

TENNESSEE BOARD OF NURSING  
 227 French Landing, Poplar Room  
 Heritage Place, Metro Center  
 Nashville, TN 37243  
 February 12, 2010

Finance Committee

MINUTES

Call to Order	Cheryl Stegbauer, Chairperson called the Finance Committee meeting to order at 8:30 a.m.
Roll Call	The Chairperson requested Ms. Harper to call the roll.
Members Present	Cheryl Stegbauer, R.N., Chairperson Marilyn Dubree, R.N. Kathleen Harkey, Consumer Member Carol Thompson, A.P.N.
Members Absent	None
Staff Present	Elizabeth Lund, Executive Director Donna Fairchild, Nurse Consultant Martha Barr, Assoc. Exec. Director Joan Harper, Administrative Assistant Tom Sharp, Legislative Liaison Elizabeth Miller, HRB Director Christy Allen, Assistant Commissioner Al Partee, General Counsel Alison Cleaves, Sr. Deputy General Counsel Jim Patt, Finance Officer
Guests	Lois Wagner, Executive Director, TCN Mike Harkreader, Executive Director, TnPAP Laura Beth Brown, Vanderbilt Susan Ordsman, MTSU student
Opening Remarks	Dr. Stegbauer opened the meeting stating the Finance Committee has been asked to make a recommendation to the full board on renewal fee increase rules.
Financial Reports/Discussion	Tom Sharp, TDOH Legislative Liaison explained that the Joint Government

	<p>Operations Committee (GOC) has asked the board to review/reconsider rules that the board passed to raise fees by \$25. Mr. Sharp responded to board questions.</p> <p>Christy Allen, Assistant Commissioner of Health provided the finance committee with the draft FY08/09 financial report and responded to board questions.</p> <p>The members reviewed/discussed the following documents: excerpts of BON minutes, finance committee minutes, border state renewal fees, time line of fee increases since 1982, table of additional revenue increase with \$10, \$15, \$20 and \$25 increase in fees, FY 2007/08 Financial Report, renewal source breakdown by profession, Draft FY 2008/09 Financial Report, year-end for the fiscal year ending June 30, 2009 and the 6/30/09 cumulative and current balance; 2005-2009 renewals with five year average and renewal fee scenario table using five year average renewals.</p>
<p>Motion</p>	<p>After reviewing the data and thorough discussion Ms. Dubree moved and Dr. Thompson seconded the motion to maintain the fee increase at \$25.00 biennially, a decision backed up with good, clear and explicit data.</p> <p>The motion was based on updated information and supported by a greater deficit than that projected when the rules were adopted (-\$356,426.52 in 2009 and an anticipated similar deficit for 2010), greater expenses than previously anticipated (an anticipated assessment for BON for RBS costs of \$1million (inclusive estimate below) which is necessary for record keeping and public safety) and data on renewal fees of contiguous states.</p>

	<p>The motion passed unanimously on roll call vote.</p> <p>The chairman allowed guest, Laura Beth Brown, to make a statement.</p>
Recess	The committee recessed for lunch between 11:00 and 12:30.
Reconvene	The committee reconvened at 12:35. Marilyn Dubree was not present.
Recommendation	<p>After review and discussion of the data, the finance committee unanimously adopted the following report:</p> <p><b>Report of the Finance Committee of the Tennessee Board of Nursing to the Joint Government Operations Committee of the Tennessee General Assembly</b></p> <p>February 12, 2010</p> <p>The Finance Committee of the Tennessee Board of Nursing met on February 12, 2010 to reconsider the twenty-five dollar (\$25.00) renewal fee increases for registered nurses and licensed practical nurses as adopted by the Board on September 25, 2009. This meeting was in compliance with the Joint Government Operations Committee request for such reconsideration.</p> <p>The Finance Committee recommended to the Board of Nursing that the renewal fee increases that will become effective on February 16, 2010, should remain at \$25.00 as originally adopted. The Committee bases its recommendation on the following:</p> <ol style="list-style-type: none"> <li>1) \$356,426.52 deficit for the 2009 fiscal year, see Attachment A;</li> <li>2) An assumption that the operating costs of the Board and the Board's revenue will remain the same and will result in a further deficit in FY</li> </ol>

	<p>2010;</p> <ol style="list-style-type: none"> <li>3) \$1,500,000.00 in RBS replacement costs over an eighteen (18) month period of time for programming as well as hardware and software costs;</li> <li>4) An average of 43,000 renewals per year based on the last five (5) years total renewals, see Attachments B and C;</li> <li>5) As of this date, start-up costs for the Medication Aide Certification program include one-time expenditures of \$47,000.00 for rulemaking and computer programming. Additional start-up costs and recurring operating expenditures are anticipated;</li> <li>6) Comparable renewal fees from contiguous states, see Attachment D; and</li> <li>7) Once the one-time non-recurring costs are met, the Board will reconsider fees and whether an adjustment in renewal fees would be appropriate.</li> </ol>
Adjourn	2:30 p.m.