



A Legislative Summary Document Regarding Board of Medical Examiners

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The Board of Medical Examiners (BME) has opportunities to improve service delivery by addressing issues of resource allocation, duplication of efforts, and activities that do not add value within its core processes. For example, BME could reduce licensing activities that do not add value and reallocate the associated resources. Up to 38 percent of activities performed in the physician licensing process do not add value and should be reassessed. The resources associated with these inefficient activities equate to approximately 4.5 full-time equivalent (FTE) employees at an annual cost of approximately \$145,000 in salary.

BME also could improve complaint resolution time. BME's reported complaint resolution time of 328 days for fiscal year 2000 exceeded its performance target of 310 days. It could reduce average complaint resolution time by an estimated 108 days by discontinuing duplicative reviews and eliminating bottlenecks.

Prepared for the 78th Legislature
by the State Auditor's Office

January 2003

SAO No. 03-373

This is not an audit report and, with the exception of any audit report summaries, the material in this document has not been subjected to all of the tests and confirmations performed in an audit.

Board of Medical Examiners

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Key Findings from Previous Audits and Reviews

January 1, 2001–December 31, 2002

An Audit of Small Agency Internal Control and Financial Processes

(Report No. 02-016, December 2001)

The Board of Medical Examiners (BME) has opportunities to improve service delivery by addressing issues of resource allocation, duplication of efforts, and activities that do not add value within its core processes. Specifically, BME should:

- Reduce licensing activities that do not add value and reallocate the associated resources. Up to 38 percent of activities performed in the physician licensing process do not add value and should be reassessed. The resources associated with these inefficient activities equate to approximately 4.5 full-time equivalent (FTE) employees at an annual cost of approximately \$145,000 in salary. The current licensing process employs 12 FTEs.
- Improve tracking of licensing data and reduce the amount of work licensing staff must perform. BME takes an average of 180 days to issue licenses to applicants who do not qualify for the expedited license processing. This average is substantially greater than the average processing time of 80 days in peer states.
- Improve complaint resolution time. BME's reported complaint resolution time of 328 days for fiscal year 2000 exceeded its performance target of 310 days. It could reduce average complaint resolution time by an estimated 108 days by discontinuing duplicative reviews and eliminating bottlenecks.

Status of Audit Recommendations ¹ as of November 30, 2002 (unaudited)	
BME has reported the following:	
Implemented	6
Total recommendations	6
¹ From management letter No. 02-312	

Most Recent Performance Measure Certification

Fiscal Year 1998–Fiscal Year 2003

The results included in *An Audit Report on Fiscal Year 2001 Performance Measures at 14 Entities* (Report No. 03-008, November 2002) for this entity are summarized below.

Period	Goal/Strategy		Measure	Certification Results
2001	A	Licensure	Percent of Licenses With No Recent Violations	Inaccurate
2001	A.1.1	Licensing	Average Licensing Cost Per Individual License Issued (Physician)	Inaccurate
2001	B.1.1	Enforcement	Number of Complaints Resolved (Physician)	Certified with Qualification
2001	B.1.1	Enforcement	Average Time for Complaint Resolution (Physician)	Certified with Qualification
Total Measures Certified Without Qualification^a				0/4 (0%)
Data Reliability Percentage (Certified and Certified with Qualification)				2/4 (50%)

^a The percentage of unqualified certifications is presented because it is used in determining an entity's eligibility for performance rewards as established in the General Appropriations Act [77th Legislature, Article IX, Sec. 6.31(d)(2)].

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Category	Definition
Certified	Reported performance is accurate within +/-5 percent, and controls appear adequate to ensure accurate collection and reporting of performance data.
Certified with Qualification	Reported performance is within +/-5 percent, but the controls over data collection and reporting are not adequate to ensure the continued accuracy of performance data.
Factors Prevent Certification	Actual performance cannot be determined because of inadequate controls and insufficient documentation.
Inaccurate	Reported performance is not within +/-5 percent of actual performance, or there is an error rate of at least 5 percent in the supporting documentation.
Not Applicable	A justifiable reason exists for not reporting performance.

Quality Assurance Team Reviews

Conducted by the Legislative Budget Board and State Auditor's Office

Ongoing Projects

Quality Assurance Team Annual Report – January 2003

Rewrite of TRACER (Texas Registration, Administration, Cash and Enforcement Reporting) – In September 1999, the Board of Medical Examiners (BME) began redesigning and developing a registration, licensing, and permits database that maintains physician, physician assistant, technician, acupuncturist, and certain medical institution data. The project is 80 percent complete. The time line increase and the cost decrease are both attributable to BME's opting to perform all the work in-house. Current expenditures are \$815,533.

Project	Function	Initial Budget	Current Budget	Budget Change	Initial End Date	Current End Date	Time Change
TRACER rewrite	Redesign and develop database	\$1,812,106	\$924,066	(\$888,040)	12/31/01	12/31/02 ^a	12 months

^a Confirmation of project completion is pending.

Travel Expenditures

Travel Expenditures by Appropriation Year (unaudited)

	2000	2001	2002
In-State Travel	\$ 198,692	\$ 153,227	\$ 163,709
Out-of-State Travel	6,345	16,176	1,798
Foreign Travel	0	0	0
Other Travel Costs	(392)	0	324
Total Travel Expenditures	\$ 204,646	\$ 169,402	\$ 165,831
Limit on Travel Expenditures (Cap)	211,814	205,957	6,345 ^a
Expenditures in Excess of Cap	\$ 0	\$ 0	\$ 0

^a Caps apply to total travel in appropriation years 2000 and 2001, but caps apply only to out-of-state travel and foreign travel in appropriation year 2002. Caps, calculated by the Comptroller of Public Accounts, have been adjusted for any increases requested by BME and approved by the Legislative Budget Board in accordance with the General Appropriations Act.

Source: Uniform Statewide Accounting System (USAS) as of November 30, 2002. Amounts are subject to change as agencies continue to record additional expenditures or adjustments.