

Sunset Advisory Commission



**Texas State
Board of Veterinary
Medical Examiners**

Staff Report
April 2004

**TEXAS STATE BOARD OF
VETERINARY MEDICAL EXAMINERS**

**SUNSET STAFF REPORT
APRIL 2004**

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SUMMARY

Summary

Texas State Board of Veterinary Medical Examiners

The practice of veterinary medicine affects all Texans. Veterinarians provide medical services for companion animals and livestock. They help protect the public from zoonotic diseases, such as rabies. Veterinarians also have a direct impact on food-animal production – a major segment of the state’s economy – by assisting producers in disease prevention, nutrition programs, and general herd and flock management.

Recognizing the impact veterinary medicine has on both animal and human health, the Texas Legislature established the Texas State Board of Veterinary Medical Examiners to regulate veterinarians nearly a century ago. While regulation of veterinarians is still needed today, and despite differences from other health-care practitioners, who work with human patients, the specific organizational structure for regulation of veterinarians should be determined after completion of Sunset reviews of other health licensing agencies.



Some of the Board’s operations could be strengthened to provide fairer, more efficient processes, which would benefit licensees, the public, and their animals.

Although the Board meets its mission to license and regulate veterinarians, some of its operations could be strengthened to provide fairer, more efficient processes to both licensees and the public. For example, the Board’s continuing education program allows veterinarians to avoid needed and valuable opportunities to enhance their professional competence and stay abreast of changes in industry practices. Steps to improve the Board’s continuing education program, such as randomly auditing licensees for compliance and authorizing the Board to order additional continuing education for veterinarians who violate the law, as well as updating the Board’s practices to conform with model licensing practices, would provide enhanced accountability, structure, and operational effectiveness. Ultimately, these changes would help improve the quality of veterinary services and provide better protection for Texans and their animals.

A summary of the recommendations in this report is provided in the following material.

Issues/Recommendations

Issue 1

Continuing Education Efforts Lack Controls to Ensure the Benefits Intended From Enhanced Professional Competence.

Key Recommendations

- Require the Board to check veterinarians’ compliance with continuing education through the licensing process.
- Authorize the Board to require a licensee to take more than the annual number of continuing education hours as part of a disciplinary action.

- The Board should explore and implement ways to ensure that continuing education providers comply with minimum standards established by the Board.

Issue 2

Key Elements of the Board's Licensing and Regulatory Functions Do Not Conform to Commonly Applied Licensing Practices.

Key Recommendations

- Standardize the Board's licensing functions by removing a reference to oral exams, allowing examination fee refunds under special circumstances, eliminating the supervision requirement for out-of-state applicants, and changing the basis for the late renewal penalty.
- Revise the Board's enforcement activities by including one additional practitioner in the complaint review process, expanding the sanctions available to the Board, prioritizing enforcement efforts, and requiring the Board to provide information of interest to the public and licensees on its Web site.

Issue 3

Decide on Continuation of the Board After Completion of Sunset Reviews of Other Professional Licensing Agencies.

Key Recommendation

- Decide on continuation of the Texas State Board of Veterinary Medical Examiners as a separate agency upon completion of upcoming Sunset reviews of other health-profession licensing agencies.

Fiscal Implication Summary

This report contains recommendations that would have a fiscal impact to the State. The fiscal impact of the recommendations is summarized below:

- *Issue 1* – Depending on the approach used by the Board, stricter monitoring of providers could require additional travel by staff and Board members, which was not estimated for this report.
- *Issue 2* – Changing the basis for the late renewal penalty would result in a positive fiscal impact of \$27,000 annually. The Board would need \$4,600 a year to cover travel costs associated with requiring a public member to attend informal conferences. The Board may incur additional costs associated with an anticipated increase in cases before the State Office of Administrative Hearings because of disagreements about restitution or because of appeals of cease-and-desist orders. Those costs were not estimated for this report.

<i>Fiscal Year</i>	<i>Cost to the General Revenue Fund</i>	<i>Gain to the General Revenue Fund</i>	<i>Net Effect to the General Revenue Fund</i>
2006	\$4,600	\$27,000	\$22,400
2007	\$4,600	\$27,000	\$22,400
2008	\$4,600	\$27,000	\$22,400
2009	\$4,600	\$27,000	\$22,400
2010	\$4,600	\$27,000	\$22,400

ISSUES

Continuing Education Efforts Lack Controls to Ensure the Benefits Intended From Enhanced Professional Competence.

Summary

Key Recommendations

- Require the Board to check veterinarians' compliance with continuing education through the licensing process.
- Authorize the Board to require a licensee to take more than the annual number of continuing education hours as part of a disciplinary action.
- The Board should explore and implement ways to ensure that continuing education providers comply with minimum standards established by the Board.

Key Findings

- Continuing education keeps licensed veterinarians abreast of current industry practices and recent technological developments, which enhances public protection.
- Opportunities for licensees to circumvent the Board's continuing education requirements may reduce the effectiveness of the Board's CE program.
- Other regulatory agencies have established more effective continuing education programs.

Conclusion

Because industry standards change as improvements in technology and treatment are developed, the Board requires veterinarians to complete continuing education every year. Doing so allows veterinarians to stay abreast of current best practices and provide better veterinary medical service. Although the Board has established a continuing education program, the Sunset review found that the need for veterinarians to keep up with significant changes in their profession is too important to allow oversight deficiencies in the continuing education program to continue.

Conducting a random audit of licensees would provide an equitable method for monitoring compliance with continuing education requirements among all licensees. Accepting only official, verifiable documentation as proof of attendance, and requiring licensees to make up missed continuing education hours, would provide confidence that veterinarians receive the valuable continuing education they need. Allowing the Board to order a veterinarian who is being disciplined by the Board to take additional continuing education hours gives the Board an avenue to see that veterinarians address areas identified as a concern. Ultimately, strengthening the Board's continuing education program would provide better protection for veterinarians, their clients, and the animals they treat.

Support

Continuing education keeps licensed veterinarians abreast of current industry practices and recent technological developments, which enhances public protection.

- Like most licensed professionals, veterinarians must complete continuing education (CE) courses before renewing a license. The Veterinary Licensing Act requires the Board to establish a minimum number of hours of CE that licensees must attain annually. Currently, veterinarians must complete at least 17 hours of CE each year.¹ Veterinarians who take more than 17 hours in one year may apply the extra hours – up to 17 hours – to the next year.
- Continuing education benefits the veterinarian, the consumer, and the animal. Through continuing education, veterinarians enhance their professional competence, learn about new technology, medications, and treatment regimens, and update their practice management and clinical skills. Doing so allows veterinarians to provide better medical service to their clients and patients.

For example, recent advances in scientific and medical knowledge and techniques have changed industry standards relating to vaccination intervals, durations of immunity, risks of vaccination, and the efficacy of certain vaccines routinely used by many veterinarians. Some vaccination protocols accepted even five or 10 years ago now are considered outdated. In light of these recent developments, the Board notified licensees that simply adhering to long-standing vaccination protocols may not, in some cases, meet the evolving standard of care. The Board recommended that veterinarians stay informed of the latest developments in vaccines and vaccination protocols through regular continuing education.

- Veterinarians may earn CE credit from a variety of sources. The Board accepts any course approved by the Registry of Approved Continuing Education (RACE) of the American Association of Veterinary State Boards. Also, the Board has given blanket approval to any course sponsored or cosponsored by the following entities:

- American Veterinary Medical Association (AVMA);
- AVMA's affiliated state veterinary medical associations – such as the Texas Veterinary Medical Association – and their continuing education organizations;
- AVMA-recognized specialty groups;
- regional and local veterinary medical associations; and
- veterinary medical colleges.

Veterinarians also can earn CE credit by taking correspondence courses, listening to audio tapes or CDs, viewing video tapes, or participating in telecommunications or online discussions.² In addition, the Board has delegated to the staff the authority to approve individual courses from organizations and individuals, such as the U.S. Army Veterinary Corps



*Continuing
education allows
veterinarians to keep
their practice up to
date.*

or pharmaceutical companies. In some cases, staff asks for assistance from veterinarian members on the Board to approve courses, such as those involving clinical or technical subjects.

- When renewing their license, veterinarians sign a statement on the renewal form attesting that they have completed the mandatory CE hours for the year. The Board requires licensees to maintain records supporting the signed statement. Board investigators check for compliance with continuing education requirements when conducting unannounced inspections of veterinary practices. Veterinarians are required to maintain CE records for three years.

Opportunities for licensees to circumvent the Board’s continuing education requirements may reduce the effectiveness of the Board’s CE program.

- If inspected by the Board, veterinarians do not have to show verifiable proof that they obtained the required continuing education hours, such as a certificate of completion for each course taken. Instead, the Board allows veterinarians to list the names of CE courses they attended and the number of hours of credit they received for each course on a presigned form that they receive when registering at a meeting or conference where continuing education is provided. Although some continuing education providers issue a certificate for every course, others – especially those at conferences or multiple-day events – do not. As a result, the Board has no way of knowing that veterinarians attended the courses listed on their presigned forms. The Board also accepts receipts for meeting registration fees as proof of completion. However, simply paying for a meeting does not mean a licensee attended the CE course.
- Because the Board does not require a certificate of completion for each CE course a licensee takes, Board investigators cannot ensure that licensees meet the 17-hours-per-year requirement. When checking for CE compliance, Board investigators simply add up the number of hours the veterinarian has listed. Investigators have no way to ensure that a course listed even existed.

In addition, the Board is not able to adequately check for CE compliance statewide. Because of travel budget restraints, the Board has temporarily focused its inspection efforts – including checking for compliance with continuing education requirements – on the Central Texas area. As a result, veterinarians in other regions of the state are less likely to be asked to prove compliance with the Board’s CE requirements. And, even though they hold an active license, veterinarians who reside out of state will not be asked to provide proof that they obtained the required continuing education, as investigators do not travel outside of Texas.

- The Board does not monitor continuing education providers to ensure that they provide the type of information they advertised, that they confirm that licensees are present for the course, and that they require attendees to stay for the complete course. As a result, the Board cannot ensure that veterinarians are receiving continuing education that provides licensees with updated information and skills. The Board has received


The Board cannot adequately check for continuing education compliance among all licensees.

complaints from licensees about the content and format of continuing education courses. Because the Board does not have a process for monitoring providers, however, it has no way to investigate the complaint or to require improvements by continuing education providers.



The Board cannot require a veterinarian to make up missed hours of continuing education.

- Veterinarians who do not complete the mandatory number of hours of continuing education in a year do not have to make up the missed hours. While the Veterinary Licensing Act does not clearly authorize the Board to require a licensee to attain the lacking continuing education hours in a subsequent year, it does prohibit the Board from requiring a licensee – through a disciplinary action – to complete more CE than needed to renew a license in any one year. Because ordering a veterinarian to make up missing CE hours could be considered a disciplinary action, the Board cannot require a licensee to make up missed continuing education, regardless of the missing number of hours.³
- Although the Board fines licensees who do not obtain the required hours of CE, the impact of these fines on encouraging veterinarians to complete CE requirements may be minimal. For licensees who are short 17 hours – an entire year’s worth of CE – the Board issues a \$250 fine. If licensees are short more than one year, fines range from \$500 to \$1,000. Because of the costs of registering for a CE course, traveling to where the course is taught, and closing their veterinary practice while attending the course, veterinarians may find it more economical to pay the fine than to complete the continuing education requirements.
- The Act limits the Board’s ability to use continuing education as an enforcement tool. Although the Board has authority to order a veterinarian to take continuing education as part of a disciplinary action, the Act specifies that those hours cannot be in addition to the hours required to renew a license. This limitation prevents the Board from seeing that veterinarians who have violated the Act or Board rules receive extra training the Board feels they need beyond the standard CE requirement. As a result, the Board rarely uses CE as a condition of a Board order for a veterinarian who has violated the Act or Board rules. In fact, in the past five fiscal years, the Board has required that a veterinarian take CE as part of a disciplinary action only once.



Requiring CE as a condition of disciplinary action could have been beneficial in several recent cases.

Given the nature of the types of complaints received and resolved by the Board, requiring continuing education as a condition of a disciplinary action could prove beneficial, according to the Board. From fiscal year 2001 to 2003, the Board resolved 33 complaints involving standard of care by sanctioning the veterinarian. Including CE in the Board order for several of these cases could have provided a method for ensuring that the veterinarian received updated training and information in an area related to the veterinarian’s violation.

- The deficiencies in the Board’s continuing education program mean that veterinarians may not receive the enhanced knowledge and professional development they need to keep up to date with changes in their profession. This need to stay current is especially important in times of expanding technology and changing treatment protocols. The inability to adequately oversee participation in the CE program ultimately

defeats the purpose for requiring licensees to receive continuing education.

Other regulatory agencies have established more effective continuing education programs.

- Through the licensing renewal process, the Texas State Board of Pharmacy randomly audits 3 percent of licensees for compliance with that Board's continuing education requirements. According to Pharmacy Board staff, that is how the Board discovers most of its CE violations. As a result, Pharmacy Board inspectors concentrate on violations such as drug diversion. Also, if a pharmacist does not complete the required number of continuing education hours in a renewal period, the Board takes disciplinary action and requires the pharmacist to make up the missing hours.
- Like the Pharmacy Board, the Texas State Board of Medical Examiners randomly audits licensees through its license renewal process. Four times a year, the Medical Board requires about 1 percent of licensees to send the Board proof that they obtained the required continuing education hours. Those licensees who have not met the requirement must make up the missing hours. In addition, the Board regularly uses continuing education as a component of a disciplinary order. In fact, the Medical Practice Act authorizes the Board to require additional continuing education hours as a condition of a disciplinary action.⁴

Recommendations

Change in Statute

1.1 Require the Board to check veterinarians' compliance with continuing education through the licensing process.

Under this recommendation, the Board's primary method for checking that veterinarians have obtained the mandatory hours of continuing education would be through a random audit of license renewals. Those licensees randomly selected would send their proof of CE completion to the Board, which would then verify attendance. Staff would not be restricted to conducting the random audits when license renewals are due, but could conduct the audits throughout the year. The Board would accept certificates for individual CE courses as proof, and discontinue the practice of allowing veterinarians to list all courses on one presigned form. While the Board would not be prohibited from checking CE during inspections, the Board would focus its CE-monitoring efforts through its licensing functions. Doing so would allow investigators to concentrate on more imminent threats, such as controlled substance and sanitation violations. Also, the Board would be able to ensure a more equitable means of checking for CE compliance among licensees, regardless of where the licensee resides.

1.2 Authorize the Board to require a licensee to take more than the annual number of continuing education hours as part of a disciplinary action.

Under this recommendation, the provision in the Veterinary Licensing Act that limits the Board from requiring a licensee to take more than 17 hours of continuing education in any one year would be removed. As a result, after finding that a licensee violated the Board's CE requirements, the Board would be authorized to require a veterinarian to make up the missing hours in subsequent

years. Although the veterinarian would be allowed to practice while making up the missed hours, the Board would monitor the licensee's progress. In addition, the Board would be able to specify that a veterinarian take continuing education in addition to the standard amount as part of a disciplinary action that resulted from a violation of the Act or Board rules.

Management Action

1.3 The Board should explore and implement ways to ensure that continuing education providers comply with minimum standards established by the Board.

Approaches explored should include the following:

- staff or Board-member site visits and monitoring;
- regular submission of records, such as sign-in and sign-out logs;
- providing guidelines to CE providers regarding the types of acceptable certificates of completion; and
- other methods established by the Board.

The Board would establish methods for making sure that continuing education courses cover the topics and meet the class length advertised to licensees and the Board, that providers have a method for recording and verifying attendance, and that providers give certificates of completion at the end of the course. The Board would work with CE providers to make them aware of the Board's requirements and standards. As needed, Board members and staff would be able to make site visits to continuing education courses, particularly if the Board receives a complaint regarding a specific course or provider. Providers who do not meet these standards would be subject to being removed from the Board's list of acceptable continuing education providers.

Impact

These recommendations are intended to strengthen the Board's continuing education program. Requiring the Board to randomly audit a percentage of licensees for CE compliance through licensing staff would give the Board a method to adequately check that a course was offered and provide better assurance that a licensee attended the course. Doing so would also free investigators to focus on more imminent threats to public safety, and would establish an equitable system for checking CE compliance.

Requiring the Board to accept certificates or other verifiable documentation for each CE course would help the Board ensure that licensees do in fact receive the needed continuing education, and are present for courses they claim they attended. Authorizing the Board to require licensees to make up missing CE hours, and allowing the Board to order additional CE as part of a disciplinary action, would make sure licensees obtain the continuing education that the Board believes is needed for continued professional competency. Finally, exploring methods for monitoring continuing education providers provides the Board the opportunity to see that veterinarians are receiving quality continuing education, which ultimately benefits veterinarians, the animals they treat, and the public.

Fiscal Implication

These recommendations would have a minimal fiscal impact to the State. Checking licensees' compliance with continuing education requirements by a random audit conducted through the licensing process throughout the year could be accomplished with existing staff. Spending less time

checking for compliance with continuing education requirements during inspections would allow Board investigators to make periodic on-site visits to CE providers. Depending on the approach used, stricter monitoring of providers could require additional travel by staff and Board members, which was not estimated for this report.

¹ Texas Administrative Code, Title 22, part 24, rule 573.64(e). Veterinarians whose licenses are on retired or inactive status or who were out of the country on charitable or government assignments for at least nine months, as well as veterinary interns or residents, are not subject to the Board's CE requirements.

² Texas Administrative Code, Title 22, part 24, rule 573.64(d). Of the 17 hours of continuing education required annually, no more than five hours may be from either correspondence courses or practice management courses. Hours claimed for listening to audio and viewing devices or participating in telecommunications presentations are limited to no more than five hours. Interactive online hours that are verifiable may be claimed without limitation up to seven hours.

³ Texas Occupations Code, sec. 801.401(d).

⁴ Texas Occupations Code, sec. 156.054.

Key Elements of the Board's Licensing and Regulatory Functions Do Not Conform to Commonly Applied Licensing Practices.

Summary

Key Recommendations

- Standardize the Board's licensing functions by removing a reference to oral exams, allowing examination fee refunds under special circumstances, eliminating the supervision requirement for out-of-state applicants, and changing the basis for the late renewal penalty.
- Revise the Board's enforcement activities by including one additional practitioner in the complaint review process, expanding the sanctions available to the Board, prioritizing enforcement efforts, and requiring the Board to provide information of interest to the public and licensees on its Web site.

Key Findings

- Licensing provisions of the Board's statute do not follow model licensing practices and could potentially affect the fair treatment of licensees and the agency's ability to protect consumers.
- Nonstandard enforcement provisions of the Board's statute could reduce the agency's effectiveness in protecting consumers.

Conclusion

Various licensing and enforcement processes in the Veterinary Licensing Act do not match model licensing standards developed by Sunset staff from experience gained through more than 80 occupational licensing reviews over the last 25 years. The Sunset review compared the Board's statute, rules, and practices to the model licensing standards to identify variations. Based on these variations, staff identified the recommendations needed to bring the Board in line with the model standards.

Support

Regulating occupations, such as veterinary medicine, requires common activities that the Sunset Commission has observed and documented over more than 25 years of reviews.

- The mission of the Texas State Board of Veterinary Medical Examiners is to protect the public by ensuring that veterinarians are qualified, competent, and adhere to established professional standards. To provide this protection, the Board performs several standard licensing and enforcement activities. Currently, the Board licenses more than 6,600 veterinarians. The Board enforces the Veterinary Licensing Act and Board rules by investigating complaints against practitioners and taking disciplinary action when necessary.
- The Sunset Advisory Commission has a historic role in evaluating licensing agencies, as the increase of occupational licensing programs served as an impetus behind the creation of the Commission in 1977. Since then, the Sunset Commission has completed more than 80 licensing agency reviews.
- Sunset staff has documented standards in reviewing licensing programs to guide future reviews of licensing agencies. While these standards provide a guide for evaluating a licensing program's structure, they are not intended for blanket application. The following material highlights areas where the Board's statute and rules differ from these model standards, and describes the potential benefits of bringing the statute and rules into conformity with standard practices.

Licensing provisions of the Board's statute do not follow model licensing practices and could potentially affect the fair treatment of licensees and the agency's ability to protect consumers.

- *Oral exam.* Oral tests and interviews should not be required elements in a licensing examination because they introduce too much subjectivity in determining a person's qualifications for licensure. These procedures lend themselves to differences in interpretation and scoring among examiners, and also introduce the possibility of judging an examinee based on factors that are not skill-related, such as appearance or personality.

Contrary to the preferred approach, the Board's statute authorizes oral examinations, although the agency does not use this authority. Instead, the Board tests an applicant's knowledge about the state's veterinary laws through a written exam and requires applicants to pass a national examination, administered by a national organization, that includes written and practical – but not oral – testing. Eliminating statutory reference to an oral exam would remove this obsolete provision and ensure that the Board continues to use the current objective testing procedures.

- *Refundable Fees.* Fees from both initial exams and exam retakes should not be refundable, except in cases of emergencies and reasonable advance notice. The agency incurs a cost in administering exams, which should be covered by the applicant. These costs include the preparation of exam



The Act authorizes oral examinations, although the Board does not use this authority.

materials and staff time to process the application and reserve space for the applicants to take the exam. Currently, the Board does not issue refunds if an applicant cancels a scheduled examination. Such a policy does not recognize emergencies, such as a death in the family, and reasonable advance notice of withdrawal as legitimate reasons for a refund. Authorizing the Board to determine under what circumstances to refund exam fees would balance the needs of both the agency and applicants.

- **Supervision requirement.** Professionals who move to Texas and meet the minimum licensing requirements should be allowed to practice under a temporary license while agencies process their applications. The Board grants out-of-state applicants provisional licenses pending permanent licensure, but requires each applicant to practice under the supervision of another licensee. In-state applicants that apply for a regular license to practice in Texas have no such supervision requirement. Applying the requirement to licensed veterinarians from other states places an undue burden on those who have already practiced independently in another state.
- **Late-renewal penalties.** Licensees who fail to renew their licenses on time should pay a penalty set at a level that is reasonable to ensure timely payment and that provides comparable treatment for all licensees. The Board currently ties the late fee to the fee for the jurisprudence exam, which it administers. A better incentive to renew on time would be to require delinquent licensees to pay a penalty of 1-1/2 to two times the *renewal* fee, instead of the examination fee.

Nonstandard enforcement provisions of the Board's statute could reduce the agency's effectiveness in protecting consumers.

- **Complaint evaluation.** Agencies without licensed practitioners on staff sometimes must rely on licensed Board members to provide needed expertise in evaluating complaints. Boards must be careful, however, not to concentrate too much decisionmaking authority over individual complaints in the hands of a single person. The Veterinary Medical Board relies on its Board Secretary to either dismiss complaints or call an informal settlement conference between the licensee and the Board's Enforcement Committee, composed of the Board Secretary and staff. After further review, the committee may close the complaint or draft a Board order sanctioning the licensee.

The agency's complaint review process delegates considerable authority to a single Board member to decide the outcome of a complaint. Although the Board Secretary occasionally consults with experts or other practitioners to gather opinions on cases involving specialized standard of care, one Board member ultimately makes the decision to dismiss a complaint or refer it to an informal conference for further consideration. Additionally, staff's decisionmaking ability as participants in informal conferences is limited because they lack expertise on medical issues. As a result, staff defers to the opinion of the Board Secretary on technical or standard-of-care cases. By not involving more Board members in the complaint review process, the Board loses an opportunity for having



Veterinarians licensed in another state must practice under supervision of a Texas licensee before receiving a Texas license.



The Board's complaint review process invests considerable authority in a single person.

additional perspectives and expertise in deciding whether a licensee violated a standard of care. It also places an increased workload on a single Board member.

On the other hand, the ability of staff to resolve cases that do not require professional expertise helps expedite the complaint process while providing proper safeguards for its actions. Allowing staff to dispose of non-technical and administrative violations, subject to Board review and approval, would help the agency resolve these non-medical cases more quickly and allow the enforcement committee to focus on standard-of-care cases.

- ***Informal settlement conferences.*** The Legislature, through legislation regarding alternative dispute resolution, has encouraged boards to settle enforcement cases using informal proceedings. Structured informal settlement conferences allow an agency to explore resolution without resorting to contested case hearings at the State Office of Administrative Hearings, thus saving time and resources. When a licensing board chooses to use a panel of its members to conduct informal settlement conferences, the panel should include at least one public member to help ensure a balance between occupational and public interests. Currently, the Board Secretary, who is a licensed veterinarian, is the only Board member who participates in informal settlement conferences. Requiring a public member to participate in the informal settlement would ensure public membership at all conferences.
- ***Criminal convictions.*** Because felony convictions range in their severity and ability to affect a licensee's performance, a licensing agency should have the flexibility to set penalties at a level that match the egregiousness of each offense. The Veterinary Licensing Act, however, requires the Board to suspend or revoke a person's license for drug-related felonies, limiting the Board from using its full range of penalties – including probation and administrative fines – when determining the appropriate sanction. Because of the wide range of drug-related offenses, the Board should be given the discretion to view each case on its merits and determine the appropriate punishment, as it does in other types of cases that come before it.
- ***Administrative penalty.*** Over time, regulatory agencies have been given the authority to assess administrative penalties, subject to adequate controls to ensure fairness and due process. The Board currently has administrative penalty authority that includes these due process provisions with an additional requirement for a Board subcommittee with at least one public member to recommend the amount of the penalty. While civil penalties traditionally are imposed through the courts, the Board also has its own authority to levy civil penalties, which it uses in lieu of administrative penalties. Civil penalties are not subject to the oversight requirements of the subcommittee or any of the statutory limits imposed on administrative penalties. Although the Board has generally stayed within the guidelines of administrative penalties when assessing these civil fines, this approach is not the usual and customary approach to using this authority.



*The Board is limited
in the types of
penalties it can assess
for drug-related
offenses.*

Removing the requirement that only the Board subcommittee mentioned above can assess administrative penalties, and clarifying that the Board cannot impose civil penalties on licensees, would provide needed flexibility in determining fine amounts, yet ensure that the Board stays within statutory limits and intent.

Additionally, an agency's administrative penalty authority should authorize penalty amounts that reflect the severity of the violation and serve as a deterrent to violations of the law. The Board has authority to impose administrative penalties of up to \$2,500 per violation per day; for violations that involve the diversion of a controlled substance, the amount of the penalty can be up to \$5,000 per violation per day. Given the significant harm that can result from illegal activity related to the practice of veterinary medicine, such as fraud and drug diversion, the current administrative penalty amount may not be adequate to deter illegal behavior. Other health licensing agencies are authorized to impose a penalty amount of up to \$5,000 per violation per day for violations of state law.¹ Increasing the administrative penalty amount to \$5,000 per violation per day for any violation of the Act or Board rules would give the Board flexibility to address the potentially severe nature of deviant behavior.

- **Restitution authority.** The goal of restitution is to allow a complainant to receive a refund for some or all of what was lost as a result of the act that caused the complaint. Refunds can be granted when a consumer has been defrauded or subjected to a loss that can be quantified, such as the cost of a veterinary visit. The Board's enforcement tools are designed to correct licensee behavior, but do not allow for compensation to the aggrieved party.
- **Cease-and-desist authority.** A licensing agency should have enforcement authority not only over its licensees, but over those who engage in the unlicensed activity of the profession. However, the standard range of sanctions against licensees does not apply to such unlicensed activity. Two tools for taking action against unlicensed violators include injunctive relief and cease-and-desist orders. While injunctive authority allows agencies to take legal action to stop unlicensed activity, cease-and-desist orders provide an interim step that agencies may take on their own to stop unlicensed activity without having to go to court.

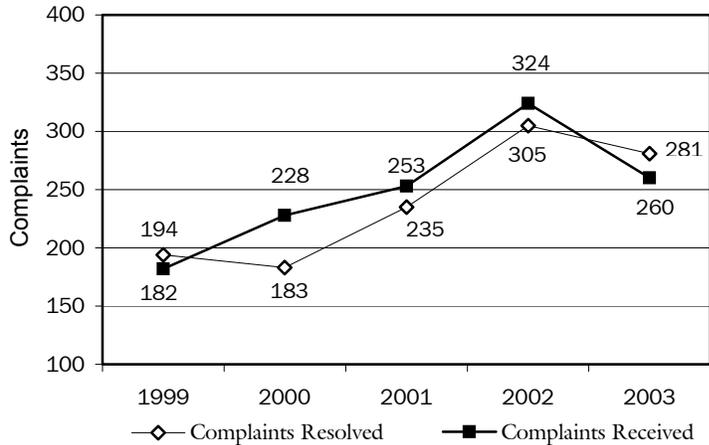
Currently, the Board lacks authority to issue cease-and-desist orders. The agency's process of issuing a warning letter to stop unlicensed practice is ineffective and lacks real enforcement, while seeking injunctions through the Attorney General is cumbersome and time-consuming. Cease-and-desist orders provide for faster action by regulatory agencies, especially when violators of these orders are subject to additional sanctions, such as administrative penalties. In addition, violations of cease-and-desist orders may help the agency obtain injunctive relief more easily.

- **Prioritizing enforcement efforts.** Investigations of complaints should take precedence over compliance inspections, to prioritize enforcement efforts where the potential for most harm exists. The Board conducts



Cease-and-desist orders provide for faster action by regulatory agencies.

**Number of Complaints Received and Resolved
FY 1999 - 2003***

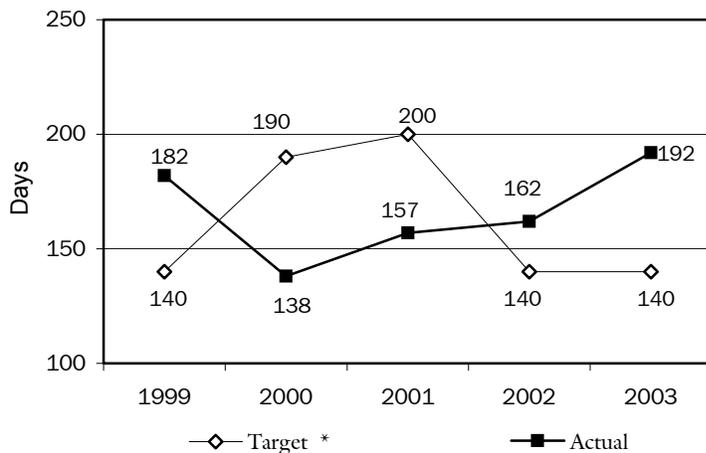


*The number of complaints resolved in a year is not the same as the number of complaints received because of the time required to investigate and dispose of complaints.

the average time to resolve a complaint have both increased in recent years, as shown in the accompanying charts, the Board has not adjusted its enforcement efforts to focus on investigations.

In fiscal year 2002, for example, the Board performed 613 compliance inspections. Although the number of inspections has since declined because of budget cuts, the agency plans to increase its compliance

**Average Time for Complaint Resolution
FY 1999 - 2003**



*LBB performance measure

inspections when its travel budget is restored. The time that investigators spend on checking administrative compliance with the Act and Board rules could be better spent on investigating complaints, such as standard-of-care, negligence, or substance abuse cases.

Likewise, complaints should be placed in priority order so that the most serious problems are handled first. Addressing complaints based on seriousness places the agency's attention where it is most needed. Board staff currently prioritizes complaints so that substance abuse complaints are addressed first followed by complaints related to the death of an animal. However, Board rules require staff to investigate complaints in the order received unless the allegations constitute a continuing or imminent threat to the public welfare. Updating rules to prioritize complaints would ensure that the Board focuses on those complaints that allege the most serious violations.

- **Enforcement information.** Agencies should make all enforcement information, such as final disciplinary orders and sanctions, readily available to the public. This information helps to protect consumers and ensures procedural fairness for all licensees. While the Board

random, unannounced inspections of veterinarian practices that ensure compliance with the Department of Public Safety's drug rules and the proper accountability of controlled substances, but typically detect only minor administrative violations, such as failure to complete continuing education. Investigations of complaints, however, are more likely to involve standard-of-care or conduct issues of greater concern to the public.

The Board has no formal policy to ensure that staff focuses enforcement efforts on investigating complaints filed by the public as opposed to routine inspections. While the number of complaints received by the Board and the average time to resolve a complaint have both increased in recent years, as shown in the accompanying charts, the Board has not adjusted its enforcement efforts to focus on investigations.

In fiscal year 2002, for example, the Board performed 613 compliance inspections. Although the number of inspections has since declined because of budget cuts, the agency plans to increase its compliance inspections when its travel budget is restored. The time that investigators spend on checking administrative compliance with the Act and Board rules could be better spent on investigating complaints, such as standard-of-care, negligence, or substance abuse cases.

Likewise, complaints should be placed in priority order so that the most serious problems are handled first. Addressing complaints based on seriousness places the agency's attention where it is most needed. Board staff currently prioritizes complaints so that substance abuse complaints are addressed first followed by complaints related to the death of an animal. However, Board rules require

publishes a newsletter for its licensees that contains recent disciplinary orders and sanctions, this information is not easily accessible to consumers who may not know to check the newsletter for disciplinary information. Requiring the Board to display enforcement actions in a more user-friendly format would provide the public more information on veterinarians disciplined by the Board.

- **Peer assistance program.** Licensees should have access to information about the operation of and services provided by the agency. This information can help licensees take advantage of services provided to them within the State's regulatory scheme. The Board has established a peer assistance program for veterinarians who are chemically dependent or mentally impaired. Participants enter the program voluntarily, by referral from a third party, or through a Board order. The Board currently contracts with the Texas Veterinary Medical Association to administer the program and requires the association to make information available to licensees. However, the Board's Web site, the primary point of contact with licensees, contains no information about the peer assistance program or contact information for practitioners interested in using this service. By adding details about the peer assistance program to its Web site, the Board would provide licensees and the public information about this valuable program.

Recommendations

Licensing

Change in Statute

2.1 Eliminate the statutory authority for oral exams in the Board's statute.

This recommendation would remove the Board's authority to use oral exams from its statute, since this language is obsolete and does not conform to model examination procedures.

2.2 Require the Board to establish a policy for refunding examination fees.

This recommendation would authorize the Board to retain all or part of examination fees should an applicant withdraw from an exam without reasonable advance notice or a satisfactory excuse, such as an emergency. The Board would need to develop a rule to define the reasonable notification period and the emergencies that would warrant a refund. In determining its refund policies, the Board should ensure that its policies do not conflict with the National Board of Veterinary Medical Examiners' policies.

2.3 Provide an exemption from the provisional license supervision requirement for applicants who are already licensed to practice independently in other states.

Allowing qualified veterinarians from other states to practice independently in Texas while the Board processes their applications would remove a barrier to entry into the profession. As long as a veterinarian has a license to practice independently, is in good standing in another state, and meets Texas' licensing requirements, the Board should allow independent practice in Texas. Even without supervision by another licensed veterinarian, provisionally licensed veterinarians still practice under the authority of the Board and are subject to enforcement action.

2.4 Change the basis for the Board's late renewal penalties.

This recommendation would require the Board to use the standard renewal fee as the basis for its late renewal penalties, rather than the cost of the exams required for licensure. For example, the Board would charge a person whose license has been expired for 90 days or less the standard renewal fee plus a penalty equal to 1-1/2 times the renewal fee. For those whose licenses have been expired for more than 90 days, but less than one year, the Board would charge the standard renewal fee plus a penalty of twice the renewal fee. In calculating the late penalty, the Board would not include the \$200 professional fee assessed on veterinarians.

Enforcement

Change in Statute

2.5 Require at least two veterinarian Board members to review complaints requiring professional expertise, and authorize staff to settle administrative complaints.

This recommendation would require the Board to submit all complaints that may require the expertise of a practitioner to at least two veterinarian members of the Board to review and decide how to proceed. The decision would include whether to dismiss or to refer the matter directly to an informal settlement conference. In the event the two Board members differ on how to proceed, the complaint would automatically be referred to the Board's enforcement committee for a settlement conference. All proposed and agreed orders recommended in settlement conference would still need to receive final approval by the full Board.

This recommendation would also authorize staff to resolve cases involving nontechnical and administrative violations. Staff would have the ability to dismiss these complaints, subject to review by the Board at its public meeting, or refer the matter directly to a settlement conference. A committee of staff would recommend enforcement action, which the licensee could accept or reject in a settlement conference. The Board would retain final decisionmaking authority over the staff's recommendations.

2.6 Require the Board to include one of its public members in the informal settlement process.

This recommendation would ensure that the Board includes at least one public member in its informal settlement conferences. These conferences help the Board determine whether a violation occurred and what action to take, and therefore should always include public membership to ensure consumer interests are properly represented in the enforcement process.

2.7 Authorize the Board to set penalties at a level that match the egregiousness of each drug-related felony conviction.

This recommendation would give the Board the discretion to determine appropriate sanctions against licensees with drug-related felonies by considering each case on its own merits, as opposed to the automatic suspension or revocation of a license currently required by the Act.

2.8 Clarify the Board's administrative penalty authority.

This change repeals the statutory provision that requires a subcommittee of the Board to recommend the amount of administrative penalties. In addition, the provision for the Board to impose a civil penalty on a licensee would be eliminated and replaced by administrative penalty authority. The option for the Board to seek civil penalties for unlicensed practice through the courts would be retained.

The recommendation also increases the amount of an administrative penalty the Board would be able to impose on an individual who violates the Veterinary Licensing Act or Board rules to \$5,000 per violation per day from \$2,500 per violation per day. The provision that each day a violation continues or occurs is a separate violation for purposes of imposing the penalty would continue to apply. The amount for violations that involve controlled substances would remain the same, at \$5,000 per violation.

2.9 Authorize the Board to require restitution as part of the settlement process.

Under this recommendation, the Board would be allowed to include restitution as a part of an agreed order reached in an informal settlement conference on a complaint. Restitution authority would be limited to ordering a refund not to exceed the amount the complainant paid for services. Any restitution order would not include an estimation of other damages or harm. The refund may be in lieu of or in addition other sanctions against a licensee.

2.10 Authorize the Board to issue cease-and-desist orders.

This recommendation would allow the Board to issue cease-and-desist orders. Cease-and-desist authority would enable the Board to move more quickly to stop unlicensed activity that threatens the health and safety of the public and their animals. The recommendation would also authorize the Board to assess administrative penalties against persons who violate cease-and-desist orders.

2.11 Require the Board to adopt formal policies that focus the Board on resolving complaints and prioritize complaints according to risk.

This recommendation would require the Board to adopt a formal policy that would focus its enforcement efforts on investigating complaints as opposed to performing compliance inspections. For example, the Board should consider whether it is meeting its target for complaint resolution time or if its caseload of pending complaints is reasonable when planning for compliance inspections. This recommendation would also require the Board to place complaints in priority order so that the agency handles the most serious problems first. Addressing complaints based on seriousness would ensure that the agency's attention is always placed where it is most needed.

Management Action

2.12 The Board should post information about disciplinary orders and sanctions on its Web site in a format that consumers may access easily.

Under this recommendation, consumers would have improved access to disciplinary information. Increasing accessibility could include creating a searchable database of practitioners showing disciplinary history or listing licensees who have had disciplinary action taken against them, including the type of sanction and violation, and the date the sanction was ordered. In addition to helping the public, this listing may reduce the amount of time staff must dedicate to handling consumer inquiries.

2.13 The Board should post information about the peer assistance program on its Web site.

This recommendation would direct the Board to post information on its Web site about the peer assistance program for veterinarians who are chemically dependent or mentally impaired. Since the Board contracts with the Texas Veterinary Medical Association (TVMA) to administer the program, the Board should also provide TVMA's contact information in its description of the program.

Impact

The application of these recommendations to the Board would provide additional expertise in the Board's enforcement process and result in efficiency and consistency from fairer processes for licensees, additional protection for consumers, and standardization of Board procedures. The chart, *Benefits of Recommendations*, categorizes the recommendations according to their greatest benefits.

Fiscal Implication

These recommendations would result in an overall gain to the State of about \$16,000. Changing the basis for the late renewal penalty would result in a positive fiscal impact of \$27,000 annually. The Board would need \$4,600 a year to cover travel costs associated with requiring a public member to attend informal conferences. The Board may incur additional costs associated with an anticipated increase in cases before the State Office of Administrative Hearings because of disagreements about restitution or because of appeals of cease-and-desist orders. Those costs were not estimated for this report.

Fiscal Year	Cost to the General Revenue Fund	Gain to the General Revenue Fund	Net Effect to the General Revenue Fund
2006	\$4,600	\$27,000	\$22,400
2007	\$4,600	\$27,000	\$22,400
2008	\$4,600	\$27,000	\$22,400
2009	\$4,600	\$27,000	\$22,400
2010	\$4,600	\$27,000	\$22,400

Benefits of Recommendations				
Recommendations	Efficiency of Operations	Administrative Flexibility	Fairness to Licensee	Public Protection
Licensing				
2.1 Eliminate the statutory authority for oral exams in the Board's statute.	✓	✓	✓	
2.2 Require the Board to establish a policy for refunding examination fees.			✓	
2.3 Provide an exemption from the provisional license supervision requirement for applicants who are already licensed to practice independently in other states.			✓	
2.4 Change the basis for the Board's late renewal penalties.	✓			
Enforcement				
2.5 Require at least two veterinarian Board members to review complaints requiring professional expertise, and authorize staff to settle complaints.	✓	✓	✓	✓
2.6 Require the Board to include one of its public members in the informal settlement process.				✓
2.7 Authorize the Board to set penalties at a level that match the egregiousness of each drug-related felony conviction		✓	✓	✓
2.8 Clarify the Board's administrative penalty authority.	✓	✓		✓
2.9 Authorize the Board to require restitution as part of the settlement process.		✓		✓
2.10 Authorize the Board to issue cease-and-desist orders.		✓		✓
2.11 Require the Board to adopt formal policies that focus the Board on resolving complaints and prioritize complaints according to risk.	✓		✓	✓
2.12 The Board should post information about disciplinary orders and sanctions on its Web site in a format that consumers may access easily.	✓			✓
2.13 The Board should post information about the peer assistance program on its Web site.			✓	✓

¹ The State Board of Medical Examiners, State Board of Physician Assistant Examiners, and State Board of Dental Examiners each have a \$5,000 per day per violation administrative penalty amount.

Decide on Continuation of the Board After Completion of Sunset Reviews of Other Professional Licensing Agencies.

Summary

Key Recommendation

- Decide on continuation of the Texas State Board of Veterinary Medical Examiners as a separate agency upon completion of upcoming Sunset reviews of other health-profession licensing agencies.

Key Findings

- The mission of the Texas State Board of Veterinary Medical Examiners is to protect the public by ensuring that only qualified veterinarians provide veterinary medical services.
- Texas has a continuing need for regulating the practice of veterinary medicine.
- Different organizational options for regulating licensed health-care practitioners offer advantages and disadvantages to the Board.
- All 50 states regulate veterinarians, although organizational structures vary.
- A complete study of organizational options should consider the results of the Sunset Commission's reviews of other health-profession licensing agencies this review cycle.

Conclusion

The Sunset review evaluated the continuing need for regulation of the veterinary medical industry in Texas, as well as the need for the Texas State Board of Veterinary Medical Examiners as the agency to provide these functions. While the review found that the State should continue to regulate veterinarians, several options exist for how to structure this regulatory effort, including continuing the Board as an independent agency, enhancing coordination of administrative functions through a council like the Health Professions Council, merging the Board with another animal health agency, and consolidating the Board with other health-professions agencies. The review concluded that the decision on the appropriate structure of the agency responsible for these regulations should be delayed until the Sunset reviews of other health-profession licensing agencies are completed later this year, to draw on insights gained from those reviews.

Support

The mission of the Texas State Board of Veterinary Medical Examiners is to protect the public by ensuring that only qualified veterinarians provide veterinary medical services.

- The State began regulating veterinarians in 1911, when the Legislature created the Veterinary Licensing Act and established the Board. Since then, several duties have been added to the Board's responsibilities.
- The Board seeks to protect the public by licensing veterinarians and regulating their activities through enforcement. In fiscal year 2003, the Board licensed 6,624 veterinarians. Also that year, the Board received 260 complaints and resolved 281, including 39 that resulted in disciplinary action.

Texas has a continuing need for regulating the practice of veterinary medicine.

- The practice of veterinary medicine affects all Texans. Veterinarians provide medical services for companion animals and livestock. They play a key role in public health issues by protecting the public from zoonotic diseases, those transferable from animals to humans. Veterinarians also have a direct impact on food-animal production – a major segment of the state's economy – by assisting producers in disease prevention, nutrition programs, and general herd and flock management.
- The Board licenses individuals to ensure their competence to provide veterinary medical services to the public. The Board also develops and implements rules and regulations to ensure that licensees engage in safe practices. The Veterinary Licensing Act is designed to protect Texans and their animals and to give them recourse if laws are violated. Further, the public needs an agency that can receive and investigate complaints about veterinarians and, if necessary, discipline individuals who violate the law.



*The Board enforces
the Veterinary
Licensing Act, which
is designed to protect
Texans and their
animals.*

Different organizational options for regulating licensed health-care practitioners offer advantages and disadvantages to the Board.

- The regulation of veterinarians could occur through several organizational structures: an independent board, a coordinating council similar to the Health Professions Council, a merger with another animal-health agency, or a consolidation of health-profession licensing agencies. The advantages and disadvantages of each of these organizational structures are described in the chart, *Organizational Structure Options*.
- Traditionally, Texas has approached the regulation of most health-care professions, including veterinary medicine, through an independent agency that pays for itself through licensing and professional fees, focuses on customer service, and provides expertise for the regulation of its licensees. The Board currently operates as an independent agency, with 11 employees to regulate the veterinary medical industry.

Organizational Structure Options			
Type of Organization	Description	Advantages	Disadvantages
Independent Agency	Board appointed by Governor to represent veterinary medicine practitioners and make final decisions for regulation with own staff and budget.	<ul style="list-style-type: none"> ● Expertise in veterinary medicine applied to regulation of licensees. ● Better accountability for licensing and enforcement decisions. ● Improved customer service by Board and staff dedicated to single profession. 	<ul style="list-style-type: none"> ● Duplication of effort with other licensing agencies performing common functions. ● Limited coordination with agencies with similar responsibilities.
Coordinating Council	Board appointed by Governor to make final decisions for regulation with own staff for licensing and enforcement. Receives some or all administrative support from coordinating council composed of comparable agencies, such as the Health Professions Council, which may rely on staff from member agencies or may employ its own staff.	<ul style="list-style-type: none"> ● Administrative efficiency from standardizing functions among member agencies. ● Better focus of limited resources on core licensing and enforcement functions. ● Better access to equipment and staff not afforded with small appropriations. 	<ul style="list-style-type: none"> ● Less autonomy for Board in meeting administrative program needs. ● Fracturing of administrative services among agencies, with some favored more than others. ● Duplication of effort with other licensing agencies performing common functions.
Merger With Other Animal Health Agency	Policymaking board or board with final policymaking authority or an advisory board that makes recommendations to an animal health or agricultural agency, such as Texas Animal Health Commission or Texas Department of Agriculture.	<ul style="list-style-type: none"> ● Combination of similar animal health issues and programs. ● Improved coordination and standardization of rules and policies, especially among animal health practitioners. 	<ul style="list-style-type: none"> ● Limited coordination with other health licensing agencies. ● Loss of emphasis on regulatory program in agency where licensing is not primary function.
Consolidation of Similar Agencies	Advisory Board that makes recommendations to consolidated licensing oversight board, either for the regulation of health-care practitioners or as part of an animal health or agricultural agency.	<ul style="list-style-type: none"> ● Single point of contact for consumers to obtain information or lodge complaints. ● Improved coordination and standardization of rules and policies, especially among similar professions. ● Improved economy of scale for administrative, licensing, and enforcement functions. ● Reduced potential for regulated profession to dominate regulations. 	<ul style="list-style-type: none"> ● Neglect of individual professions in favor of larger, more powerful groups. ● Diminished customer service and accountability, resulting in increased response times for licensing and enforcement actions. ● Lack of staff expertise in a specific profession.

- The Health Professions Council (HPC) currently functions as a coordinating council for 15 health-care professional licensing agencies representing 35 professional licensing boards and programs, including veterinary medicine. Member agencies collocate in one state office building to facilitate resource sharing, including sharing conference


*Under one
organizational
structure option, the
Board could be
merged with another
agency that plays a
role in animal health.*

rooms, an imaging system, courier services, and information technology staff. In addition, HPC currently is making plans to coordinate human resources and financial activities among member agencies. The Legislature augmented the activities of HPC in 2003 by establishing the Office of Patient Protection, which will assist consumers with complaints about HPC agencies. Giving additional authority to HPC to perform member agencies' administrative functions could leave those agencies – including the Board – to perform only licensing and enforcement functions.

- The Board could be merged with another agency that plays a role in animal health. The Texas Animal Health Commission (TAHC) makes and enforces regulations to prevent, control, and eradicate specific infectious animal diseases that endanger livestock. TAHC also protects human health from animal diseases and conditions that are transmissible to people, and prepares for and responds to emergencies involving animals. TAHC works with the Board to develop rules and policies on issues that affect livestock health, such as brucellosis. TAHC also provides certification to veterinarians licensed by the Board in such areas as tuberculosis testing.

The Texas Department of Health's Zoonosis Division promotes public health through the prevention and control of diseases transmissible from animals to humans, such as rabies. The division works with veterinarians and other health professionals on issues relating to zoonosis control and administration of rabies vaccines. The division has animal control officers working in 12 regional offices around the state.

The Texas Department of Agriculture has responsibility for promoting Texas agricultural products – such as livestock – domestically and internationally, and assists in the development of the agribusiness industry in Texas. The Department has a number of regulatory programs, which run the gamut from inspecting gasoline pumps to ensuring egg quality. The agency also regulates the sale, use, and disposal of pesticides and herbicides.

- A single umbrella health licensing agency could regulate all of the health professions currently regulated under 35 separate boards and programs. Under this configuration, the regulation of veterinary medicine could be overseen by a board with final policymaking authority or by an advisory committee that could provide expertise to a public board that would oversee all regulation. The agency could be modeled after the Texas Department of Licensing and Regulation, which has a structure for occupational and professional examination, licensing, and enforcement for more than 20 regulatory programs. The agency's public board receives assistance from statutorily created advisory committees, composed of regulated trades, businesses, industries, and occupations.

All 50 states regulate veterinarians, although organizational structures vary.

- The chart, *Regulation of Veterinary Medicine in the United States*, describes the structure of state agencies that regulate the practice of veterinary medicine in other states. No one organizational structure stands out;

about the same number of states regulate veterinary medicine through an independent agency as through a general umbrella licensing agency. Eight states regulate veterinarians under a health-professions umbrella agency, while three states regulate veterinary medicine through the state's agriculture department.

Regulation of Veterinary Medicine in the United States		
Structure	Number of States	States
Independent Agency	19	AL, AR, AZ, ID, KS, LA, MN, MS, NC, ND, NH, NM, NV, OH, OK, OR, TX, WV, WY
Agriculture Department	3	IA, MD, SD
Health Professions Agency	8	CT, IN, MI, NE, RI, TN, VA, WA
General Umbrella Licensing Agency	20	AK, CA, CO, DE, FL, GA, HI, IL, KY, MA, ME, MO, MT, NJ, NY, PA, SC, UT, VT, WI

A complete study of organizational options should also consider the results of the Sunset Commission's reviews of other health-profession licensing agencies during this review cycle.

- Sunset reviews of other health-profession licensing agencies are scheduled for completion in fall 2004, after the completion of the Board's review. The textbox, *Health Licensing Agencies Under Sunset Review*, lists the professional licensing agencies that will undergo a Sunset review by fall 2004.
- The results of these reviews may indicate that further administrative efficiencies could be gained among these agencies. Opportunities also may exist to provide for greater coordination and consistent regulation across Texas' health-profession licensing agencies. Delaying the decision on continuation of the Board will allow Sunset staff to finish its work on all the professional licensing agencies. The Sunset Commission can then base its recommendations on the most complete information.

Health Licensing Agencies Under Sunset Review 2003 – 2005*
State Board of Acupuncture Examiners
Texas Board of Chiropractic Examiners
Texas State Board of Examiners of Dietitians
Texas State Board of Examiners of Marriage and Family Therapists
Texas State Board of Medical Examiners
Texas Midwifery Board
Texas Optometry Board
Texas State Board of Examiners of Perfusionists
Texas State Board of Pharmacy
State Board of Physician Assistant Examiners
State Board of Podiatric Medical Examiners
Texas State Board of Examiners of Professional Counselors
Texas State Board of Examiners of Psychologists
State Board of Social Work Examiners
State Board of Veterinary Medical Examiners
* All the above boards are members of HPC or are attached to the Texas Department of Health, which is an HPC member.

Recommendation

Change in Statute

3.1 Decide on continuation of the Texas State Board of Veterinary Medical Examiners as a separate agency upon completion of upcoming Sunset reviews of other health-profession licensing agencies.

This recommendation would postpone the Sunset Commission's decision on the status of the Board as a separate agency until completion of Sunset reviews of other health-profession licensing agencies being reviewed this biennium.

Impact

Though the State should continue to regulate the practice of veterinary medicine, Sunset staff recommends that the Sunset Commission delay its decision on continuation of the Board as a separate agency until the Sunset reviews of other health-profession licensing agencies are completed. At that time, Sunset staff will make recommendations to the Commission regarding continuing the Board. The results of each agency review should be used to determine if administrative efficiencies and greater coordination can be achieved in the organization of the State's separate health-profession licensing agencies.

Fiscal Implication

This recommendation would not have a fiscal impact to the State.

ACROSS-THE-BOARD RECOMMENDATIONS

Texas State Board of Veterinary Medical Examiners

Recommendations	Across-the-Board Provisions
Already in Statute	1. Require public membership on the agency's policymaking body.
Update	2. Require provisions relating to conflicts of interest.
Already in Statute	3. Require unbiased appointments to the agency's policymaking body.
Apply	4. Provide that the Governor designate the presiding officer of the policymaking body.
Update	5. Specify grounds for removal of a member of the policymaking body.
Update	6. Require training for members of the policymaking body.
Update	7. Require separation of policymaking and agency staff functions.
Already in Statute	8. Provide for public testimony at meetings of the policymaking body.
Update	9. Require information to be maintained on complaints.
Apply	10. Require the agency to use technology to increase public access.
Apply	11. Develop and use appropriate alternative rulemaking and dispute resolution procedures.

AGENCY INFORMATION

Agency Information

Agency at a Glance

To ensure that safe and quality veterinary services are provided to the citizens of Texas and their animals, the Texas State Board of Veterinary Medical Examiners regulates the practice of veterinary medicine in Texas. The State began regulating veterinarians in 1911, when the Legislature created the Veterinary Licensing Act and established the Board. Board members handled all licensing and enforcement functions until 1953, when the Legislature authorized the Board to hire staff to carry out the requirements of the Act. The Board's main functions include:

- licensing qualified individuals to practice veterinary medicine in Texas;
- setting standards regarding the practice of veterinary medicine; and
- enforcing the Veterinary Licensing Act and Board rules, which includes investigating and resolving complaints against both licensed and unlicensed individuals, and taking disciplinary action when necessary.



*Visit the Texas State
Board of Veterinary
Medical Examiners'
Web site at
www.tbvme.state.tx.us*

Key Facts

- **Funding.** In fiscal year 2003, the Board operated with a budget of \$613,472. All costs are covered by licensing and examination fees collected from the profession.
- **Staffing.** The Board has a staff of 11, all based in Austin.
- **Licensing.** The Board regulates 6,624 veterinarians, including about 1,400 that live outside of Texas. In fiscal year 2003, the Board issued 280 new licenses.
- **Enforcement.** In fiscal year 2003, the Board received 260 jurisdictional complaints and resolved 281. Of the resolved complaints, 39 resulted in disciplinary action, with the largest category of complaints relating to standard of care.

Organization

Policy Body

The Texas State Board of Veterinary Medical Examiners consists of nine voting members appointed by the Governor – six veterinarians who have actively practiced in Texas for the previous six years and three public members. The Board elects a president, vice president, and secretary from its members for one-year terms. The chart on the following page identifies current Board members. The Board meets at least three times a year.

The Board sets policies and rules, approves disciplinary decisions on complaint cases, and appoints the Executive Director. The Board has established two subcommittees: one that develops rules and one that recommends temporary license suspensions.

Texas State Board of Veterinary Medical Examiners			
Member	City	Qualification	Term Expiration
Dee A. Pederson, DVM, President	Austin	Veterinarian	2005
Gary C. Brantley, DVM Vice President	Richardson	Veterinarian	2005
Robert L. Lastovica, DVM Secretary	Fredericksburg	Veterinarian	2007
Mario A. Escobar	Crystal City	Public Member	2005
Martin E. Garcia, DVM	Raymondville	Veterinarian	2003
Guy W. Johnsen, DVM	El Paso	Veterinarian	2007
J. Lynn Lawhon, DVM	Abilene	Veterinarian	2003
Dawn E. Reveley	Blanco	Public Member	2007
M. Becky Terry	Alpine	Public Member	2003

Staff

The Board has 11 employees, all based in Austin. The Executive Director, under the Board's direction, manages the day-to-day operations of the agency and implements the Veterinary Licensing Act and Board policies. Staff administers the jurisprudence exam; processes license applications and renewals; approves continuing education courses; investigates complaints; and performs unannounced routine inspections of veterinary facilities.

A comparison of the agency's composition to the minority civilian labor force is provided in Appendix A. The Board has had trouble meeting some percentages, which is common for small agencies.

The Board is also a member of the Health Professions Council (HPC), which coordinates functions among various health-care licensing agencies. The Council provides the Board and other health licensing agencies with services including a toll-free telephone complaint system and centralized administrative services, such as access to imaging equipment. In addition, eight of the smaller HPC agencies, including the Board, share two full-time employees who provide information technology services.

Funding

Revenues

In fiscal year 2003, regulation of veterinarians generated revenue of about \$1.9 million through various fees and assessments. As a licensing agency, the Board covers its administrative costs through licensing, renewal, and examination fees. Revenue generated through these fees totaled about \$827,000 in fiscal year 2003. Based on budget projections, the Board adjusts


*The Board is a
member of the Health
Professions Council
and shares services
with other member
agencies.*

its licensing fees annually. The table, *Veterinarian License Fees*, details the licensing and renewal fees charged by the Board for fiscal year 2004.

Veterinarian License Fees – FY 2004						
Fee	Board Fee	Professional Fee	Texas Online	Peer Assistance	Office of Patient Protection	Total Fee
License application	\$50	\$0	\$0	\$0	\$0	\$50
Jurisprudence exam	\$150	\$0	\$0	\$0	\$5	\$155
License renewal	\$110	\$200	\$5	\$2	\$1	\$318
Inactice license renewal	\$110	\$0	\$5	\$2	\$1	\$118
Special license renewal	\$110	\$200	\$0	\$2	\$1	\$313
Provisional license	\$250	\$0	\$0	\$0	\$5	\$255

In addition to the license renewal fee, the Board collects a peer assistance fee from each licensee.¹ In fiscal year 2003, the Board collected \$17,472 for the peer assistance program from this fee. The agency’s administrative penalties, which totaled \$16,000 in fiscal year 2003, also fund the peer assistance program.

Veterinarians who hold an active license also annually pay a \$200 professional fee. Revenue from the professional fee is not used to cover the agency’s operating costs – 75 percent goes to the General Revenue Fund to be spent on other state purposes and 25 percent goes to the Foundation School Fund. Veterinarians who hold a regular or inactive license pay a \$5 fee for the Texas Online system, which allows veterinarians to renew their licenses via the Internet. In addition, the Board collects a \$1 fee from licensees who hold a regular, inactive, or special license, and a \$5 fee from provisional license holders and individuals taking the jurisprudence exam for the Office of Patient Protection, which was established by the 78th Legislature to provide the public with information about and assistance with health-care complaint processes.


Administrative penalties collected by the Board fund the peer assistance program.

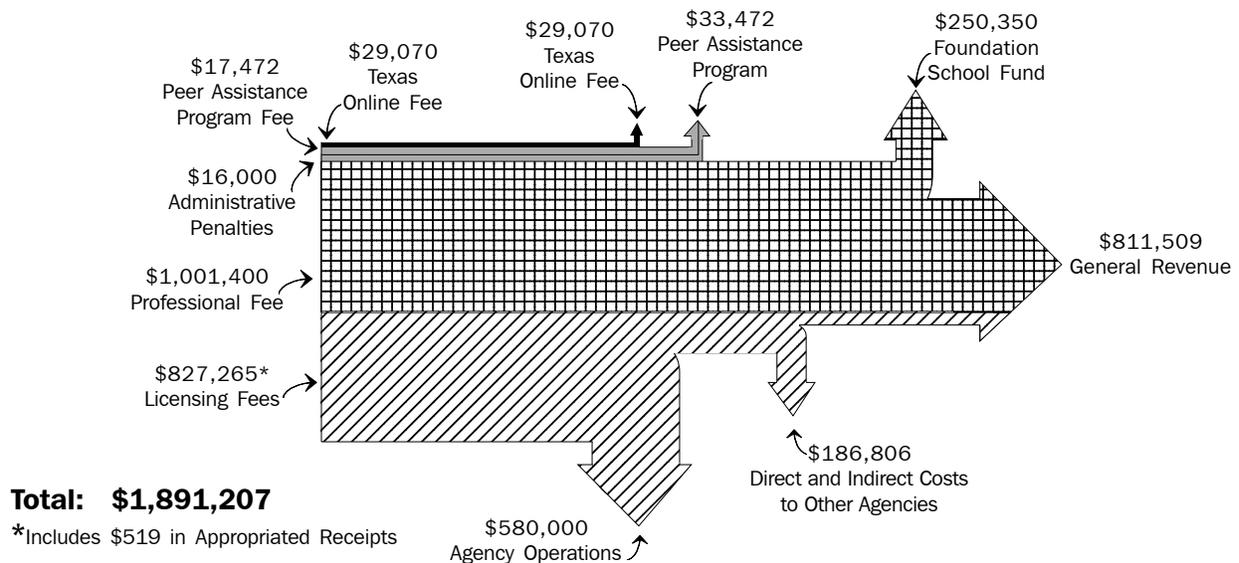
Expenditures

In fiscal year 2003, the Board spent \$613,472 on three strategies: licensing, enforcement, and peer assistance. In addition, the Legislature has directed the Board and other licensing agencies that pay the costs of regulatory programs with fees levied on licensees to cover direct and indirect costs incurred by other agencies. Examples of these costs include rent and utilities paid by the Texas Building and Procurement Commission and employee benefits paid by the Employees Retirement System. In fiscal year 2003, these direct and indirect costs for the Board totaled \$186,806.

The chart, *Flow of Agency Revenue and Expenditures*, breaks down the Board’s revenues and expenditures for fiscal year 2003. Subtracting the agency’s operating expenses and the direct and indirect costs incurred by other agencies from total revenues, the agency generated almost \$1.1 million to be used for state purposes other than regulating the veterinary medicine industry.

Appendix B describes the Board's use of Historically Underutilized Businesses (HUBs) in purchasing goods and services for fiscal years 1999 to 2003. The Board uses HUBs in the categories of professional services, other services, and commodities. Although the agency fell short of the State's goal for the other services category, it surpassed the goals for professional services and commodities by a large margin.

Flow of Agency Revenues and Expenditures FY 2003



Agency Operations

To ensure that only competent individuals practice veterinary medicine in Texas, the Board performs two core functions: licensing and examination, and enforcement.

Licensing & Examination

Becoming a Veterinarian

To receive a license to practice veterinary medicine in Texas, a person must meet the following requirements.

- Be at least 18 years old.
- Graduate from a veterinary medical college or school.
- Pass a national exam and the state's jurisprudence exam.
- Clear a background check conducted by DPS.

Under the Veterinary Licensing Act, only licensed veterinarians may provide veterinary medical services, such as diagnosing and treating animal disease or injury. In addition, licensed veterinarians are the only health-care professionals who can purchase, prescribe, dispense, and administer prescription drugs and devices – including controlled substances – for animal use. The textbox, *The Practice of Veterinary Medicine*, outlines the role of a veterinarian.

To become a licensed veterinarian, applicants must meet education and examination requirements specified in the Veterinary Licensing Act and Board rules, and satisfy a criminal history background check conducted by the Texas Department of Public Safety (DPS). The textbox, *Becoming a Veterinarian*, highlights the requirements needed to receive a license in Texas.

Education

An applicant must graduate from a school of veterinary medicine that has been accredited by the American Veterinary Medical Association (AVMA) Council on Education and approved by the Board.² AVMA has accredited 28 schools and colleges in the United States, four in Canada, and six in other countries, such as The Netherlands and Australia. Texas has one accredited veterinary school, Texas A&M University's College of Veterinary Medicine. About 70 percent of veterinarians licensed in Texas graduated from Texas A&M. Students may apply for veterinary school after completing 64 hours of undergraduate courses, including the required science courses; a bachelor's degree is not required. About 75 percent of students entering veterinary school are women.

Most veterinary schools, including Texas A&M, offer a Doctor of Veterinary Medicine degree. This four-year program includes three years of classroom study covering topics such as anatomy, physiology, and pharmacology, and a final year of clinical rotations, when students treat animals, perform surgery, and interact with pet owners.

Examination

To become licensed as a veterinarian in Texas, applicants must pass two exams, the North American Veterinary Licensing Examination (NAVLE) and the Texas State Board Licensing Examination (SBE).

Developed by the National Board of Veterinary Medical Examiners, NAVLE assesses an applicant's knowledge of veterinary medicine as it relates to entry-level clinical practice. Based on a veterinarian job analysis, the exam focuses on tasks that veterinarians perform in practice as well as the applicant's knowledge of animal species. All 50 states use this national exam, which is administered at test centers throughout the United States and Canada. The Board began using NAVLE in 2001. Before that, the Board administered its own clinical competency exam. The national pass rate on the national exam is about 73 percent.

The SBE tests applicants' knowledge of the Veterinary Licensing Act and Board rules. Board staff writes the questions for this jurisprudence exam and administers the test five times a year – once in College Station and four times in Austin. Pass rates for the jurisprudence exam have been 100 percent each of the past three fiscal years.

Because of the similarity in licensing requirements, the Board does not have a separate licensing process for applicants licensed in another state. These applicants simply must meet the same education and examination requirements and undergo the same background check as Texas applicants.

The Practice of Veterinary Medicine

Veterinarians are medical professionals whose primary responsibility is protecting the health and welfare of animals and people.

Veterinarians diagnose and control animal diseases, treat sick and injured animals, protect the public from zoonotic diseases – those transferable from animals to people, such as rabies – and advise owners on proper care of pets and livestock. They ensure a safe food supply by maintaining the health of food animals. Veterinarians are also involved in wildlife preservation and conservation and public health of the human population.

The practice of veterinary medicine includes:

- surgery,
- reproduction and obstetrics,
- dentistry,
- ophthalmology,
- dermatology,
- cardiology, and
- other disciplines or specialties.

Veterinarians work in a variety of settings, including private clinics, nonprofit animal shelters, colleges of veterinary medicine, government agencies, the military, and research facilities.

However, before issuing a license to an applicant licensed in another state, Board staff checks the American Association of State Veterinary Board's practitioner database to ensure that the applicant has a clean compliance history in the other states where licensed.

Type	Texas residents	Out-of-state residents	Total
Regular	4,712	528	5,240
Special	85	4	89
Inactive	176	806	982
Retired	233	68	301
Provisional	12	0	12
Total	5,218	1,406	6,624

The Board issues five types of licenses: regular, special, inactive, retired, and provisional. In fiscal year 2003, the Board licensed 6,624 veterinarians. Information on the number of each type of license issued last fiscal year can be found in the table, *Veterinary License Statistics*.

Regular license – Most veterinarians hold a regular license, which allows a veterinarian to practice veterinary medicine on any animal, from dogs and cats to iguanas and horses. Veterinarians may

choose to specialize in one species, such as cats or poultry, or in one discipline, such as dermatology or pharmacology. To become a veterinary specialist, a graduate veterinarian must be certified by a veterinary speciality organization recognized by the American Veterinary Medical Association. Board rules prohibit a veterinarian from advertising as or claiming to be a specialist unless the veterinarian is certified by one of the 20 recognized veterinary speciality organizations.

Special license – Veterinarians who practice veterinary medicine in a limited environment and do not offer veterinary services to the public may receive a special license. To be eligible for a special license, an applicant must fall into one of the following categories.

- Serve as a member of the faculty or staff of a Board-approved veterinary program at an institution of higher education.
- Work as a veterinarian employee of the Texas Animal Health Commission or the Texas Veterinary Medical Diagnostic Laboratory.
- Be a person licensed to practice veterinary medicine in another jurisdiction whose specialty practice the Board determines is unrepresented or underrepresented in Texas. Examples include zoo veterinarians, poultry specialists, and researchers.

An applicant for a special license must provide written proof that the applicant meets a critical need for staffing and is certified or eligible for certification by a nationally recognized veterinary specialty organization. A special license is valid only for the practice of veterinary medicine within the scope of the veterinarian's employment or practice, and the license is canceled if the veterinarian leaves the place of employment.

Inactive license – Veterinarians who do not plan to practice for a limited period of time may receive an inactive license. While on inactive status, a veterinarian may not practice veterinary medicine or provide treatment to any animal in the state. Also, with an inactive license, veterinarians are not subject to continuing education or professional fee requirements, though to reactivate their license inactive license holders must pay the professional fee, a \$25 processing fee, and complete 34 hours of continuing education in the next 12 months. A veterinarian may not remain on inactive status for

more than 10 years. More than 80 percent of veterinarians on inactive status reside out of state.

Retired license – Veterinarians who permanently retire from practicing, but want to maintain a relationship with the Board can request retired license status. A veterinarian holding a retired license cannot practice in any capacity and does not pay any fees to the Board.

Provisional license – The Board issues provisional licenses to allow veterinarians who meet basic requirements set out by the Act and Board rules to practice while waiting for the next opportunity to take the jurisprudence exam. While holding a provisional license, a veterinarian must work under the direct supervision of a Texas licensed veterinarian.

License renewal

Veterinarians renew their licenses every March 1 and must complete 17 hours of continuing education annually. Beginning in 2004, veterinarians can carry up to 17 hours of continuing education over to the following year. Those veterinarians in good standing can complete their renewals through the Texas Online system. Less than 1 percent of veterinarians renewed their licenses online in fiscal year 2003, although the Board expects the number of licensees using online renewal to increase in fiscal year 2004.

Registered Veterinary Technicians

In addition to veterinarians, veterinary technicians also work in veterinary offices. Although the State does not regulate veterinary technicians, the Board has passed rules relating to a veterinarian's authority to delegate tasks to unlicensed individuals, including Registered Veterinary Technicians (RVTs). To be recognized as an RVT, an individual must graduate from an accredited veterinary technology program (currently, five programs exist in Texas) and pass the Veterinary Technician National Exam and Texas Regulatory Exam, which is administered by the Texas Veterinary Medical Association (TVMA). The association maintains a registry of veterinary technicians in Texas, although registration with TVMA is not a requirement for a technician to be employed in a veterinary clinic. However, Board rules provide for relaxed supervision for veterinary technicians registered with TVMA to suture existing surgical skin incisions and induce anesthesia.

Enforcement

The Board enforces the Veterinary Licensing Act and Board rules by investigating complaints against licensees, performing compliance inspections, and taking disciplinary action, if necessary.

Investigations

By far, the public files most of the Board's complaints, the majority of which relate to standard of care. Using its authority, the Board also initiates complaints, mostly for continuing education violations and practicing veterinary medicine without a license. The Board has experienced an overall increase in the number of complaints since fiscal year 1999.

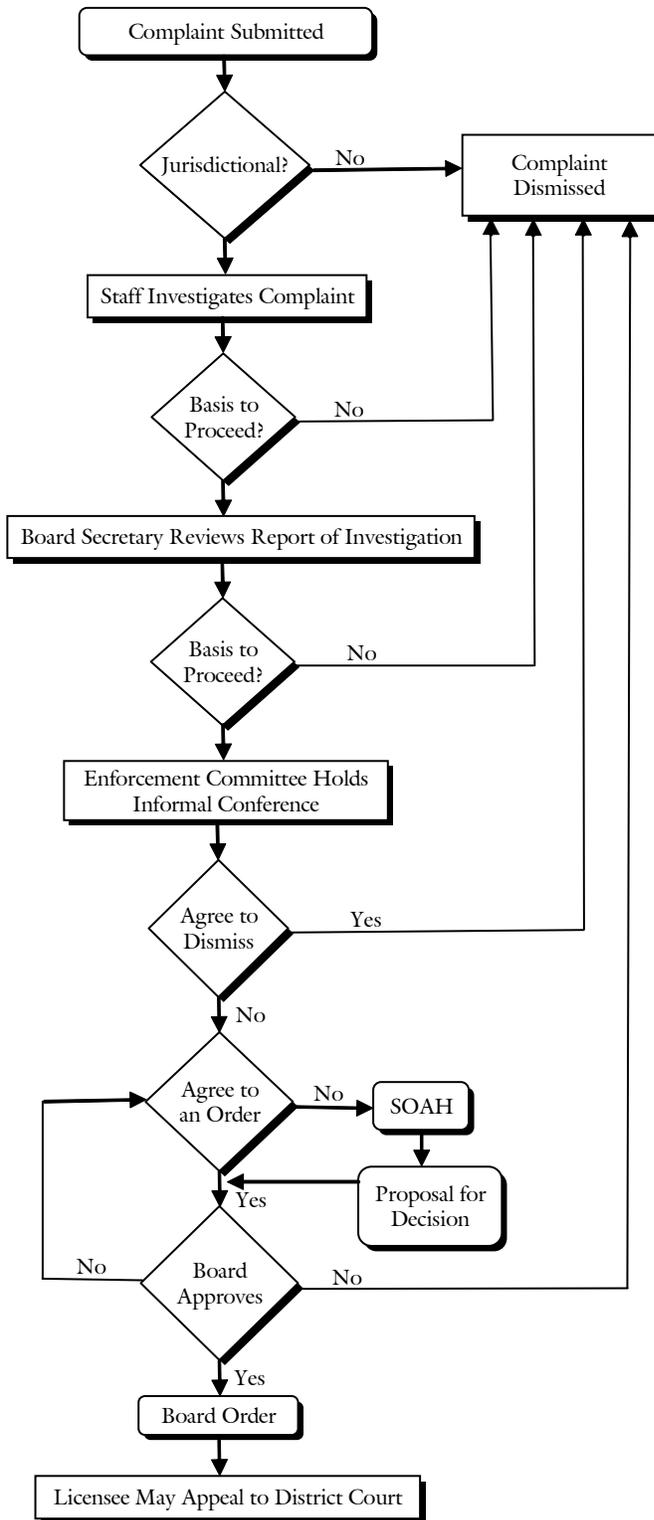


Most veterinarians on inactive status live outside of Texas.



Board rules allow veterinary technicians to perform certain tasks under relaxed supervision.

**Texas State Board of
Veterinary Medical Examiners
Complaint Process**



When the Board receives a complaint, staff conducts a preliminary review to determine whether the complaint is jurisdictional. Jurisdictional complaints are assigned to one of four investigators, who completes the investigation and writes a report on the findings. After reviewing the findings, the Executive Director and the Director of Enforcement may close complaints that are nonjurisdictional, nonmedical, or involve the practice of veterinary medicine without a license. Staff forwards all other complaints to the Board Secretary, who may either dismiss them or call an informal settlement conference between the licensee and the Board's Enforcement Committee, composed of the Board Secretary, General Counsel, Executive Director, and Director of Enforcement. After further review, the committee may close the complaint or draft an agreed or Board order sanctioning the licensee. If an agreement cannot be reached, the case goes to the State Office of Administrative Hearing for a contested case hearing and recommendation for action subject to final approval by the Board. The chart, *Complaint Process*, illustrates how the Board resolves complaints.

Sanctions available to the Board include formal reprimands; administrative, civil, and criminal penalties; injunctions; suspensions, including summary suspensions and suspensions with probation; and revocations. The Board may also include other conditions in a final disposition, such as requiring the licensee to take continuing education hours on a certain topic, or referring the individual to the Board's peer assistance program for substance abuse.

For individuals practicing without a license, the agency may issue a cease-and-desist letter, forward the case to a District Attorney to prosecute as a Class A misdemeanor, or refer the complaint to the Attorney General's Office to request an injunction or civil penalties. In fiscal year 2003, the Board processed 260 complaints and resolved 281 cases, including 39 that

resulted in disciplinary action. The table, *Disciplinary Actions*, highlights statistical information about the Board's disposition of complaint cases for the last three fiscal years.

The Board took an average of 192 days to resolve complaints in fiscal year 2003. The Board's three investigators investigated an average of seven cases each per month, and the Director of Enforcement averaged three cases per month.

Disciplinary Actions FY 2001-2003													
	Total	Type of Action											
		Sanctions¹					Dismissed						
		Reprimand ²	Administrative Penalty	Suspension	Probationary License	Peer Assistance Program	No Violation	Insufficient Evidence	Voluntary Compliance	Referred to Other Agencies	Other ³		
Standard of Care	455	17	12	3	0	0	393	19	8	0	3		
Conduct ⁴	86	5	1	1	0	0	50	20	8	0	1		
Substance Abuse	2	0	0	0	0	2	0	0	0	0	0		
Unlicensed Activity ⁵	120	1	6	1	0	0	11	11	43	38	9		
Drug Records ⁶	23	0	14	0	0	0	1	1	7	0	0		
CE Violation	75	0	47	0	0	0	28	0	0	0	0		
Other ⁷	57	0	1	0	1	0	24	8	7	4	12		
TOTAL	818	23	81	5	1	2	507	59	73	42	25		
	Total	112					706						

¹ For complaint cases that include more than one type of disciplinary action, the complaint is listed in the most serious sanction category.

² Includes formal, informal, and official reprimands.

³ Categories include withdrawn complaints, complaints put in information files, and others.

⁴ Complaints include honesty, integrity, and fair dealing; unprofessional conduct; unnecessary/unauthorized treatment; and advertising.

⁵ Complaints include practicing without a license and allowing illegal practice.

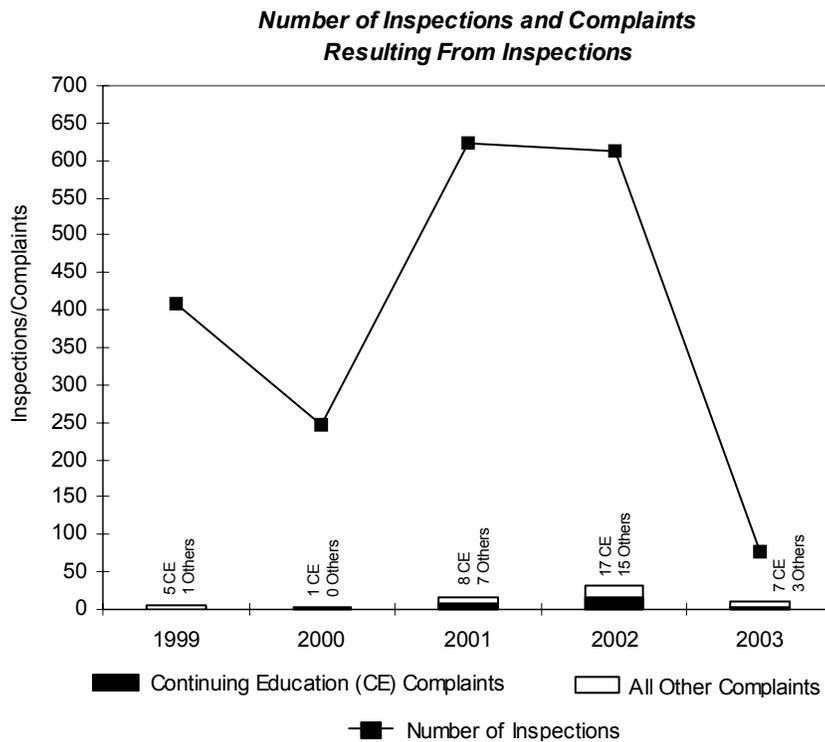
⁶ Complaints include no DPS registration; narcotics/registration; and narcotics/script.

⁷ Complaints include corporate ownership; license application; record keeping; labeling; sanitation; and others.

Inspections

The Board performs routine unannounced inspections of veterinary practices to ensure that licensees are in compliance with the Veterinary Licensing Act and Board rules. Investigators verify compliance with the Board's continuing education, posting, and sanitation requirements, and check that all veterinarians employed at the clinic have the required current registrations from the Texas Department of Public Safety and the U.S. Drug Enforcement Administration, which allow them to purchase, prescribe, and administer drugs. Investigators also inspect whether veterinarians properly account for all controlled substances in their possession.

Veterinary practices that have not been inspected within the last five years are candidates for inspections, but more than 10 years can elapse between inspections because of the large number of veterinary practices in the state. The Board has had to reduce the number of compliance inspections because of recent budget cuts. As a result, in fiscal year 2004 the Board started limiting its inspections to practices located in Travis County and the surrounding seven counties. The Board may initiate a complaint against a veterinarian if the licensee fails to redress deficiencies identified during the inspection within 45 days. Most deficiencies identified during compliance inspections relate to failure to show proof of continuing education. The chart, *Number of Inspections and Complaints Resulting From Inspections*, shows the recent decline in the number of compliance inspections, and the number of complaints initiated after inspections.



Veterinary Peer Assistance Program

The Board contracts with the Texas Veterinary Medical Association to provide assistance to chemically dependent and mentally impaired veterinarians and veterinary students. The veterinary peer assistance program does not pay for actual treatment, but provides professional referral for treatment and offers support and monitoring of participants for the five years they participate in the program. Participants enter the program voluntarily, by referral from a third party, or through a Board order. Program staff notifies and updates the Board on practitioners referred to the program through a Board order, but veterinarians who enter the program voluntarily or through referral remain confidential. The Board may take additional disciplinary action against veterinarians who do not comply with the Board order or who do not complete the program's requirements. In fiscal year 2003, 10 individuals participated in the peer assistance program.

¹ In fiscal year 2003, the Board collected \$3 per license for the peer assistance program. The Board lowered the peer assistance fee to \$2 for fiscal year 2004.

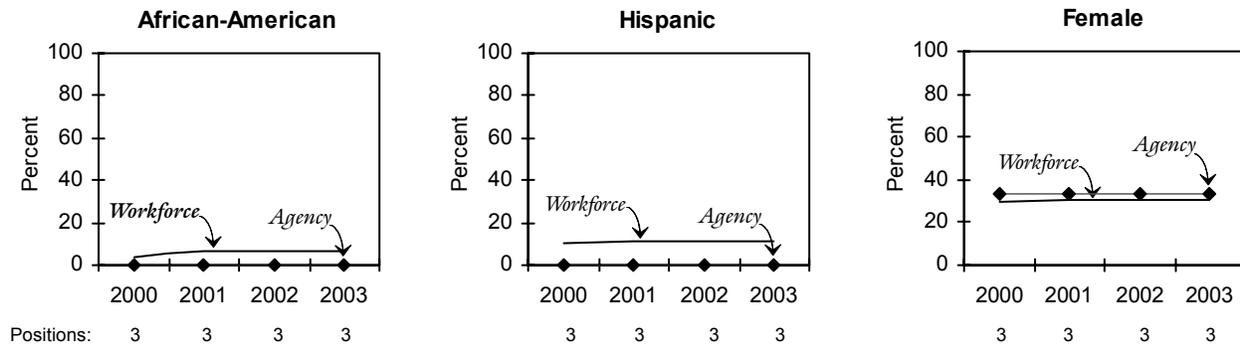
² Applicants who are graduates of an unaccredited school or college of veterinary medicine may receive a license if they present proof to the Board that the applicant is a graduate of a school or college of veterinary medicine and possesses a certificate from either the Educational Commission for Foreign Veterinary Graduates or the Program for Assessment of Veterinary Education Equivalence.

APPENDICES

Equal Employment Opportunity Statistics 2000 to 2003

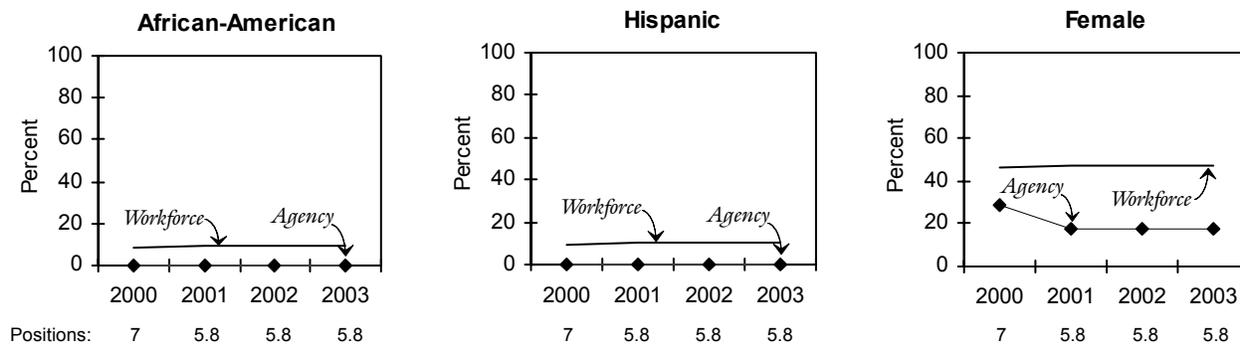
In accordance with the requirements of the Sunset Act, the following material shows trend information for the Texas State Board of Veterinary Medical Examiners' employment of minorities and females in all applicable categories.¹ The agency maintains and reports this information under guidelines established by the Texas Commission on Human Rights.² In the charts, the solid lines represent the percentages of the statewide civilian workforce for African-Americans, Hispanics, and females in each job category. These percentages provide a yardstick for measuring agencies' performance in employing persons in each of these groups. The diamond-dashed lines represent the agency's actual employment percentages in each job category from 2000 to 2003. The Board has had trouble meeting some percentages, which is common for small agencies.

Administration



The Board fell short of the percentages for African-Americans and Hispanics every year, but exceeded the one for females each year.

Professional

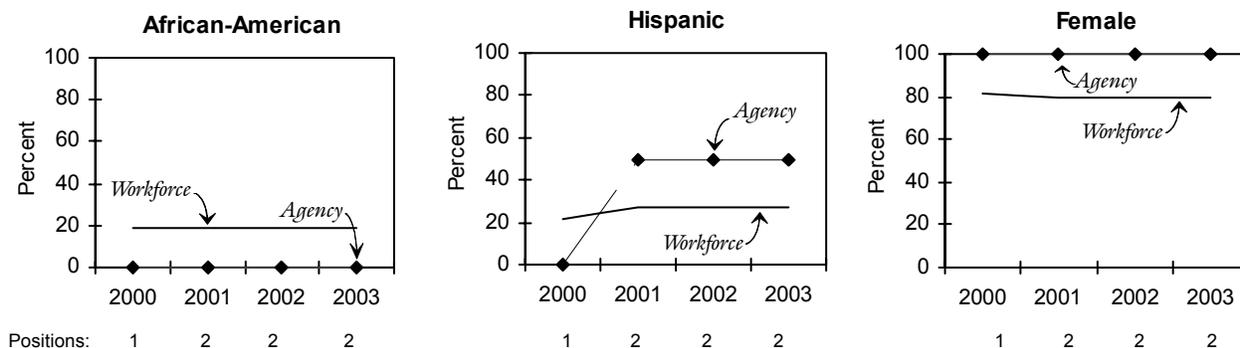


The Board fell short of the percentages for African-Americans and Hispanics every year, but exceeded the one for females each year.

Appendix A

Equal Employment Opportunity Statistics

Administrative Support



The Board fell short of the percentage for African-American employees each year, but exceeded percentages for Hispanics and females every year except 2000, when the Board did not meet the percentage for Hispanic employees.

¹ Texas Government Code, sec. 325.011(9)(A).

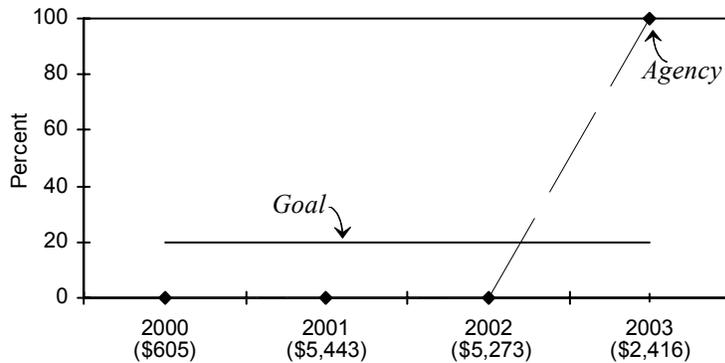
² Texas Labor Code, sec. 21.501. The Texas Human Rights Commission (HRC) has been the agency responsible for collecting and distributing EEO data. During the 2003 Session, the Legislature passed HB 2933 transferring the functions of HRC to a new civil rights division within the Texas Workforce Commission (TWC). The legislation is to take effect upon certification of the TWC civil rights division by the appropriate federal agency; no specific date has yet been established.

Historically Underutilized Businesses Statistics 2000 to 2003

The Legislature has encouraged state agencies to increase their use of Historically Underutilized Businesses (HUBs) to promote full and equal opportunities for all businesses in state procurement. The Legislature also requires the Sunset Commission to consider agencies' compliance with laws and rules regarding HUB use in its reviews.¹

The following material shows trend information for the Texas State Board of Veterinary Medical Examiners use of HUBs in purchasing goods and services. The agency maintains and reports this information under guidelines in the Texas Building and Procurement Commission's statute.² In the charts, the flat lines represent the goal for HUB purchasing in each category, as established by the Texas Building and Procurement Commission. The diamond-dashed lines represent the percentage of agency spending with HUBs in each purchasing category from 2000 to 2003. Finally, the number in parentheses under each year shows the total amount the agency spent in each purchasing category.

Professional Services

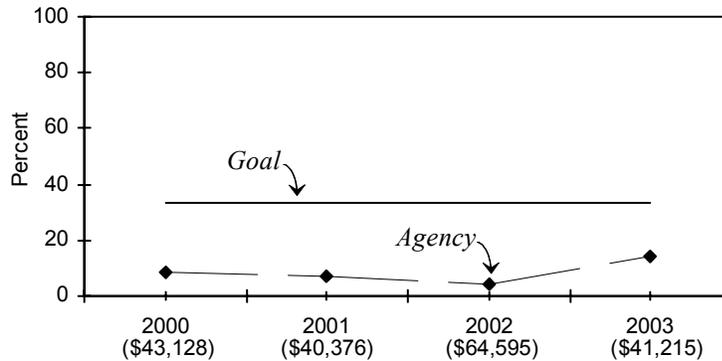


The Board fell short of the State's goal for HUB spending for professional services in fiscal years 2000 through 2002, but greatly exceeded that goal in fiscal year 2003.

Appendix B

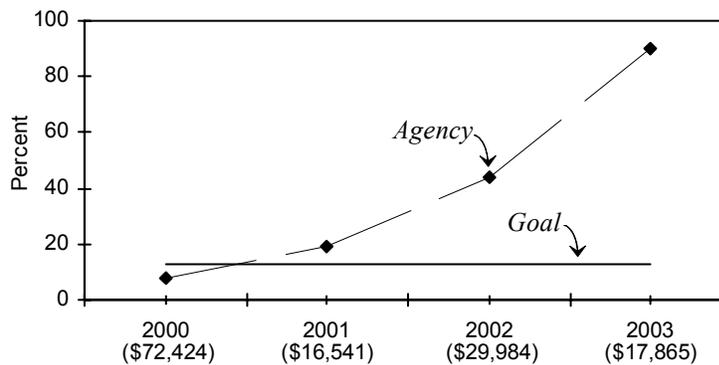
Historically Underutilized Businesses Statistics

Other Services



The Board has fallen short of the State's goal for HUB spending for other services each year. However, more than 60 percent of the Board's budget in this category goes to a contract with the Texas Veterinary Medical Association to administer the peer assistance program.

Commodities



The Board has exceeded the State's goal for HUB spending on commodities for every year except 2000.

¹ Texas Government Code, sec. 325.011(9)(B).

² Texas Government Code, ch. 2161.

Staff Review Activities

Sunset staff engaged in the following activities during the review of the Texas State Board of Veterinary Medical Examiners.

- Worked extensively with agency staff.
- Attended Board meetings and interviewed Board members.
- Met with in person or interviewed over the phone staff from the Texas Department of Health, Texas Animal Health Commission, Texas State Board of Medical Examiners, Texas State Board of Pharmacy, and Texas State Board of Dental Examiners.
- Met with and solicited written comments from state and national interest groups.
- Conducted interviews with individual veterinarians.
- Met with staff from the Governor's Office, Speaker's Office, legislative committees, the Legislative Budget Board, and the Texas Legislative Council.
- Attended informal settlement conference hearings conducted by Board staff.
- Accompanied Board staff on compliance inspections.
- Toured a veterinary clinic.
- Researched the functions of veterinary boards in other states, including conducting telephone interviews with staff from other state boards of veterinary medicine.
- Reviewed Board documents and reports, state statutes, legislative reports, previous legislation, and literature on veterinary medicine issues.

**SUNSET REVIEW OF THE
TEXAS STATE BOARD OF
VETERINARY MEDICAL EXAMINERS**

Report Prepared By:

MEREDITH WHITTEN
PROJECT MANAGER

EMILIE LEROUX
DAWN ROBERSON

JOE WALRAVEN
PROJECT SUPERVISOR

JOEY LONGLEY
DIRECTOR