

Report Highlights

Why DLA Performed This Audit

This audit was performed to determine if there is a continued need for the board and if its termination date should be extended. The board is set to sunset on June 30, 2025, and will have one year from that date to conclude its administrative operations.

What the Legislative Auditor Recommends

1. DCCED's commissioner should work with policy makers to improve the recruitment and retention of investigators.

A Sunset Review of the Department of Commerce, Community, and Economic Development (DCCED), Board of Nursing (board)

June 25, 2024

Audit Control Number 08-20140-24

REPORT CONCLUSIONS

The audit concluded that the board served the public's interest by effectively conducting its meetings, actively amending nursing regulations, and effectively licensing nursing professionals. The audit also concluded that board related cases were not consistently investigated in a timely manner, and one board position had been vacant for an extended period.

In accordance with AS 08.03.010(c)(14), the board is scheduled to terminate on June 30, 2025. We recommend that the legislature extend the board's termination date six years to June 30, 2031, which is two years less than the maximum allowed by statute. The reduced extension reflects the need for more routine oversight due to the licensing and investigation delays indentified by the audit.

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ALASKA STATE LEGISLATURE

LEGISLATIVE BUDGET AND AUDIT COMMITTEE

Division of Legislative Audit



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July 26, 2024

Members of the Legislative Budget
and Audit Committee:

In accordance with the provisions of Title 24 and Title 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Department of Commerce, Community, and Economic Development, Board of Nursing and the attached report is submitted for your review.

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
BOARD OF NURSING
SUNSET REVIEW

June 25, 2024

Audit Control Number
08-20140-24

The audit was conducted as required by AS 44.66.050(a). Per AS 08.03.010(c)(14), the board is scheduled to terminate on June 30, 2025. We recommend the legislature extend the board's termination date six years to June 30, 2031.

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Fieldwork procedures utilized in the course of developing the conclusions and recommendations presented in this report are discussed in the Objectives, Scope, and Methodology.

A handwritten signature in black ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor

ABBREVIATIONS

AAC	Alaska Administrative Code
ACN	Audit Control Number
APRN	Advanced Practice Registered Nurse
AS	Alaska Statute
board	Board of Nursing
CISA	Certified Information Systems Auditor
COVID-19	Coronavirus Disease 2019
CNA	Certified Nurse Aide
CPA	Certified Public Accountant
CSPD	Controlled Substance Prescription Database
DCBPL	Division of Corporations, Business and Professional Licensing
DCCED	Department of Commerce, Community, and Economic Development
DLA	Division of Legislative Audit
FY	Fiscal Year
LPN	Licensed Practical Nurse
RN	Registered Nurse

CONTENTS

Report Sections	Organization and Function	1
	Report Conclusions	5
	Findings and Recommendations	13
	Objectives, Scope, and Methodology	15
Agency Responses	Department of Commerce, Community, and Economic Development	23
	Board of Nursing	25
	Legislative Auditor's Additional Comments	27
Appendix	Appendix Summary	19
	Appendix A: Analysis of Public Need Criteria	21
Exhibits	Exhibit 1: Board of Nursing Members as of June 30, 2024	1
	Exhibit 2: Board of Nursing Testing of 40 Applications, Days from Receipt of Application to Issuance of License	7
	Exhibit 3: Board of Nursing License, Permit, and Certificate Activity, FY 21 through February 29, 2024	8
	Exhibit 4: Board of Nursing Schedule of Revenues and Expenditures, FY 21 through February 29, 2024	10
	Exhibit 5: Board of Nursing License Fees, FY 21 through February 29, 2024	11

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ORGANIZATION AND FUNCTION

Board of Nursing (board)

The board, composed of seven members, was established to control and regulate the practice of nursing in order to promote, preserve, and protect the public's health, safety, and welfare. State law requires that one member be a licensed practical nurse (LPN), one be a registered nurse (RN) engaged in nursing education, one be an advanced practice registered nurse (APRN), two be RNs at large, and two be public members. Public members may not have a direct financial interest in the health care industry. Exhibit 1 shows the board members as of June 30, 2024.

In general, the board regulates admission into the practice of nursing; establishes and enforces competency by adopting regulations and ensuring compliance with professional standards; and ensures that training programs are performing up to both state and national standards.

Specifically, per AS 08.68, the board regulates nursing practices by:

- establishing and amending policies and regulations necessary and desirable to enforce State statutes, including developing standards for nursing education and practice;
- approving curricula for nursing and nurse aide programs, along with adopting standards for basic and continuing competency programs designed to prepare persons for licensure and ensure the maintenance of competency;
- issuing initial licenses on the basis of examination or endorsement to qualified applicants;

Exhibit 1

Board of Nursing Members as of June 30, 2024

Danette Schloeder, Chair
RN

Lena Lafferty
RN

Jamie Alvarez-Hi
LPN

April Erickson
APRN

Vianne Smith
RN/Baccalaureate Education

Michael Collins
Public Member

Vacant
Public Member

Source: Office of the Governor, Boards and Commissions website.

- establishing criteria through regulation for renewal of licenses;
- holding hearings to resolve investigations that may lead to revocation, suspension, or other disciplinary action against an individual holding a license issued by the board;
- periodically reviewing and approving the facility training programs for certified nurse aides;
- requiring APRNs with prescriptive authority and a federal Drug Enforcement Administration number to register with the controlled substance prescription database; and
- defining the qualifications and duties of the executive administrator in regulation and delegating authority of the board to the executive administrator to conduct board business.

Department of Commerce, Community, and Economic Development's Division of Corporations, Business and Professional Licensing (DCBPL)

DCBPL provides administrative and investigative assistance to the board. Administrative assistance includes budgetary services and functions such as collecting fees, maintaining files, receiving application forms, publishing notices for meetings, and assisting with board regulations.

Alaska Statute 08.01.087 gives DCBPL authority to act on its own initiative or in response to a complaint. DCBPL may:

1. Conduct an investigation to determine whether a person has violated a law.
2. Bring an action in Superior Court to enjoin the act.
3. Examine or have examined the books and records of a person whose business activities require a business license or licensure by a board listed in AS 08.01.010, or whose occupation is listed in AS 08.01.010.
4. Issue subpoenas for the attendance of witnesses and the production of records.

Alaska Statute 08.01.065 requires the department to adopt regulations that establish the amount and manner of payment of application, examination, investigation, and registration fees.

To support board operations, statutes authorize an executive administrator for the board. In addition, DCBPL employs the following board specific staff: a licensing supervisor, eight licensing examiners, two office assistants, a nurse consultant, and two investigators.

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REPORT CONCLUSIONS

In developing our conclusion regarding whether the Board of Nursing's (board) termination date should be extended, its operations were evaluated using the 11 factors set out in AS 44.66.050(c), which are included as Appendix A to this report. Under the State's "sunset" law, these factors are to be considered in assessing whether an entity has demonstrated a public policy need for continuing operations.

The audit concluded that the board served the public's interest by effectively conducting its meetings, actively amending nursing regulations, and effectively licensing nursing professionals. The audit also concluded that board related cases were not consistently investigated in a timely manner, and one board position had been vacant for an extended period.

In accordance with AS 08.03.010(c)(14), the board is scheduled to terminate on June 30, 2025. We recommend that the legislature extend the board's termination date six years to June 30, 2031, which is two years less than the maximum allowed by statute. The reduced extension reflects the need for more routine oversight due to the licensing and investigation delays identified by the audit.

Detailed report conclusions are as follows.

The board generally conducted its meetings effectively and did not duplicate the efforts of other entities.

The board met 27 times from July 2020 through February 2024, which exceeded the minimum four meetings per year required by statute. However, the board's workload supported the number of meetings held. A review of 12 board meetings found the meetings were appropriately public noticed, allowed time for public comment, and a quorum was consistently met.¹ The audit noted that one of the public board seats was vacant for 12 months as of February 2024.

As the only entity authorized to license and regulate nursing professionals, the board did not duplicate the activities of another agency.

¹ Two of the 12 meetings were held to consider disciplinary actions. As such, the meetings were exempted from public notice requirements.

The board recommended statutory changes and actively amended regulations.

During the audit period, the board recommended passage of house bill 265 and house bill 392, which both passed in 2022. House bill 265 required the board establish telehealth regulations and allowed an advanced practice registered nurse (APRN) to prescribe drugs without a physical examination. House bill 392 amended statutes giving APRNs broader authority regarding end-of-life care and authority to sign death certificates.

The board amended regulations to implement statutory changes and improve the license and regulatory processes. Significant regulatory changes included:

- repealing requirements that an APRN applicant submit a collaborative practice plan. This requirement was no longer necessary since APRNs were given full practice authority.
- allowing the acceptance of a certified nurse aide (CNA) training program that meets less stringent state standards and meets minimum federal requirements. This change was intended to expand participation in the CNA program.
- updating licensure by examination requirements for foreign-trained nurses, allowing for additional options for English language proficiency verification. This change expanded the nurse applicant pool.
- establishing a temporary military courtesy license to allow qualified active-duty military members and spouses to practice as nurses and CNAs. This change expedited the licensing process.
- establishing a daily limit on an APRN's initial opioid prescription to mirror other health professions. This change was made to reduce the misuse, abuse, and diversion of controlled substances.
- adding an alternative probation program for a licensee to meet board-imposed probation for habitual drug and alcohol use. This allowed impaired licensees to self-report, at the board's discretion, without being reported to the public. This change encouraged licensees to pursue drug and alcohol treatment.

- setting a maximum civil fine amount for board disciplinary actions. This change clarified that the board may discipline a licensee by assessing a civil fine. This change brought the board in alignment with centralized licensing statutes.

Licensing delays existed throughout the audit period; however, timelines appeared to gradually improve.

According to the board’s executive administrator, there was no specific timeframe within which a licensing application was to be processed and approved. Auditors tested 40 license applications received during the audit period to determine how quickly the licenses were processed and found that 30 percent took over 4 months to be issued. Exhibit 2 shows timeframes for the 40 applications. Licensing delays were caused by staff shortages and a significant increase in workload due to an increase in the number of applications. Furthermore, applicants struggled to obtain required documents from offices that were closed or had reduced hours during the Coronavirus Disease 2019 (COVID-19) pandemic, which also caused delays.

Exhibit 2

Board of Nursing Testing of 40 Applications Days from Receipt of Application to Issuance of License		
Days to Process	Number of Licenses	Percent
0-40	4	10%
41-80	17	42%
81-120	7	18%
121-160	7	18%
Over 160	5	12%

The board issued licenses in compliance with statutes and regulations.

Exhibit 3 shows that from FY 21 through FY 23, the board issued 14,152 new licenses, permits, and certificates. As of February 2024, there was a total of 27,015 active licenses, permits, and certificates, representing an overall increase of 37 percent when compared to the prior 2018 sunset audit.² According to Division of Corporations, Business and Professional Licensing (DCBPL) management and the board chair, the increase was largely made up of registered nurses traveling to Alaska in response to the COVID-19 pandemic.

² Audit Control Number 08-20113-18.

Exhibit 3

**Board of Nursing
License, Permit, and Certificate Activity
FY 21 through February 29, 2024**

	New Issued (Exclusive of Renewals)			Total Active as of February 29, 2024
	FY 21	FY 22	FY 23	
Practical Nurse	92	146	132	751
Practical Nurse Temporary License	0	0	0	1
Practical Nurse Temporary Permit	1	4	23	9
Advanced Practice Registered Nurse	225	357	400	2,253
Advanced Practice Registered Nurse Preceptorship*	65	38	58	67
Advanced Practice Registered Nurse Temporary Permit	0	1	3	3
Registered Nurse	2,631	4,393	3,801	20,803
Registered Nurse Temporary License	0	0	9	4
Registered Nurse Temporary Permit	7	70	293	242
Certified Nurse Aide	439	573	387	2,871
Certified Nurse Aide Temporary Certificate	0	0	2	1
Certified Nurse Aide Temporary Permit	2	0	0	10
Total	3,462	5,582	5,108	27,015

Source: Compiled from DCBPL licensing database.

*An Advanced Practice Registered Nurse Preceptorship is a license issued under 12 AAC 44.460 for an applicant to engage in clinical practice in order to complete a course of study to become an advanced practice registered nurse.

Board related investigations were not consistently conducted in a timely manner.

Auditors tested a sample of 30 new and 10 renewal licenses issued during the audit period and found all were issued in compliance with statutes and regulations. In addition, the audit found DCBPL staff effectively monitored compliance with continuing education requirements.

A review of 1,787 active APRN licenses with controlled substance prescriptive authority concluded that APRNs registered with the controlled substance prescription database (CSPD) as required.³ Furthermore, auditor testing of nine new APRN licenses found all had registered as required.

A total of 1,013 board related cases were open or opened from July 2020 through February 2024. The audit identified that 376 cases were open for over 180 days during the period. Thirty-one of the 376 cases were open for more than 1,000 days.

Auditors reviewed 35 of the 376 cases that were open for over 180 days and identified nine cases (26 percent) with unjustified periods of inactivity ranging from 50 days to 628 days. Six cases had multiple periods of unjustified inactivity. Investigator vacancies contributed to the delays. In late 2021, one investigator position was vacant for 99 days and the floating investigator position⁴ was vacant for 426 days. In addition, in early 2023, the floating investigator position shifted to mainly working on medical board investigations. (See Recommendation 1)

The audit identified that 17 board related complaints were received by the Office of the Ombudsman between July 2020 through February 2024. All 17 complaints were addressed by Ombudsman staff in an efficient manner.

³ Auditor testing concluded that 92 percent registered with the CSPD. The remaining eight percent were APRNs that did not have a Drug Enforcement Administration number and were not required to register with the CSPD.

⁴ The floating investigator worked on nursing investigations as well as non-nursing cases.

Fees were sufficient to cover board operations.

The board primarily receives its revenue from initial licensure and renewal fees. Renewals are conducted on a biennial basis, creating a two-year cycle in board revenues. The board’s schedule of revenues and expenditures for FY 21 through February 2024 is shown in Exhibit 4. As of February 2024, the board had a surplus of around \$3.4 million.

Despite the surplus, DCBPL management was not planning to decrease fees. DCBPL management expected the surplus to decline in the future as the number of renewal licenses declined. The pandemic inflated the number of licenses, which DCBPL management expected to decline by 10 percent. The board’s schedule of fees from FY 21 through February 2024 is shown in Exhibit 5.

Exhibit 4

Board of Nursing Schedule of Revenues and Expenditures FY 21 through February 29, 2024 (Unaudited)				
	FY 21	FY 22	FY 23	July 1, 2023 - February 29, 2024
Revenues				
Licensing Fees	\$4,677,555	\$2,628,125	\$5,564,976	\$1,351,030
General Fund Received	-	630,266	23,618	-
Other Sources	-	833	1,487	2,357
Total Revenues	<u>4,677,555</u>	<u>3,259,224</u>	<u>5,590,081</u>	<u>1,353,387</u>
Direct Expenditures				
Personal Services	1,201,466	1,433,090	1,427,373	925,095
Travel	353	6,531	7,436	5,446
Services	472,418	604,371	548,177	260,900
Commodities	759	1,250	3,349	1,297
Total Direct Expenditures	<u>1,674,996</u>	<u>2,045,242</u>	<u>1,986,335</u>	<u>1,192,738</u>
Indirect Expenditures	<u>1,058,376</u>	<u>1,247,968</u>	<u>1,301,006</u>	<u>650,503*</u>
Total Expenditures	<u>2,733,372</u>	<u>3,293,210</u>	<u>3,287,341</u>	<u>1,843,241</u>
Annual Surplus (Deficit)	1,944,183	(33,986)	2,302,740	(489,854)
Beginning Cumulative Surplus (Deficit)	(316,414)	1,627,769	1,593,783	3,896,523
Ending Cumulative Surplus (Deficit)	<u>\$1,627,769</u>	<u>\$1,593,783</u>	<u>\$3,896,523</u>	<u>\$3,406,669</u>

Source: Department of Commerce, Community, and Economic Development management.
*Estimated based on the indirect allocation for July 1, 2023 through December 31, 2023.

Exhibit 5

**Board of Nursing
License Fees
FY 21 through February 29, 2024**

	FY 21	FY 22	FY 23	July 1, 2023 – February 29, 2024
Nurses and Advanced Practice Registered Nurses Fees:				
Nonrefundable application fee:				
Initial registered or practical nursing license	\$100	\$100	\$100	\$100
Advanced practice registered nurse license	100	100	100	100
Preceptorship registration one-time fee	100	100	100	100
Emergency courtesy license	50	50	50	50
License fee for all or part of the initial biennial license period:				
Registered or practical nurse	200	200	200	200
Advanced practice registered nurse	100	100	100	100
Biennial license renewal fee:				
Registered or practical nurse	200	200	200	200
Advanced practice registered nurse	100	100	100	100
Reexamination application fee	50	50	50	50
Late renewal penalty fee	100	100	100	100
Nonrefundable fingerprint processing fee	75	75	75	75
Prescriptive/controlled substance authority application one-time fee	100	100	100	100
Temporary permit fee	100	0	0	0
Emergency courtesy license fee	50	50	50	50
Retired nurse status license one-time fee	100	100	100	100
Certified Nurse Aide Fees:				
Nonrefundable application fee for initial certification	100	100	100	100
Examination fee	55	55	55	55
Certification fee for all or part of the initial biennial nurse aide certification period	100	100	100	100
Biennial nurse aide certification renewal fee	100	100	100	100
Certified nurse aide training program approval fee	500	500	500	500
Reexamination fee	50	50	50	50
Nonrefundable fingerprint processing fee	75	75	75	75

Source: DCBPL Regulations.

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FINDINGS AND RECOMMENDATIONS

The prior 2018 sunset audit made four recommendations:

- The Board of Nursing (board) should adopt regulations to address the distance delivery of nursing services through technology.
- The board should take steps to ensure the appropriate entities are notified when a licensee's prescriptive authority is suspended, revoked, or surrendered.
- The Division of Corporations, Business and Professional Licensing (DCBPL) chief investigator should ensure nurse investigations are adequately documented and performed timely.
- The board chair should take steps to ensure the required Certified Nurse Aide (CNA) on-site training program reviews and self-evaluations are conducted prior to reapproving the programs.

The prior audit recommendation regarding adopting regulations to address the distance delivery of nursing services was resolved. Regulations were adopted for the telehealth standards effective May 7, 2020.

The prior audit recommendation regarding notification of prescriptive authority revocation was resolved. Auditors reviewed six licensees that had prescription authority revoked or suspended during the audit period and found all six were appropriately reported to the Drug Enforcement Administration and controlled substance prescription database.

The prior audit recommendation to ensure nurse investigations are properly documented and completed timely was not fully resolved. Our review of investigation cases processed during this audit period did not identify documentation issues; however, unjustified periods of inactivity were found. The prior recommendation is reiterated below as Recommendation 1.

The prior recommendation regarding board review of CNA on-site training programs and self-evaluation was resolved. Auditor testing of five of 33 CNA board-approved training programs found that all had received an on-site review and self-evaluation prior to reapproval.

Recommendation 1

Department of Commerce, Community, and Economic Development's (DCCED) commissioner should work with policy makers to improve the recruitment and retention of investigators.

Auditors reviewed 35 board related cases open for over 180 days during the audit period and found nine had periods of unjustified inactivity as shown below:

- Case 1: 306 days (one period)
- Case 2: 200 days (two periods of 110 and 90 days)
- Case 3: 293 days (three periods of 138, 78, and 77 days)
- Case 4: 420 days (three periods of 156, 138, and 126 days)
- Case 5: 628 days (one period)
- Case 6: 61 days (one period)
- Case 7: 380 days (two periods of 209 and 171 days)
- Case 8: 343 days (three periods of 233, 50, and 60 days)
- Case 9: 534 days (five periods of 120, 50, 179, 77, and 108 days)

According to DCBPL management, delays were caused by turnover, vacancies, and training new employees. Per AS 08.01.050(a)(19), DCBPL is responsible for providing investigative services to occupational boards. Investigations and complaints that sit idle for extended periods increase the risk to public safety.

As recruitment and retention of workers is a challenge across state government, we recommend DCCED's commissioner work with policy makers to improve the recruitment and retention of investigators.

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Title 24 and 44 of the Alaska Statutes, we have reviewed the activities of the Board of Nursing (board) to determine if there is a demonstrated public need for its continued existence.

As required by AS 44.66.050(a), this report shall be considered by the committee of reference during the legislative oversight process in determining whether the board should be reestablished. Currently, under AS 08.03.010(c)(14) the board will terminate on June 30, 2025, and will have one year from that date to conclude its administrative operations.

Objectives

The three central, interrelated objectives of our report are to:

1. Determine if the termination date of the board should be extended.
2. Determine if the board is operating in the public's interest.
3. Determine the status of recommendations made in the prior sunset audit.

Scope

The assessment of board operations and performance was based on criteria set out in AS 44.66.050(c). Criteria set out in this statute relates to the determination of a demonstrated public need for the board. We reviewed the board's activities from July 1, 2020 through February 29, 2024. Unaudited financial data from the Division of Corporations, Business and Professional Licensing is presented for the same period.

Methodology

During the course of our audit, we reviewed and evaluated the following:

- The prior sunset audit report (ACN 08-20113-18) to identify issues affecting the board and to identify prior sunset audit recommendations.

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- Applicable statutes and regulations to identify board functions and responsibilities, determine whether statutory or regulatory changes enhanced or impeded board activities, and help ascertain if the board operated in the public interest.
 - Board meeting minutes and annual reports to gain an understanding of board proceedings and activities, the nature and extent of public input, whether a quorum was maintained, and whether board vacancies impeded operations.
 - The State's Online Public Notices System to verify the board meetings were adequately public noticed.
 - Board expenditures, revenues, and fee levels to determine whether fee levels covered the costs of operations.
 - Various state and news related websites to identify complaints against the board or other board related concerns. Seventeen complaints received by the Office of the Ombudsman were reviewed to examine the nature of the complaints and efficiency with which the complaints were processed.
 - Board investigation data to access the efficiency of the investigative process.
 - Various websites for potential duplication of board activities.

Internal controls over the licensing database and the investigation process were assessed to determine if controls were properly designed and implemented. Additionally, to identify and evaluate board activities, we conducted interviews with State agency staff and board members. Specific areas of inquiry included: board operations, statutory duties, regulations, duplication of effort, fee levels, supplemental board revenue, board and staff vacancies, license application processing timeline, and complaints against the board.

The audit utilized the following samples:

- A judgmental sample of 12 of 27 board meetings held from July 1, 2020 through February 29, 2024 was reviewed to gain an understanding of board proceedings and activities, the nature and extent of public input, whether a quorum was maintained, whether the meetings were public noticed, and whether board vacancies impeded operations. Test results were not projected to the population.
- Thirty-five of 376 board related cases open 180 days or longer from July 1, 2020 through February 29, 2024 were reviewed for unjustified periods of inactivity. Twenty-seven cases were randomly selected and eight cases were judgmentally selected to provide assurance regarding efficiency of the investigative process. Investigation data was also reviewed for compliance with statutory reporting requirements. Test results were not projected to the population.
- A random sample of 40 license applications was tested. Thirty new applications were selected from the 4,940 new licenses issued to advanced practice registered nurses (APRN), registered nurses (RN), licensed practical nurses (LPN), and certified nurse aides (CNA) between July 1, 2020 and February 29, 2024. Ten renewal applications were selected from the 21,738 licenses that were subject to 2022 renewal requirements.⁵ The 30 new and 10 renewal applications were assessed for statutory and regulatory compliance. The sample size was based on low control risk, low inherent risk, and low to moderate audit risk. Test results were not projected to the population.
- A random sample of 20 of 939 completed continuing education audits for the 2020 renewal period was reviewed for regulatory compliance. Test results were not projected to the population.

⁵ The CNA renewal period was March 31, 2022; LPN renewal period was September 30, 2022; RN and APRN renewal period was November 30, 2022.

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- A random sample of five of 33 CNA training programs was reviewed for regulatory compliance. Test results were not projected to the population.
 - A random sample of 18 of 113 APRN licenses that had not registered with the controlled substance prescription database was reviewed to identify why a licensee had not registered. Test results were not projected to the population.
 - A random sample of 40 licenses was tested to determine the timeframe for processing licensing applications. These licenses were selected from new licenses issued to APRNs, RNs, LPNs, and CNAs. Ten licenses were selected from 4,760 new licenses issued between February 1, 2023 and February 29, 2024. Thirty licenses were selected from 4,940 new licenses issued between July 1, 2020 and February 29, 2024. Test results were not projected to the population.

APPENDIX SUMMARY

Appendix A: This appendix provides the sunset criteria used in developing the conclusions regarding whether the Board of Nursing's termination date should be extended.

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APPENDIX A

Analysis of Public Need Criteria AS 44.66.050(c)

A determination as to whether a board or commission has demonstrated a public need for its continued existence must take into consideration the following factors:

1. the extent to which the board or commission has operated in the public interest;
2. the extent to which the operation of the board or commission has been impeded or enhanced by existing statutes, procedures, and practices that it has adopted, and any other matter, including budgetary, resource, and personnel matters;
3. the extent to which the board or commission has recommended statutory changes that are generally of benefit to the public interest;
4. the extent to which the board or commission has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service that it has provided;
5. the extent to which the board or commission has encouraged public participation in the making of its regulations and decisions;
6. the efficiency with which public inquiries or complaints regarding the activities of the board or commission filed with it, with the department to which a board or commission is administratively assigned, or with the office of victims' rights or the office of the ombudsman have been processed and resolved;
7. the extent to which a board or commission that regulates entry into an occupation or profession has presented qualified applicants to serve the public;

APPENDIX A (Continued)

8. the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board or commission in its own activities and in the area of activity or interest;
9. the extent to which statutory, regulatory, budgetary, or other changes are necessary to enable the board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection;
10. the extent to which the board or commission has effectively attained its objectives and purposes and the efficiency with which the board or commission has operated; and
11. the extent to which the board or commission duplicates the activities of another governmental agency or the private sector.

Agency Response from the Department of Commerce, Community, and Economic Development



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce,
Community, and Economic
Development

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November 8, 2024

Kris Curtis, CPA
Legislative Auditor
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LEGISLATIVE AUDIT

Dear Ms. Curtis:

Thank you for the October 24, 2024, Confidential Preliminary Report, Department of Commerce, Community, and Economic Development (DCCED), Board of Nursing (board) Sunset Review. I concur with all conclusions of the report, but did want to note a small error in the list of program staff on page 3. It incorrectly identifies the program as having two Office Assistants, when the program has two Administrative Assistant I positions.

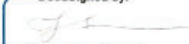
I have the following comments regarding the recommendations:

Recommendation #1: DCCED's commissioner should work with policy makers to improve the recruitment and retention of investigators.

The department concurs that recruitment and retention challenges exist throughout state government and will continue to engage with the Office of the Governor, Department of Administration, the legislature, and other stakeholders to identify holistic solutions.

Again, thank you for the opportunity for the department to provide input on this matter. If you have any questions, please feel free to contact me.

Sincerely,

DocuSigned by:

Julie Sande
Commissioner

cc: Sylvan Robb, Director, Division of Corporations, Business and Professional Licensing, DCCED
Lizzie Kubitz, Legislative Liaison, DCCED

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Agency Response from Board of Nursing

Danette M. Schloeder, DNP, RNC-OB, C-EFM, C-ONQS
Chair, Alaska Board of Nursing
17335 Bettijean ST
Anchorage, AK, 99516

November 13, 2024

Legislative Budget and Audit Committee
Division of Legislative Audit
PO Box 113300
Juneau, AK 99811-3300

Dear Legislative Budget and Audit Committee:

This is the written response to the Board of Nursing Sunset Audit report. I will respond to the recommendation and will state if I agree or disagree with the report's conclusions and recommendations. Additionally, I will indicate methods that will be implemented to monitor the recommendation.

Recommendation 1

DCCED's commissioner should work with policy makers to improve the recruitment and retention of investigators.

I agree with this recommendation. The licensed members of the Board of Nursing (BON) review cases from the Investigative Team once the investigation is complete. These investigations require skilled investigators. Any work to improve the recruitment and retention of investigators could have a positive impact on the BON's mission to promote, preserve, and protect the public's health, safety, and welfare. To monitor this recommendation, the BON will continue to receive an investigations report at each quarterly meeting. Additionally, the BON has requested that the investigations report be organized by the date that the case was opened in an effort to easily identify cases that are older than 180 days.

Thank you for the opportunity to respond to the audit finding.

Sincerely,

Danette Schloeder

Danette M. Schloeder, DNP, RNC-OB, C-EFM, C-ONQS
Chair, Alaska Board of Nursing

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Legislative Auditor's Additional Comments

ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET AND AUDIT COMMITTEE
Division of Legislative Audit



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November 19, 2024

Members of the Legislative Budget
and Audit Committee:

I have reviewed the Department of Commerce, Community and Economic Development commissioner's response to this audit and offer the following point of clarification.

The commissioner states that this audit incorrectly reported the Board of Nursing's administrative positions as office assistants. I agree that the Organization and Function section of the audit on page 3 incorrectly states "In addition, DCBPL employs the following board specific staff: a licensing supervisor, eight licensing examiners, two office assistants, a nurse consultant, and two investigators." It should have read "In addition, DCBPL employs the following board specific staff: a licensing supervisor, eight licensing examiners, two *administrative assistants*, a nurse consultant, and two investigators" (emphasis added).

Other than the error noted above, I reaffirm the report's conclusions and recommendations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kris Curtis".

Kris Curtis, CPA, CISA
Legislative Auditor