



# CALIFORNIA STATE AUDITOR

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## FACT SHEET

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**The California State Auditor's Office released the following report today:**

### **Physical Therapy Board of California**

*Although It Can Make Improvements, It Generally Processes Complaints and Monitors Conflict-of-Interest Requirements Appropriately*

#### **BACKGROUND**

Funded by fees paid by the nearly 32,000 licensees, the Physical Therapy Board of California (physical therapy board) provides information about the practice of physical therapy, verifies physical therapists' eligibility for licensure, and investigates complaints against and disciplines physical therapist and physical therapist assistant licensees (licensees). As part of their process for investigating complaints, the physical therapy board's analysts can assign licensed physical therapists—expert consultants—to review cases alleging quality-of-care or billing issues. The Department of Consumer Affairs (Consumer Affairs) encompasses 40 regulatory entities—including the physical therapy board—that license various professions. Consumer Affairs establishes general policies and provides various administrative support to these entities.

#### **KEY FINDINGS**

During our review of the physical therapy board, we noted the following:

- The physical therapy board's in-house consultant is not a state employee yet has served in this role since 2003. The physical therapy board could save approximately \$28,000 to \$35,000 annually if it hired a state employee to perform this work.
- It does not have a formal process for evaluating the work of its expert consultants, including its in-house consultant. Without evaluations, the physical therapy board runs the risk that the reviews conducted by the consultants are substandard.
- Consumer Affairs does not ensure that members of its boards participate in mandated board member orientation—that provides new members information about their responsibilities nor does it ensure that board members and other designated employees attend required ethics training—that covers conflict-of-interest laws.
- We found two instances where former board members submitted their statements of economic interest disclosures well after the deadline imposed by law. Without such information, the public and board members themselves may not be aware of any conflicts of interest that may disqualify the board members from dealing with particular issues.
- The physical therapy board generally processed complaints appropriately. We found no issues in our review of 40 complaints lodged against licensees whom the board investigated.

#### **KEY RECOMMENDATIONS**

We made several recommendations, including that the physical therapy board explore the feasibility of establishing a state position to perform the duties of its current in-house consultant at a reduced cost. We also recommended that the physical therapy board develop a process for evaluating its expert consultants in order to make certain that they provide effective services. Further, we recommended that Consumer Affairs establish procedures to ensure that board members attend their orientation and that they and all designated employees receive the required ethics training. Moreover, the physical therapy board should notify Consumer Affairs promptly when board members are appointed or when they intend to leave office to ensure that board members disclose in a timely manner any potential conflicts of interest.

