



Ohio Board of Nursing

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MEMORANDUM

TO: Board Members

FROM: Lisa Emrich, Program Manager
Tom Dilling, Public and Governmental Affairs Officer/Liaison

DATE: November 9, 2020

SUBJECT: Nurse Education Assistance Loan Program: ODHE Funding Request

At the September meeting the Board discussed a request from the Ohio Department of Higher Education (ODHE) to increase funding for the Nurse Education Assistance Loan Program (NEALP) by increasing nurse licensure renewal fees. Board members asked for additional information from ODHE. Following the meeting, ODHE provided its projections requesting that \$7.50 rather than \$5.00 of nurse license renewal fees would be needed to sustain funding. (See attachment). Any increase will require the Ohio General Assembly to amend the Nurse Practice Act.

It is noted that one of the recommendations of the March 2020 ODHE Future of Workforce Report is as follows: Recruitment, placement, and retention of health care learners should be a focus area to increase the volume and availability of qualified health care workers addressing the greatest health challenges throughout the state. Strategies should be targeted at rural and other underserved areas through innovation, clinical exposure to underserved settings, and educational costs/reimbursement. Placing a priority on identifying the types of providers needed in the different areas of the state will benefit these efforts.

While the Board voiced support of increasing NEALP funding, the timing of this request is difficult due to the uncertainty of the State budget, COVID-19, and its impact on the Board. Increased funding of NEALP will impact Board revenues during these uncertain times. It is not known whether future Board license renewals will generate sufficient funds to award increased loans to NEALP applicants. This year there was an estimated \$500,000 decrease in licensure fees due to HB 197 eliminating the late processing fee deadline. We are unsure what next year will bring but if the late processing fee is eliminated again, it will mean even greater losses in revenues due to the large number of RNs renewing.

Due to COVID-19, State revenues have decreased, and boards and agencies, including the Nursing Board, are anticipating the possibility of program reductions for the next biennium. We believe the next biennium will be challenging just to maintain operations.

While ODHE suggests that the renewal fee be increased, it may also be anticipated that proposing any increase in renewal fees would not be viewed favorably by stakeholders and licensees given the economic struggles of many during the COVID-19 declared emergency. How this request for increased fees will be viewed by the Legislature is in question.

Board staff recommend that at this time, the Board continue discussions with ODHE, OBM and other interested parties regarding Board revenues, and review an increase in a future biennium budget after the pandemic is resolved, the state budget has stabilized, and there is an opportunity for stakeholders and interested parties to weigh in on the costs and benefits of this proposal.

Awarding all applicants [80% take up]

FY21 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,854,609.14
Loans Disbursed	\$ 1,050,192.00		\$ 804,417.14
Admin. Costs	\$ 66,650.00		\$ 737,767.14
OBN Deposits		\$ 250,000.00	\$ 987,767.14
AGO Deposits		\$ 90,000.00	\$ 1,077,767.14
			\$ 1,077,767.14
Ending Balance			\$ 1,077,767.14

RNs at \$1620 777 RN Applicants \$ 1,258,740.00
MNEs at \$6000 9 MNE Applicants \$ 54,000.00
\$ 1,312,740.00

Increase transfer to DHE to \$7.50

FY21 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,854,609.14
Loans Disbursed	\$ 1,050,192.00		\$ 804,417.14
Admin. Costs	\$ 66,650.00		\$ 737,767.14
OBN Deposits		\$ 250,000.00	\$ 987,767.14
AGO Deposits		\$ 90,000.00	\$ 1,077,767.14
			\$ 1,077,767.14
Ending Balance			\$ 1,077,767.14

RNs at \$1620 777 RN Applicants \$ 1,258,740.00
MNEs at \$6000 9 MNE Applicants \$ 54,000.00
\$ 1,312,740.00

FY22 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,077,767.14
Loans Disbursed	\$ 1,050,192.00		\$ 27,575.14
Admin. Costs	\$ 66,650.00		\$ (39,074.86)
OBN Deposits		\$ 1,100,000.00	\$ 1,060,925.14
AGO Deposits		\$ 90,000.00	\$ 1,150,925.14
			\$ 1,150,925.14
Ending Balance			\$ 1,150,925.14

RNs at \$1620 777 Awarded \$ 1,258,740.00
MNEs at \$6000 9 Awarded \$ 54,000.00
\$ 1,312,740.00

FY22 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,077,767.14
Loans Disbursed	\$ 1,050,192.00		\$ 27,575.14
Admin. Costs	\$ 66,650.00		\$ (39,074.86)
OBN Deposits		\$ 1,650,000.00	\$ 1,610,925.14
AGO Deposits		\$ 90,000.00	\$ 1,700,925.14
			\$ 1,700,925.14
Ending Balance			\$ 1,700,925.14

RNs at \$1620 777 Awarded \$ 1,258,740.00
MNEs at \$6000 9 Awarded \$ 54,000.00
\$ 1,312,740.00

FY23 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,150,925.14
Loans Disbursed	\$ 1,050,192.00		\$ 100,733.14
Admin. Costs	\$ 66,650.00		\$ 34,083.14
OBN Deposits		\$ 250,000.00	\$ 284,083.14
AGO Deposits		\$ 90,000.00	\$ 374,083.14
			\$ 374,083.14
Ending Balance			\$ 374,083.14

RNs at \$1620 777 Awarded \$ 1,258,740.00
MNEs at \$6000 9 Awarded \$ 54,000.00
\$ 1,312,740.00

FY23 - RNs awarded at \$1620; MNEs awarded at \$6000

	EXPENDITURES	CREDITS	BALANCE
Beginning Balance			\$ 1,700,925.14
Loans Disbursed	\$ 1,050,192.00		\$ 650,733.14
Admin. Costs	\$ 66,650.00		\$ 584,083.14
OBN Deposits		\$ 375,000.00	\$ 959,083.14
AGO Deposits		\$ 90,000.00	\$ 1,049,083.14
			\$ 1,049,083.14
Ending Balance			\$ 1,049,083.14

RNs at \$1620 777 Awarded \$ 1,258,740.00
MNEs at \$6000 9 Awarded \$ 54,000.00
\$ 1,312,740.00