

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

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**MEASURE NUMBER:** SB 457

**STATUS:** Original

**SUBJECT:**

**GOVERNMENT UNIT AFFECTED:** Department of Human Services, and healthcare workforce regulatory boards (Occupational Therapy Licensing Board, Oregon Medical Board, Oregon State Board of Nursing, Oregon Board of Dentistry, Physical Therapist Licensing Board, State Board of Pharmacy, Board of Examiners of Licensed Dieticians)

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**DATE:** March 3, 2009

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<b>EXPENDITURES:</b>	<u><b>2009-2011</b></u>	<u><b>2011-2013</b></u>
Department of Human Services – General Funds		
Services and Supplies – Professional Services	\$ 473,961	\$ 473,961
Healthcare workforce regulatory boards – Other Funds		
Services and Supplies		
Occupational Therapy Licensing Board	2,000	1,000
Oregon Medical Board	1,016	350
Oregon State Board of Nursing	1,800	-0-
Oregon Board of Dentistry	2,000	-0-
Board of Examiners of Licensed Dieticians	1,000	1,000
State Board of Pharmacy	<i>See Analysis</i>	<i>See Analysis</i>
Physical Therapist Licensing Board	<i>See Analysis</i>	<i>See Analysis</i>

**EFFECTIVE DATE:** On Passage

**GOVERNOR’S BUDGET:** This bill is 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:** To address Oregon’s healthcare workforce shortage and increase the number of providers who practice in the state, this bill enables the collection of quantitative data on supply, demand, distribution, education and effective incentives for attracting qualified individuals to healthcare education. The bill authorizes healthcare workforce regulatory boards to establish fees to reimburse the cost of obtaining and reporting this information. Operative on January 1, 2010, the bill directs the Office for Oregon Health Policy and Research (OHPR) to create and maintain a healthcare workforce database. It requires healthcare workforce regulatory boards to collect relevant information from licensees and report this data to OHPR.

Senate Bill 457 allows OHPR to contract, without subject to the requirements of Oregon Revised Statutes chapters 279A, 279B and 279C, with a private or public entity to establish and maintain the database and analyze the data. OHPR intends to contract with a vendor such as the Oregon Workforce Institute to collaborate with all healthcare workforce regulatory boards to gather, house and analyze relevant data,

and produce healthcare workforce reports. Based on the historical cost of previous data collection projects, DHS approximate the contract rate to be between \$4.11 and \$4.12 per individual included in the database. Currently, there are approximately 115,066 healthcare regulatory board licensees. DHS calculates the cost of this contract to be \$473,961. OHPR does not anticipate an impact on DHS information technology services because reports from the vendor will be made available through OHPR currently existing web pages which currently contain similar dissemination of collaborative data collection and reporting.

The bill represents a portion of a Policy Option Package (POP) within the Department of Human Services 2009-11 Governor's Recommended Budget. The \$7.6 million POP #389 includes \$473,961 General Funds for the work of OHPR as directed in this bill. POP #389 combines this work with six other Oregon Health Fund Board (OHFB) proposed initiatives. Created by SB 329 in the 2007 legislative session, the OHFB is a seven-member board charged with developing a comprehensive plan to ensure access to health care for Oregonians, contain health care costs, and address issues of quality in health care. POP #389 reflects some of the first steps of comprehensive health care reform recommended by OHFB – laying the groundwork for sound health care planning and decision-making by investing in reliable data collection, analysis and management.

Currently, five of the seven boards have, or are in the process of implementing, online licensing renewal and data collection capability that can be readily modified to collect the information required by this bill: Occupational Therapy Licensing Board, Oregon Medical Board, Board of Nursing, Oregon Board of Dentistry and Board of Examiners of Licensed Dietitians. These agencies report minimal fiscal impact (\$1,000 to \$2,000) to draft new administrative rules, modify licensees and applicant forms, and adapt existing database to gather information required by this measure.

Two of the seven boards do not have online license renewal and data collecting capability: The Oregon Physical Therapist Licensing Board estimates that programming and startup costs to create a sub module to the agency's current system to collect data online would cost approximately \$8,000 in Other Fund IT Professional Services (80 hours of programming and testing time at \$100 per hour). The State Board of Pharmacy reports that to implement online license renewal and data collecting capability could cost up to \$75,000 in IT Professional Services. The Legislative Fiscal Office notes that the bill does not specify that the data must be collected through an online licensing renewal system. OHPR is aware that the current data collection process for individual healthcare workforce regulatory boards spans a wide range from robust, advanced web-based systems to strictly paper forms. OHPR is committed to working with the selected vendor to accommodate varying levels of technology to ensure ease of data collection at a minimal cost for each board. For example, OHPR has worked with the Oregon Workforce Institute to identify existing data gathering alternatives similar to SurveyMonkey that could be used by boards to provide information required by this bill for an estimated fee of \$20 a month (\$480 a biennium).

The Legislative Fiscal Office notes that licensing fees for licensees and applicants of healthcare workforce regulatory boards may increase. The bill allows the boards to recoup costs associated with data collection and reporting through fee establishment.

Note: House Bill 2143 and Senate Bill 11 are similar to this Senate Bill 457.