and receives no general fund dollars. Minnesota Statutes section 214.06, subdivision 1(a) compels the Board to collect fees in the amount sufficient to cover direct and indirect expenditures. Funds are deposited as non-dedicated revenue into the state government special revenue fund.

From this fund, the Board receives a direct appropriation to pay for agency expenses such as salaries, rent, costs associated with disciplinary/contested cases and operating expenditures. It also pays statewide indirect costs through an open appropriation. Fees have not been raised since 1995.

In addition to Board operations, licensure fees fund activities that support multiple boards and/or other agencies. Some of these are: the Administrative Services Unit (inter-board), Health Professionals Services Program (inter-board), Office of the Attorney General for legal services, and Criminal Background Check Program (inter-board).

### STRATEGIES

Our agency is funded by fees paid for licensing and continuing education program approvals. The three primary services that the Board engages in to regulate providers of physical therapy are:

1. **Licensure:** assurance that those approved for Minnesota licensure have met minimum standards established by the Board. These standards primarily include successful completion of education from an accredited program and passing a national examination, both of which help establish that the candidate is competent to practice. The Board also reviews the candidates’ backgrounds to evaluate their fitness to practice. Beginning in May 2015, the Board has required that candidates for initial licensure complete a fingerprint background check, providing additional information for the Board to consider when making licensure decisions.
2. **Continued Competence:** the Minnesota Board of Physical Therapy uses continuing education (CE) requirements as a measure of the licensees’ involvement and commitment to staying engaged in the profession. The Board has established a two-year CE cycle, during which each licensed professional must complete a minimum of 20 hours of CE activities that have significant intellectual or practical content dealing primarily with matters directly related to the practice of physical therapy or professional responsibility.
3. **Complaint Resolution:** when there is concern raised that a licensee may have violated the Practice Act, the Board initiates an investigation of the complaint and works to bring the matter to resolution. Physical therapy professionals are held to a high expectation of practice and ethical behavior as outlined in the statutes and rules governing them and enforced by the Board. Appropriate and timely resolution of complaint matters ensures that questionable behaviors are addressed and prevented from continuing.

### RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Percent of licensees using the online annual license renewal system	99.8%	99.9%	FY20 & FY221
Quality	Percent of licenses renewed the same day Board receives the completed renewal application	99%	99%	FY20 & FY21
Quality	Percent of complaint cases resolved in less than one year	98%	98%	FY20 & FY21

---

M.S. 148.65-148.78 and M.R. 5601.0100-5601.3200 (<https://www.revisor.mn.gov/statutes/?id=148.65>) provide the legal authority for the Board of Physical Therapy

# Physical Therapy, Board of

# Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25

### Expenditures by Fund

1201 - Health Related Boards	368	600	504	746	564	564	678	694
2000 - Restrict Misc Special Revenue	19	19	19	25	19	19	19	19
<b>Total</b>	<b>386</b>	<b>619</b>	<b>523</b>	<b>771</b>	<b>583</b>	<b>583</b>	<b>697</b>	<b>713</b>
Biennial Change				289		(128)		116
Biennial % Change				29		(10)		9
Governor's Change from Base								244
Governor's % Change from Base								21

### Expenditures by Program

Physical Therapy Bd	386	619	523	771	583	583	697	713
<b>Total</b>	<b>386</b>	<b>619</b>	<b>523</b>	<b>771</b>	<b>583</b>	<b>583</b>	<b>697</b>	<b>713</b>

### Expenditures by Category

Compensation	210	223	347	367	386	391	500	521
Operating Expenses	177	394	176	403	196	191	196	191
Other Financial Transaction		2	0	1	1	1	1	1
<b>Total</b>	<b>386</b>	<b>619</b>	<b>523</b>	<b>771</b>	<b>583</b>	<b>583</b>	<b>697</b>	<b>713</b>

### Full-Time Equivalents

	2.02	2.05	2.60	3.50	3.50	3.50	4.50	4.50
--	------	------	------	------	------	------	------	------

Physical Therapy, Board of

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<b>1201 - Health Related Boards</b>								
Balance Forward In		190		182				
Direct Appropriation	547	549	564	564	564	564	678	694
Transfers In			122					
Transfers Out		125						
Cancellations		15						
Balance Forward Out	179		182					
<b>Expenditures</b>	<b>368</b>	<b>600</b>	<b>504</b>	<b>746</b>	<b>564</b>	<b>564</b>	<b>678</b>	<b>694</b>
Biennial Change in Expenditures				283		(122)		122
Biennial % Change in Expenditures				29		(10)		10
Governor's Change from Base								244
Governor's % Change from Base								22
Full-Time Equivalents	2.02	2.05	2.60	3.50	3.50	3.50	4.50	4.50

**2000 - Restrict Misc Special Revenue**

Balance Forward In	2	6	6	6				
Receipts	17	19	19	19	19	19	19	19
Balance Forward Out		6	6					
<b>Expenditures</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>25</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>19</b>
Biennial Change in Expenditures				6		(6)		(6)
Biennial % Change in Expenditures				16		(13)		(13)
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<b>Direct</b>				
<b>Fund: 1201 - Health Related Boards</b>				
FY2023 Appropriations	564	564	564	1,128
Forecast Base	564	564	564	1,128
<b>Change Items</b>				
Maintain Current Service Levels		14	29	43
New Staff - Licensure Specialist		100	101	201
<b>Total Governor's Recommendations</b>	<b>564</b>	<b>678</b>	<b>694</b>	<b>1,372</b>
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Planned Spending	25	19	19	38
Forecast Base	25	19	19	38
<b>Total Governor's Recommendations</b>	<b>25</b>	<b>19</b>	<b>19</b>	<b>38</b>
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Forecast Revenues	19	19	19	38
<b>Total Governor's Recommendations</b>	<b>19</b>	<b>19</b>	<b>19</b>	<b>38</b>
<b>Non-Dedicated</b>				
<b>Fund: 1201 - Health Related Boards</b>				
Forecast Revenues	723	723	723	1,446
<b>Total Governor's Recommendations</b>	<b>723</b>	<b>723</b>	<b>723</b>	<b>1,446</b>

# Board of Physical Therapy

## FY 2024-25 Biennial Budget Change Item

### Change Item Title: Maintain Current Service Levels

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	14	29	29	29
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	14	29	29	29
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Recommendation:

The Governor recommends additional funding of \$14,000 in FY 2024 and \$29,000 in each subsequent year from the state government special revenue fund to maintain the current level of service delivery for the Board of Physical Therapy.

### Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

For the Board, operating cost pressures exist in multiple categories—increases in compensation and insurance costs at the agency, increasing costs to maintain our current staff complement in a challenging labor market, and increasing IT costs. If an operational increase is not provided, the Board will be unable to provide the current levels of service to Minnesotans.

### Proposal:

The Governor recommends increasing agency operating budgets to support maintaining the delivery of current services. For the Board, this funding will support expected and anticipated employee compensation growth.

### Results:

This proposal is intended to allow the Board of Physical Therapy to continue to provide current levels of service and information to the public.

# Board of Physical Therapy

## FY 2024-25 Biennial Budget Change Item

### Change Item Title: New Staff Position – Licensure Specialist

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	100	101	101	101
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	100	101	101	101
<b>FTEs</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

### Recommendation:

The Governor recommends funding for an additional full-time licensure specialist position. The change item request for \$100,000 for a permanent increase to the Board’s base budget. If funded, this is a 17% increase to the Board’s current base budget of \$564,000. The Board is entirely funded by fees; its spending authority has no impact on the State’s General Fund.

### Rationale/Background:

- The Board’s current spending authority appropriation fails to fully fund a new position in expectation of the Physical Therapy Compact (PT Compact).
- Physical Therapists and Physical Therapist Assistants licensed and regulated by the Board increased 147% from FY 2008 (4670 licensees) to FY 2021 (7831 licensees) without a change in 3.0 FTE staff.
- Admission numbers to area PT and PTA educational programs have grown and new accredited programs have opened, resulting in 191% increase of annual application for licensure from FY 2010 (314 applicants) to FY 2021 (600 applicants). If the PT Compact is passed the Board will obtain approximately 300-500 new licensees with compact privileges therefore requiring additional staff to manage this new license type due to increased workload.
- Over 90% of the Board’s annual spending authority is required to fund salary and benefit costs, rent, required supplies and necessary IT costs, leaving little or no discretionary budget to expend.

### Proposal:

- The Board seeks an increase in its annual spending authority of \$100,000 in FY 2024 and \$101,000 in FY 2025.
- This increase will be used to fund a 1.0 FTE office and administrative specialist intermediate position to license new PT compact applicants and to process annual renewals:
  - (1) Application and renewals are an existing program
  - (2) 1.0 FTE will result in increased programmatic capacity for continued growth in license applications and renewals.
- With a steadily-increasing pool of applicants and licensees and additional compact licensees, the need for additional licensure support has become critical. The Board staff must be available as a resource to licensees and the public.
- Implementation of this action item will begin when funds are allocated.



**Equity and Inclusion:**

- There are no potential positive or negative impacts on the identified groups.
- The Board currently collects sufficient funds and maintains an accumulated reserve to cover the requested increase in spending authority without a fee increase. This change can be sustainably successful with current fees.

**Results:**

- This is an existing program. With increased spending authority, the Board will continue to provide efficient and cost-effective licensure of Physical Therapists and Physical Therapist Assistants in Minnesota, and better serve our licensees and the citizens of Minnesota.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Number of Licenses renewed annually	4670	7831	FY08 – FY21
Quantity	Number of new license applications	314	600	FY10 – FY21

**Statutory Change(s):**

No statutory change is required for this initiative