

HF1282 - 0 - "Licensed Psychologist Licensure Reqs"

Chief Author: **Debra Kiel**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/02/2017**
 Lead Agency: **Psychology Board**
 Other Agencies:
 Behavioral Health and
 Therapy Bd

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
Psychology Board						
Health Related Boards	-	93	-	-	-	-
State Total						
Health Related Boards	-	93	-	-	-	-
Total	-	93	-	-	-	-
Biennial Total			93			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
Psychology Board					
Health Related Boards	-	.5	.5	.5	.5
Total	-	.5	.5	.5	.5

Lead Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore Date: 03/02/2017
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2017	FY2018	FY2019	FY2020	FY2021
Psychology Board						
Health Related Boards	-	93	-	-	-	-
Total	-	93	-	-	-	-
Biennial Total			93			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Psychology Board						
Health Related Boards	-	123	30	30	30	30
Total	-	123	30	30	30	30
Biennial Total			153			60
2 - Revenues, Transfers In*						
Psychology Board						
Health Related Boards	-	30	30	30	30	30
Total	-	30	30	30	30	30
Biennial Total			60			60

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Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
Health Related Boards	-	93	-	-	-	-
Total	-	93	-	-	-	-
Biennial Total			93			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
Health Related Boards	-	.5	.5	.5	.5
Total	-	.5	.5	.5	.5

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2017	FY2018	FY2019	FY2020	FY2021
Health Related Boards	-	93	-	-	-	-
Total	-	93	-	-	-	-
Biennial Total			93			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Health Related Boards	-	123	30	30	30	30
Total	-	123	30	30	30	30
Biennial Total			153			60
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Health Related Boards	-	30	30	30	30	30
Total	-	30	30	30	30	30
Biennial Total			60			60

Bill Description

Proposed changes to Minn. Stat. Sec. 148.881 Declaration of Policy, updates the Board’s mission statement.

Proposed changes to Minn. Stat. Sec. 148.89, subd. 2a changes the definition of who is a client under the Psychology Practice Act and eliminates the inclusion of “students, supervisees, or research subjects.”

Proposed changes to Minn. Stat. Sec. 148.89, subd. 2c clarify the definition of a designated supervisor and updates obsolete language related to licensed psychological practitioners (LPPs) which is no longer a licensed occupation in Minnesota (since 2010).

Proposed changes to Minn. Stat. Sec. 148.89, subd. 2d, 2e, and 3a, add new definitions of “direct services,” “full-time employment,” and “jurisdiction” clarifying the terms throughout the Psychology Practice Act.

Proposed changes to Minn. Stat. Sec. 148.89, subd. 4, 4a, and 4b repeal obsolete language as noted above for LPPs.

Proposed changes to Minn. Stat. Sec. 148.89, subd. 5 modifies the definition of the “practice of psychology.” In this modification, Lines 3.18 and 3.19 the language proposes an “exception,” which should be an “exemption” from licensure for individuals engaged in “psychological research and teaching of psychology.” In this modification, Lines 4.10 through 4.12, broaden the scope of what psychologists can discuss regarding medications with physicians, other health care professionals, and patients, by specifying that the medication discussion can be had “with respect to the provision of care for a specific client.”

Proposed changes to Minn. Stat. Sec. 148.89, subd. 6 adds a new definition of “telesupervision.”

Proposed changes to Minn. Stat. Sec. 148.90, changes the composition of the Board of Psychology. In Lines 4.25 and 4.26, it adds an additional Board member licensed as a licensed psychologist with a doctoral degree; in Lines 4.29 through 4.31, it eliminates an obsolete Board member for a “psychologist, not necessarily licensed with a master’s degree in psychology representing different training programs in psychology,” as the Board does not license at the master’s level; in Lines 5.1 through 5.3, it eliminates obsolete language pertaining to LPPs.

Proposed changes to Minn. Stat. Sec. 148.90, subd. 2(b)(1) and subd. 2(b)(3) (4) update obsolete language pertaining to LPPs and clarifies what is meant by a public member of the Board.

Proposed changes to Minn. Stat. Sec. 148.905, subd. 1, Lines 6.10 through 6.15 add a new requirement for the Board when adopting or implementing a new national examination to consider whether the exam has three factors related to a sound licensing examination.

Proposed changes to Minn. Stat. 148.907, subd. 1 reference a new section of “exemption[s]” under a newly proposed statute (148.9075) for the statutory requirement for licensure for the independent practice of psychology.

Proposed changes to Minn. Stat. Sec. 148.907, subd. 2(7) increases the time limits for an individual to complete a postdoctoral supervised psychological employment experience (postdoc) from 30 months established in administrative rule to 60 months and adds a variance option for individuals whose “postdoctoral supervised psychological employment goes beyond 60 months.”

Lines 7.25 through 9.26 proposes a new section in the Psychology Practice Act, Minn. Stat. Sec. 148.9075, “Exemptions to License Requirement,” to identify, at time individuals and at times specific acts that are considered “exceptions to license requirement.” The exemptions section provides exemptions from licensure for: (1) “members of other professionals or occupations performing functions for which they are qualified and licensed; (2) “individuals licensed by health-related licensing boards under 214.01, subdivision 2, or by the commissioner of health; (3) individuals authorized as mental health practitioners as defined under section 245.462, subdivision 17; (4) individuals authorized as mental health professionals under section 245.462, subdivision 18; (5) use of psychological techniques by a business or industrial organization for its own personnel purposes, or by an employment agency or state vocational rehabilitation agency for evaluation of the agency’s clients prior to recommendation for employment; (6) prohibits a representative of an industrial or business firm or corporation from selling, offering, or providing psychological services as specified in 148.89, unless the services are performed or supervised by an individual licensed under sections 148.88 to 148.98; (7) a person who holds a license or certificate issued by the State Board of Teaching in accordance with chapters 122A and 129 from practicing school psychology within scope of employment if authorized by a board of education or by a private school that meets the standards prescribed by the Board of Teaching, or from practicing as a school psychologist within the scope of employment in a program for children with disabilities; (8) prohibits persons exempted from licensure from offering psychological services to any individual, organization, or group for remuneration, monetary or otherwise, unless licensed by the Board of Psychology; (9) recognized religious officials, ministers, priests, rabbis, imams, Christian Science practitioners, and other persons recognized by the board, from conducting counseling activities that are within the scope of the performance of their regular recognizable religious denomination or sect, as defined in current federal tax regulations; (10) requires the religious official to not refer to “self as a psychologist,” and to “remain accountable to the established authority of the religious denomination or sect”; (11) a person employed in a secondary, postsecondary, or graduate institution from teaching and conducting research in psychology within an educational institution that is recognized by a regional accrediting organization or by a federal, state, county, or local government institution, agency, or research facility; (12) requires the institution, agency, or facility to provide “appropriate oversight mechanisms to ensure public protections” and prohibits the person from “providing direct clinical services to a client or clients; (13) psychologist sent to this state for the sole purpose of responding to a disaster or emergency relief effort of the state government, the federal government, the American Red Cross, or other disaster or emergency relief organization; (14) prohibits the psychologist in disaster relief from practicing more than 30 days in Minnesota and a “sponsoring organization” to “certify the psychologist’s assignment to this state”; (15) “nonresident of the state, serving as an expert witness, organizational consultant, presenter, or educator on a limited basis; (16) requires “the person is appropriately trained, educated, or has been issued a license,

certificate, or registration by another jurisdiction; (17) practice of psychology by practicum psychology students, predoctoral psychology interns, or an individual who has earned a doctoral degree in psychology and is in the process of completing their postdoctoral supervised psychological employment; (18) limits the titles a student trainee or intern shall use to those under section 148.96, subd. 3; (19) states “nothing in sections 148.88 to 148.98 authorizes a person licensed under sections 148.88 to 148.98 to engage in the practice of any professional regulated under Minnesota law, unless the individual is duly licensed or registered in that profession.”

Proposed changes to Minn. Stat. Sec. 148.9076, Licensure Renewal proposes modifications to the license renewal process for licensed psychologists. Subdivision 2, Renewal deadline will require database modifications to implement the new license renewal process.

Proposed addition of statutory language, Minn. Stat. Sec. 148.9077 in Lines 10.14 through 10.19, moves the relicensure process from the administrative rules to statute.

Proposed addition of statutory language, Minn. Stat. Sec. 148.9078 in Lines 10.20 through 11.18 creates a new type of license status (inactive status) for licensed psychologists, including an application, fee, and attestation requirement, and establishes how to elect inactive status, the requirements and process for obtaining inactive status, the rights under inactive status, restrictions for individuals with pending investigations and complaints from electing inactive status, the duration of inactive status, and how to reactivate a license following inactive status, along with a reactivation fee.

Proposed changes to Minn. Stat. Sec. 148.9105, subd. 1, Emeritus Registration, remove obsolete language related to LPPs and propose modifications to the language regarding the Emeritus Registration fee. The proposed change to the fee language for Emeritus Registration has a negative fiscal impact on the Board’s revenue, as the language removes the word “nonrefundable” from the statute and obligates the Board to issue refunds under unknown conditions for applicants for Emeritus Registration. The basis for this determination is the same as the portion of the bill that proposes to remove the word “nonrefundable,” from the licensed psychologist application fee.

Proposed changes to Minn. Stat. Sec. 148.915, Reciprocity, in (a)(1) eliminates the requirement for notarization of an application for licensure by reciprocity and excludes language making the fee “nonrefundable,” in Lines 12.11 through 12.12. In (a)(2), the bill modifies the requirement that an individual “at the time of application, is licensed, certified, or registered to practice psychology in another state or jurisdiction and has been for at least five consecutive years immediately preceding the date of application,” and simplifies the requirement for licensure by reciprocity to an individual who “at the time of application, is licensed, certified, or registered to practice psychology in another jurisdiction.”

Proposed language Minn. Stat. 148.923 moves fees for the Board of Psychology from administrative rule to statute. Some fee amounts have increased, however language includes do not exceed amounts. The board does not anticipate raising the fee to the do not exceed amount.

Proposed changes to Minn. Stat. 148.925, Supervision changes the requirements for supervisory consultation for licensed psychologist licensure, creates the requirement that primary supervisors register with the Board and complete training, creates specific duties and responsibilities for supervisors in statute, clarifies supervisee duties, adds clear requirements for documentation in supervision.

The following areas of the bill have a fiscal impact and will require modifications or additions to the Board’s existing database infrastructure, require external communication, and may generate new revenue sources that require a corresponding increase in appropriation.

Inactive Licensure Status

Proposed addition of statutory language, Minn. Stat. Sec. 148.9078 in Lines 10.20 through 11.18 creates a new type of license status for licensed psychologists, including an application, election of inactive status fee, and attestation requirement, and establishes how to elect inactive status, the requirements and process for obtaining inactive status, the rights under inactive status, restrictions for individuals with pending investigations and complaints from electing inactive status, the duration of inactive status, and how to reactivate a license following inactive status, along with the creation of a new reactivation fee. This will require database changes to create the process flow and implement through the online services portal. These costs are included in the MN.IT statement estimating the expenditures required to make necessary database changes.

Renewal and Board Termination of Licensure for Failure to Renew

Proposed changes to Minn. Stat. Sec. 148.9076, Licensure Renewal proposes modifications to the license renewal process for licensed psychologists. Subdivision 2, Renewal deadline will require database modifications to implement the new license renewal process. Currently, when an individual fails to renew an LP license before the expiration, the database automatically changes the status of the license to "Pending Termination," and sends an automated notification of failure to renew. Following the notification, Board staff send certified notifications, and make telephone calls to attempt to contact individuals to renew. If the individual does not ultimately renew following notifications, Board staff prepare materials to present at the next regularly scheduled Board meeting. The Board then acts to administratively terminate licenses for individuals who failed to renew. The proposed language would modify the license status to "expired," and require the database business rules to be updated to make this status change ten (10) days after the expiration date, the generation and emailing of an expiration notice, along with the appending a late fee to the application. Business rules will need updating the database to issue a termination notice to individuals who do not renew or pay the late fee within 30 days of the expiration date. This will require database changes to create the process flow and implement through the online services portal. These costs are included in the MN.IT statement estimating the expenditures required to make necessary database changes.

Variance Processing for Postdocs Beyond 60 months

There is a minimal fiscal impact for the Board has to process increased variances requests. The Variance can extend the length of time an applicant is considered an applicant. This increases the licensure staff case load for a longer period of time. This cost can be absorbed by the agency.

Reciprocity

This will require database changes to modify the process (application) flow and implement the change through the online services portal. This cost is included in the MN.IT statement estimating the expenditures required to make necessary database changes.

Adoption of New National Examination

Possible fiscal impact here to properly conduct the inquiry of whether a new national examination: "demonstrates reasonable reliability and external validity; is normed on a reasonable representative and diverse national sample; and is intended to assess an applicant's education, training, and experience for the purposes of public protection." Lines 6.12 through 6.15. [Hire experts, conduct research, prepare analysis, document, prepare report] only applicable IF a new

examination is to be considered. This cost can be absorbed by the agency.

Supervision Requirements (LP Application Changes)

This will require changes to the Board's database to modify the process (application) flow for applicants and the overall process as it relates to the postdoctoral supervised psychological employment requirements and implement the changes through the online services portal. These costs are included in the MN.IT statement estimating the expenditures required to make necessary database changes.

Primary Supervisor Registration Application

This will require the Board to create a primary supervisor registration application, payment, and processing flow and implement the changes through the online services portal. These costs are included in the MN.IT statement estimating the expenditures required to make necessary database changes.

Primary Supervisor Training

This will require the Board to create an online training program and meet ADA accessibility requirements as well as develop the database application, payment, and processing flow and implement the changes through the online services portal. Based on the CE educational training video that the Board produced, including ADA compliance requirements approximately a one-time cost of \$12,000.00.

Fees Requiring Corresponding Increase in Appropriation Sufficient Revenue to Cover These Expenditures.

In general, the newly created fees will need a matching appropriation to allow the fees collected in revenue to be applied to the expenses incurred in implementing the statutory changes.

- Inactive license reactivation fee for licensed psychologist (\$550 per application);
- Application for continuing education preapproval (\$130 per activity);
- Registration as a primary supervisor (\$150 per primary supervisor);
- Election of inactive status (\$100 per application). (this fee is included in amendment H1282-1E)

Communication/Postage

The Board will need to communicate all changes to Board stakeholders regarding this bill. Based on the Board's experience communicating new administrative rules in 2013 this will be a one-time cost of approximately \$5,000.00.

Assumptions

• All changes to applications, workflows, and processing will be incorporated into the Board's existing online database and will be available online in the same manner as all other Board services. This would be a one-time investment increase of \$65,486.00 to the Board's current Computer Services in FY 2018 as estimated in the quote from MN.IT Services. Other one-time costs of \$27,514 to include computer services, professional/ technical consulting for training(s), postage/ communication and repeal obsolete rules. The Board anticipates the ongoing need for a PT salary cost for one additional part time position of \$30,000 each year. The Board currently has sufficient funds in the fund balance to cover the FY18 one-time cost of \$92,000.00. The board is requesting a base budget increase of \$30,000 each year and fee changes each year of \$30,000.

Expenditure and/or Revenue Formula

Expenditures

Description	FY 2018	FY 2019	FY 2020	FY 2021
PT Salaries	\$30,000	\$30,000	\$30,000	\$30,000
Professional / Tech Consultants	\$12,000			
Computer Services	\$65,486			
Postage/Communications	\$5,000			
Repeal Obsolete Rules	\$10,000			
Total Expenses	\$122,486	\$30,000	\$30,000	\$30,000

-
Revenues

Description	Fee Amount	Old Fee Amount	Number Paying	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Inactive license status reactivation	\$550.00		10	\$0.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00
Primary supervisor registration	\$150.00		60	\$0.00	\$9,000.00	\$9,000.00	\$9,000.00	\$9,000.00
CE sponsorship (activity)	\$130.00	\$80.00	200	\$0.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
CE preapproval	\$50.00		100	\$0.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
Inactive license status election	\$100.00		5	\$0.00	\$500.00	\$500.00	\$500.00	\$500.00
Total Revenue					\$30,000	\$30,000	\$30,000	\$30,000

Long-Term Fiscal Considerations

No longer term financial implications.

Local Fiscal Impact

References/Sources

Board of Psychology Practice Act, Chapter 7200. §§148.88 148.98 (2012)
 Board Report. (March 1 2017). Fiscal Note_HF1282_CE Sponsor Activities FY16.
 Board Report. (March 1 2017). Fiscal Note_HF1282_CE Sponsor Activities FY17.
 Board Report. (March 1 2017). Fiscal Note_ License Contact - Supervisor Report (01.01.2015-03.01.2017).

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Chief Author: **Debra Kiel**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/02/2017**
 Agency: **Behavioral Health and Therapy Bd**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2017	FY2018	FY2019	FY2020	FY2021
Total	-	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore Date: 2/27/2017 2:26:27 PM
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State Cost (Savings) Calculation Details

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Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021	
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Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF 1282 is a bill that updates regulatory language related to licensed psychologists and clarifies licensed psychologist licensure requirements. Section 21 of the bill relates to licensure requirements for licensed professional counselors (LPCs) in Minnesota. There is a mechanism in the law for Licensed Psychological Practitioners (LPPs), regulated by the Board of Psychology, to obtain LPC licensure under Minnesota Statutes section 148B.53, subdivision 1 (c) as follows: " To be licensed as a professional counselor, a psychological practitioner licensed under section <https://www.revisor.mn.gov/statutes/?id=148.908> need only show evidence of licensure under that section and is not required to comply with paragraph (a), clauses (1) to (3) and (5), or paragraph (b)." Licensure of LPPs ceased on December 31, 2011. The language related to LPPs in the LPC licensure law is obsolete and should be struck.

Assumptions

The Board assumes no fiscal impact. This bill pertains to the Board of Psychology.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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