Kansas State Board of Nursing Landon State Office Building 900 SW Jackson St., Suite 1051 Topeka, KS 66612-1230



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Laura Kelly, Governor

Carol Moreland, MSN, RN Executive Administrator

Kansas State Board of Nursing

February 5, 2019

A public hearing will be conducted at 10:00 A.M. Tuesday, April 23, 2019 in Room 1051 of the Landon State Office Building, 900 S.W. Jackson, Topeka, KS to consider the adoption of proposed changes in one existing regulation relating to payment of licensure fees.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed regulation. All interested parties may submit written comments prior to the hearing to the Executive Administrator of the Kansas State Board of Nursing, 900 S.W. Jackson, St., Room 1051, Topeka KS 66612 or by email to <a href="mailto:carol.moreland@ks.gov">carol.moreland@ks.gov</a>. All interested parties will be given a reasonable opportunity to present their views orally regarding the adoption of the proposed regulation during the public hearing. Phone comments will be taken by calling 1-877-278-8686 (access code 342634) at the time of the hearing. In order to provide all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request an accommodation in order to participate in the public hearing and may request the proposed regulation and economic impact statements in an accessible format. Requests for accommodation to participate in the hearing should be made at leave five working days in advance of the hearing by contacting Carol Moreland at (785) 296-3068. The north entrance to the Landon State Office Building is handicapped accessible. Handicapped parking is located at the north end of the Landon State Office Building, across the street from the north entrance to the building, and on Ninth Street, just around the corner from the north entrance to the building.

A summary of the proposed regulation and the economic impact follows. A copy of the proposed regulation and associated economic impact statement may be obtained by accessing the Kansas State Board of Nursing website at <a href="https://www.ksbn.kansas.gov">www.ksbn.kansas.gov</a> or by contacting the Executive Administrator of the Kansas State Board of Nursing, Landon State Office Building, 900 S.W. Jackson St., Room 1051, Topeka, KS 66612 or call (785) 296-5752, prior to the date of the hearing or email to <a href="mailto:carol.moreland@ks.gov">carol.moreland@ks.gov</a>.

K.A.R. 60-4-101. Payment of fees. The proposed revision lists changes in the fee structure for single state licenses and added the fee structure for multi-state licenses for LPNs and RNs. The actual dollar amount will vary based on the number of LPNs and RNs who choose to obtain a multi-state license and the revenue loss from endorsement and renewal licenses of LPNs and RNs who reside in other states that are part of the Nurse Licensure Compact. It is projected by increasing the renewal fees by \$30 each renewal period, this will generate \$781,050 annually. It is projected by increasing licensure by examination costs \$25 this will generate \$55,725 annually. The Kansas State Board of Nursing is projecting the increases in licensure fees for single state licenses and the costs for multi-state licenses for RNs and LPNs will cover the revenue loss when Kansas joins the Nurse Licensure Compact. There is no economic impact for other governmental entities or private business.

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# 60-4-101. Payment of fees. The following fees shall be charged by the board of nursing:

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# Proposad

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(7) Inactive license10	.00
(8) Verification of licensure	.00
(9) Application for exempt license	.00
(10) Renewal of exempt license	.00
(11) Application for multistate license by endorsement	.00
(12) Application for multistate license by examination	5.00
(13) Biennial renewal of multistate license	5.00
(14) Application for reinstatement of multistate license	0.00
(15) Application for reinstatement of multistate license with temporary permit	0.00
This regulation shall become effective on July 1, 2019. (Authorized by K.S.A. 65-1129; implementations of the control of the c	nting
K.S.A. 2016 Supp. 65-1118; effective Jan. 1, 1966; amended Jan. 1, 1972; amended, E-74-29, July 1,	1974;
modified, L. 1975, Ch. 302, Sec. 5, May 1, 1975; amended, E-77-8, March 19, 1976; amended Feb. 15	, 1977;
amended, E-79-8, March 16, 1978; amended May 1, 1979; amended May 1, 1980; amended May 1, 19	83;
amended March 9, 1992; amended May 17, 1993; amended May 9, 1994; amended Feb. 6, 1995; amer	ided April
3, 1998; amended July 1, 2001; amended April 20, 2007; amended July 1, 2014; amended May 12, 20	7;
amended P)	

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## Kansas Administrative Regulations Economic Impact Statement For the Kansas Division of the Budget

Kansas State Board of Nursing

785-296-3068

Carol Moreland
Agency Contact

Contact Phone Number

60-4-101 K.A.R. Number(s)

Agency

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to:

Division of the Budget
900 SW Jackson, Room 504-N

Topeka, KS 66612

I. Brief description of the proposed rule(s) and regulation(s).

This regulation lists the licensing fees that will be charged by the board of nursing for professional and practical nurses.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

The Board of Nursing in each state sets the licensing fees for professional and practical nurses in their state

- III. Agency analysis specifically addressing following:
  - A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The ability to obtain multi-state licensure for professional and practical nurses will help businesses that employ nurses that work in different states. If the states are part of the nurse licensure compact, the nurse will only need one multi-state license, instead of a license in each state. For a business that pays for the nurse's license, the ability to get a multi-state nursing license will save the business licensure costs.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

Each state that is a member of the nurse licensure compact has different licensure fees, so it is difficult to state exactly what the cost saving will be.

 C. Businesses that would be directly affected by the proposed rule and regulation;

Agencies that employ nurses in more than one state, if the state is a member of the nurse licensure compact.

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D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

More mobility for nurses, easier and faster to employ nurses in states that are a member of the nurse licensure compact.

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The Kansas nursing licensure fees are the third lowest in the nation. The Kansas Board of Nursing will lose revenue with implementation of the nurse licensure compact. We will lose the renewal fees from nurses licensed in Kansas but live in another state that is part of the nurse licensure compact (the nurse must obtain the multi-state license in their state of residency). It is estimated the Kansas Board of Nursing will lose \$856,240 from the decrease in number of renewals in a two-year renewal period (\$428,120 annually). The Kansas Board of Nursing will lose \$106,000 annually from the loss of licensure verification revenue (licensure verification for RNs and LPNs must be completed through a national database when we join the nurse licensure compact). The annual estimated revenue loss from licensure renewals and verification is \$534,120. There will be revenue loss from endorsement licenses and possibly some revenue loss from initial licenses, however it is not possible to project these. The Board of Nursing projected (as best as possible) the revenue that will be lost from licensure fees and verifications then adjusted licensure fees to make up the loss in revenue, since the agency is a fee funded agency. Except for the reinstatement fees, the increased licensure fees are below the cap amount allowed by HB2496. It is projected by increasing renewal fees by \$30 each renewal period, this will generate \$781,050 annually. It is projected by increasing licensure by examination costs \$25 this will generate \$55,725 annually. The cost of multi state initial licensure is more than single state, since the multi-state license will allow the nurse to practice nursing in 31 states (this number will increase as more states join the nurse licensure compact). The Kansas Board of Nursing tried to remain close to the licensure fees of the surrounding states, if possible.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$Not possible to estimate since every Board of Nursing has different licensure fees.

An estimate, expressed as a total dollar figure, of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$The licensure fee increases will be for nurses, so the business will only incur the cost if the business pays for the nurse's license. The amount the licensure fees increased are listed in the revised regulation.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES □ NO ☒

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Give a detailed statement of the data and methodology used in estimating the above cost estimate.

Not applicable

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES □ NO ☒

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

Not applicable

H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

The Board of Nursing looked at licensure fees from the other states that are members of the nurse licensure compact. The Board of Nursing conducted a survey of the RNs and LPNs in Kansas in January to understand if they supported Kansas joining the compact. 85% of the nurses responding were in favor of Kansas joining the nurse licensure compact. 75% of nurses residing in Kansas agree with licensure fee increases.

I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

Not applicable

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#### Overview of Licensure Fiscal Impact

## Current Number of Licensed LPNs and RNs:

LPNs: 10, 326 RNs: 57, 372

#### PN and RN Renewal Revenue Loss:

Projected loss of revenue from renewals (decrease in number of renewals of KS licensees with PSOR in other NLC states):

RN:

14,288 licensees x \$55 2 year renewal cycle = \$785,840

LPN:

1,280 licensees x \$55 2 year renewal cycle - \$70,400

TOTAL:

\$856,240 (\$428,120 annually)

#### Licensure Verification Revenue Loss:

(This loss occurred when we started using Nursys for licensure verification) \$106,000 annually

#### Projected Revenue Loss from Renewals and Verifications:

Projected revenue loss for KSBN with 31 states (including KS) in NLC: \$1,068,240 each renewal period (two-year period)

Projected revenue loss that must be covered annually: \$534,120

## Possible projected ways to cover revenue loss:

#### Renewal Licensure Fees:

(Figured with 67,698 current LPNs and RNs minus 15,568 we will lose = 52,130 RNs and LPNs renewing every two years)

Increase renewal fees for LPNs and RNs by \$30 (\$85) each renewal period: generate \$781,950 annually

#### Licensure by Examination Fees:

(Figured on projection of 1565 RNs and 664 LPNs)

Increase license by examination to \$100 (\$25 increase) for RNs = \$39,125

Increase license by examination to \$75 (\$25 Increase) for LPNs = \$16,600

TOTAL:

\$55,725 increase annually

#### **Endorsement Fees:**

Increase endorsement licensure fee to \$100 for RNs Increase endorsement licensure fee to \$75 for LPNs

#### Multistate License Fees:

Fee for multistate RN & LPN licenses set at \$125 (examination, endorsement and application for existing licensees)

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