

BRIEFING NOTE

TO: Board of Directors

FROM: Executive Committee

DATE: May 11, 2020

SUBJECT: 6.0 COVID-19 Accommodation: Registration Fee Adjustment

☒ For Decision

☐ For Information

☐ Monitoring Report

Purpose:

To consider whether to provide registration fee relief in the form of a fee reduction or alternate fee payment arrangement in light of the COVID-19 pandemic.

Background:

With the social distancing measures put in place by the Ontario government, many opticians are not currently in active practice or have reduced their active practice hours considerably. Many opticians have raised concerns about their ability to pay their registration fees later this year.

During the pandemic period, the government has directed that ROs only provide essential services to patients, which will result in patients putting off non-essential care, although it remains an important part of their overall vision health. From a public interest perspective, it is important that patients have continued access to an adequate number of Registered Opticians once social distancing rules are relaxed. Making a one-time adjustment to the registration fee may reduce the burden on ROs, allowing them to resume practice as soon as feasible and may facilitate their continued registration with the College.

Many regulatory Colleges are discussing fee reductions or alternate fee payment arrangements. The College of Medical Radiation and Imaging Technologists (CMRITO) has recently announced a pandemic emergency policy providing a fee credit of \$90 per member¹, which represents a 19% fee reduction². CMRITO states that due to the pandemic, they are not able to proceed with some of the strategic in-person initiatives that had been planned for 2020, and have decided to cancel these projects this year. The cancellation of strategic projects has liberated budgeted funds that will be returned to registrants. The CMRITO will be administering the fee as a credit to the member's renewal fee, with exceptions being made for refunds for those that did not intend to renew in 2021. CMRITO renewal is a year-round process, with registrants renewing on their birth dates. From March 1, 2020 to September 30, 2020, the CMRITO will also waive the late fee, and registrants will have up to three months after their birthday to renew their registration without penalty.³

¹ www.cmrto.org/pdfs/news/NR-State-of-Emergency-Policy.pdf

² The CMRITO annual fee is \$470 plus HST

³ www.cmrto.org/members/registration-faqs/

The COO has already made a number of changes to the College's processes and programs as part of its pandemic response. These include:

- Interpreting governmental directives and providing practice advice to ROs (created COVID-19 Practice Guidelines Document)
- Creating a RO provider directory for patients who require urgent or essential services from an RO
- For those selected to participate in the Competency Review and Evaluation (CRE) process this year, extending the date of portfolio submission to May 4 and suspending participation in the Multi-Source Feedback (MSF) until 2021
- Suspending Peer and Practice Assessments until further notice
- Postponing the national examinations and committing to facilitate all examination candidates who wish to write the exam this year
- Continuing regular business, registrant services and response times by establishing a remote office as of March 17. All committee and board meetings are continuing remotely
- Commencing work on return to practice guidelines for Opticians

Regardless of the pandemic, COO will be able to proceed with budgeted strategic projects remotely, along with ensuring uninterrupted essential regulatory functions. The College has financial reserves it can draw on to allow for business continuity while reducing the burden on registrants and patients.

As set out in the by-laws, the COO fee for 2020 is \$968; the fee for 2021 is \$992.⁴ Registrants pay the annual fee as a single lump sum payment, and the Registration Regulation requires that this payment be made by December 31 of each calendar year as part of the annual renewal process. Registration fees for existing ROs cannot be pro-rated in the event that a RO only practices for a portion of the calendar year. Moreover, the Registration Regulation does not permit for an "inactive" class of registration that would carry a reduced registration fee for individuals not actively practicing for part of given a calendar year.

For Consideration:

The Executive Committee, acting in its capacity as the College's Finance Committee, explored a number of payment options that would offer some form of relief to registrants:

Option	Considerations
1) Fee Rebate Issued in 2020	<ul style="list-style-type: none"> • Provides relief now to existing ROs, viewed as a substitute for inactive registration • Does not stimulate ongoing renewal to ensure continued supply of ROs into 2021 • Could be administratively challenging: issuing cheques would be resource intensive and costly (approximately \$4000 - 5000); refunding credit cards would also be resource intensive and would require the collection of

⁴ A fee modelling project will be launched this year to make evidence-informed recommendations to assist the board in determining the appropriate fee amount for 2022 onward.

	<p>credit card information, which poses a security concern. A more secure technical solution can be explored but may carry additional administrative costs</p> <ul style="list-style-type: none"> • Would require a by-law amendment to the provision prohibiting most refunds of registration fees (which must be circulated for 60 days) • Would raise concerns about who would be entitled to the rebate depending on who paid the registration fee (• Has tax implications for ROs and their employers • Allows for more certainty in financial planning than payment plan options
2) Reduced Registration Fee for 2021 Renewal	<ul style="list-style-type: none"> • Would provide delayed relief to all ROs who intend to register in 2021 • Would also provide relief to new ROs (who are currently registered as Interns and are also impacted by reduced income) • May stimulate renewal in 2021 to ensure supply of ROs • Administratively, would be the simplest option, could be applied uniformly and would only require a small adjustment in the registrant portal back-end as well as a by-law amendment (which must be circulated for 60 days) • Allows for more certainty in terms of financial planning than payment plan options
3) Deferred Payment of Renewal Fee	<ul style="list-style-type: none"> • Does not represent a fee reduction, but rather a delay in payment • Provides delayed relief to new and existing ROs • May stimulate renewal in 2021 to ensure supply of ROs • The renewal date of December 31 is set out in the Registration Regulation and the date cannot be moved. To renew, a registrant must submit a completed application, the required annual fee and evidence of insurance. The fee could be set as a small amount with a requirement to pay the balance at a later date (this would require a by-law amendment that must be circulated for 60 days) • Administratively, this delays the suspension period and creates a double renewal, which is resource intensive • May be more resource intensive for ROs, who would be required to complete information on the registrant portal twice • Would require resources to ensure ROs understand the changed temporary process • Less certainty in terms of financial planning, may require temporary reliance on reserve funds while revenue is delayed
4) Payment installments	<ul style="list-style-type: none"> • Does not represent a fee reduction, but rather a delay in payment • Provides delayed relief to new and existing ROs • May stimulate renewal in 2021 to ensure supply of ROs • Would require ROs to submit a pre-authorized withdrawal form, which introduces a security risk related to storing their credit card information • Administratively, resource intensive for the College and for registrants, who will have to ensure they have adequate funds available at the right

	<p>time. A missed payment will initialize a suspension with or without a late fee</p> <ul style="list-style-type: none"> • Would require resources to ensure ROs understand the changed temporary process • Less certainty in terms of financial planning, may require temporary reliance on reserve funds while revenue is delayed
5) Extend 60-Day Late Renewal Period	<ul style="list-style-type: none"> • Does not represent a fee reduction, but rather a delay in payment • Provides deferred relief to new and existing ROs • May stimulate renewal in 2021 to ensure supply of ROs • The registration regulation requires that the Registrar provide <i>notice</i> of suspension with a 60-day window, but does not require the Registrar to proceed with the suspension • Would require 50% of renewal fee by December 31, with the remaining 50% due by March 1. Members will be issued a suspension notice to pay within 60 days (end of May), and the late fee will be waived. • Administratively, this delays the suspension period and creates a double renewal, which is resource intensive, but would not require the storage of credit card information • May be more resource intensive for ROs, who would be required to complete information on the registrant portal twice • Would require resources to ensure ROs understand the changed temporary process, including the fact that they will be receiving a Notice of Suspension • Less certainty in terms of financial planning, may require temporary reliance on reserve funds while revenue is delayed

The following chart outlines the projected impact of various fee reduction options:

2021 Adjustment % (\$992)	Discounted Amount	Approximate Total Deficit (n=3000)	Approx. Time Required to Replenish Reserve ⁵
10%	\$ 99.20	\$297,600	2022
15%	\$148.80	\$446,400	2022 - 2023
20%	\$198.40	\$595,200	2023
25%	\$248.00	\$744,000	2023 - 2024

Recommendations:

The Executive Committee considered a fee reduction to be the preferred option as it will provide relief to ROs while minimizing the strain on administrative resources. Moreover, it will not create additional hurdles for ROs by requiring extra steps in the renewal process.

The Executive Committee favoured a fee reduction of \$200, or 20.16%. In the committee's view, this figure will strike a balance that will provide registrants with meaningful relief, serve the public

⁵ Assumes no program or project cuts

interest by stimulating renewal to ensure an adequate supply of ROs, and preserve the College's financial stability.

A by-law amendment is required in order to give effect to the proposed fee reduction. Any amendment that pertains to registration fees must be circulated for 60 days before it can take effect.

Action Required:

The Board is asked to consider approving the following by-law amendment for circulation to stakeholders for 60 days. The amendment, if approved, would reduce registration fees for ROs by \$200 for the 2021 calendar year.

Proposed By-Law Amendment

Current Language:

5.2 Registration Fees

(a) Annual Registration Fees

Class	2016	2017	2018	2019	2020	2021
Registered Optician	\$877	\$899	\$921	\$944	\$968	\$992
Registered Intern Optician	\$129	\$132	\$136	\$139	\$142	\$146
Registered Student Optician	\$129	\$132	\$136	\$139	\$142	\$146

Proposed Language:

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