

**Board of Examiners of Nursing Care Institution Administrators
and Assisted Living Facility Managers**

JLBC: Steve Grunig
OSP: Bob Chapko

DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC	FY 2007 JLBC
OPERATING BUDGET				
<i>Full Time Equivalent Positions</i>	5.0	5.0	5.0	5.0
Personal Services	214,900	220,800	220,800	220,800
Employee Related Expenditures	45,100	52,900	55,300	55,300
Professional and Outside Services	26,900	62,400	62,400	62,400
Travel - In State	1,600	8,800	8,800	8,800
Travel - Out of State	3,600	4,100	4,100	4,100
Other Operating Expenditures	51,000	21,000	21,300	21,300
Equipment	6,200	0	0	0
AGENCY TOTAL	349,300	370,000	372,700	372,700

FUND SOURCES

Other Appropriated Funds

Nursing Care Institution Administrators' Licensing and Assisted Living Facility Managers' Certification Fund	349,300	370,000	372,700	372,700
SUBTOTAL - Other Appropriated Funds	349,300	370,000	372,700	372,700
SUBTOTAL - Appropriated Funds	349,300	370,000	372,700	372,700
TOTAL - ALL SOURCES	349,300	370,000	372,700	372,700

CHANGE IN FUNDING SUMMARY

	<u>FY 2005 to FY 2006 JLBC</u>		<u>FY 2005 to FY 2007 JLBC</u>	
	\$ Change	% Change	\$ Change	% Change
Other Appropriated Funds	2,700	0.7%	2,700	0.7%
Total Appropriated Funds	2,700	0.7%	2,700	0.7%
Total - All Sources	2,700	0.7%	2,700	0.7%

AGENCY DESCRIPTION — The board licenses, certifies, and regulates administrators of nursing care institutions and managers of adult care homes.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2005	FY 2006
	Actual	Actual	Estimate	JLBC
• Average calendar days to resolve a complaint	53	NA	72	65
• Average calendar days to renew a license	9	3	60	15
• Administration as a % of total cost	5	3.5	5	--
• Customer satisfaction rating (Scale 1-8)	NA	NA	6.0	6.0

Comment: The agency did not submit information for any measure labeled as "NA." The board is transferring to a new computer system and indicated that the transition resulted in no information being available for average calendar days to resolve a complaint and customer satisfaction rating in FY 2004. The board decreased the number of days needed to renew a license from FY 2003 to FY 2004 in part due to fewer renewals in FY 2004.

RECOMMENDED CHANGES FROM FY 2005

budget in FY 2006 and FY 2007. These amounts would fund the following adjustments:

Operating Budget

The JLBC recommends \$372,700 from the Nursing Care Institution Administrators' Licensing and Assisted Living Facility Managers' Certification Fund for the operating

Standard Changes	OF	FY 2006	FY 2007
		\$2,700	\$2,700

The JLBC recommends an increase of \$2,700 from the Nursing Care Institution Administrators' Licensing and

Assisted Living Facility Managers' Certification Fund in FY 2006 and FY 2007 for standard changes.

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JLBC RECOMMENDED FORMAT — Lump Sum by Agency

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

This appropriation is available for use pursuant to the provisions of A.R.S. § 35-143.01C and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations until June 30, 2007.

New Footnotes

The Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers shall reclassify the business manager position to an investigator position by September 1, 2005. *The Auditor General Performance Audit released in December 2004 found the board needs to improve complaint processing and recommended converting the business manager position to an investigator position. (See Other Issues For Legislative Consideration below.)*

The Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers shall submit for review a report to the Joint Legislative Budget Committee if any Auditor General follow-up report to the December 2004 audit indicates that any of the Auditor General recommendations are not being implemented. The board's report shall indicate reasons

why the recommendations have not been implemented. The board's report shall be submitted to the Joint Legislative Budget Committee within 60 days of the publication of the Auditor General's follow-up report. *The Auditor General's audit raised serious issues and a report on the board's compliance will permit on-going monitoring.*

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Sunset Review/Performance Audit

On April 16, 2004 the Governor vetoed SB 1012 which would have continued the Board of Examiners of Nursing Care Institution Administrators and Assisted Living Facility Managers for 10 years. The Executive stated that the board's activities paralleled work already performed by the Department of Health Services and that serious questions about the board's operations had been raised. Instead, the board was continued until July 1, 2005 and the Auditor General was required to complete a performance audit by January 1, 2005.

The performance audit findings included recommendations related to:

- Bringing expenditures in line with revenues.
- Improving complaint prioritization, tracking and resolution.
- Allocating more resources to complaint investigations. *(See New Footnotes Section.)*
- Improving internal operations, training, statutory compliance, and information access and reporting.

The JLBC recommends a report from the agency if audit recommendations are not implemented. *(See New Footnotes Section.)*

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
Nursing Care Institution Administrators' Licensing and Assisted Living Facility Managers' Certification (NCA2043/A.R.S. § 36-446.08)		Appropriated
Source of Revenue: Monies collected by the board from the examination and licensing of nursing home administrators and assisted living facility managers. The board retains 90% of these monies and deposits 10% in the General Fund.		
Purpose of Fund: To examine, license, investigate, and regulate nursing home administrators and assisted living facility managers, and for board administration.		
Funds Expended	349,300	370,000
Year-End Fund Balance	145,500	143,500

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