

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 23

STATUS: Original

SUBJECT: Establish Oregon Patient Safety Commission (OPSC) as central agency for collection of data and analyses by patient safety organizations in Oregon. Requires commission to submit to the Oregon Department of Administrative Services a biennial request for General Fund appropriation. Requires commission to collect and analyze statewide patient safety data in Oregon and compare that data to national patient safety data. Authorizes the Department of Revenue to assist OPSC in collecting delinquent accounts. Repeals sunset on Oregon Patient Safety Reporting Program.

GOVERNMENT UNIT AFFECTED: Oregon Patient Safety Commission, Department of Administrative Services, Department of Revenue, Legislative Fiscal Office

PREPARED BY: Kim To

REVIEWED BY: John Britton

DATE: January 19, 2009

EXPENDITURES:	<u>2009-2011</u>	<u>2011-2013</u>
Personal Services	\$317,420	\$326,943
Office Supplies	12,650	13,030
Quality Improvement Training/Consultation/Development	52,000	53,560
Rent	5,000	5,150
Capital Outlay	11,000	0
Total General Fund	\$398,070	\$398,682

POSITIONS / FTE:

Data Analyst	1 / 1.00	1 / 1.00
Quality Improvement Specialist	1 / 1.00	1 / 1.00
Executive Assistant	0 / 0.75	0 / 0.75
Total	2 / 2.75	2 / 2.75

EFFECTIVE DATE: January 1, 2010

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS:

This measure amends Chapter 686, Oregon Laws 2003 to establish Oregon Patient Safety Commission as the central agency for collection of data and analyses by patient safety organizations in Oregon; require OPSC to submit to the Oregon Department of Administrative Services a biennial request for General Fund appropriation; direct OPSC to collect and analyze statewide patient safety data in Oregon and compare that data to national patient safety data; authorize the Department of Revenue to assist OPSC in collecting delinquent accounts; an repeal sunset on Oregon Patient Safety Reporting Program.

Chapter 686, Oregon Laws 2003 created the Oregon Patient Safety Commission, a semi-independent state agency with a 17-member Board of Directors, including the Public Health Officer, and 16 members appointed by the Governor, subject to Senate confirmation. The mission of OPSC is to “to improve patient safety by reducing the risk of serious adverse events occurring in Oregon's health care system and by encouraging a culture of patient safety.” To accomplish this goal, the commission maintains a confidential, voluntary serious adverse event reporting system in Oregon; establishes quality improvement techniques to reduce system errors; and shares evidence-based prevention practices to improve patient outcomes.

Currently, the commission is staffed by 4 positions, 3.75 FTE's. As a semi-independent agency subject to ORS 182.456 to 182.472, the commission does not receive direct funding (limitation or appropriation) from the state. The commission has a funding account subject to ORS 182.470, and the commission's board adopts budgets on a biennial basis using classifications of expenditures and revenues required by ORS 291.206, but the commission's budget is not subject to review and approval by the Legislative Assembly or to future modification by the Emergency Board or the Legislative Assembly. The commission main revenue source derives from fees assessed on participating entities (hospitals, long-term care facilities, pharmacies, ambulatory surgical centers, outpatient renal dialysis facilities and freestanding birthing centers). In addition to fees, the commission has the authority to apply for grants and foundation support and may compete for contracts consistent with the mission and goals of the commission. For 2007-09, the commission anticipates collecting \$1,044,375 in fees and other income with expenses budgeted at \$1,047,933.

This bill authorizes the commission to request General Fund appropriation each biennium as part of the Governor's budget. The commission anticipates requesting \$398,070 General Fund for 2009-11 to create 2 new positions and to bring an existing Executive Assistant position from .75 FTE to 1.00 FTE. Additional staffing will enable the commission to more efficiently develop its database, enhance data analysis and increase quality improvement activities.

The Department of Administrative services states that this measure will have no fiscal impact because of the minimal workload.

Legislative Fiscal Office anticipates that this measure will have no fiscal impact because of the minimal workload.

The measure also authorizes the Department of Revenue to assist the commission in collecting delinquent accounts. The Department of Revenue forecasts a minimal impact (assuming 50-100 delinquent accounts each calendar year) that can be absorbed by the agency.

Note:

SB 14 repeals Section 16, Chapter 686, Oregon Laws 2003 requiring the January 2, 2010 discontinuation (sunset) of the Patient Safety Reporting Program.

SB 15 appropriates moneys from General Fund, in addition to and not in lieu of, any other appropriation, to the Oregon Department of Administrative Services for the biennium beginning July 1, 2009, for the Oregon Patient Safety Commission.