2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Proposed by the Oregon Legislative Figure Office

Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 23 STATUS: A Engrossed

SUBJECT: Establishes Oregon Patient Safety Commission as central agency for collection of data and analyses by patient safety organizations in Oregon. 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 Commission in collecting delinquent accounts.

GOVERNMENT UNIT AFFECTED: Oregon Patient Safety Commission, Department of Revenue

PREPARED BY: Kim To **REVIEWED BY:** John Britton

DATE: April 29, 2009

<u>2009-2011</u> <u>2011-2013</u>

EXPENDITURES:

See Analysis

EFFECTIVE DATE: January 1, 2010

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 [1] establishes the Oregon Patient Safety Commission (OPSC) as the central agency for collection of data and analyses by patient safety organizations in Oregon; [2] directs OPSC to collect and analyze statewide patient safety data in Oregon and compare that data to national patient safety data; and [3] authorizes the Department of Revenue to assist OPSC in collecting past due fees that are owed to OPSC.

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 "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, as a semi-independent agency, the Commission's budget is not subject to the state's budgetary process. The Commission's 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.

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