

**76<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session  
BUDGET REPORT AND MEASURE SUMMARY**

**MEASURE: HB 5026-A**

**JOINT COMMITTEE ON WAYS AND MEANS**

**Carrier – House: Rep. Dembrow  
Carrier – Senate: Sen. Monroe**

**Action:** Do Pass as Amended and as Printed A-Engrossed

**Vote:** 22 – 2 – 1

House – Yeas: Beyer, Buckley, Cowan, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, G. Smith, Whisnant  
– Nays: Freeman, Thatcher  
– Exc: Richardson

Senate – Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters  
– Nays:  
– Exc:

**Prepared By:** Kate Nass, Department of Administrative Services

**Reviewed By:** John Terpening, Legislative Fiscal Office

**Meeting Date:** June 3, 2011

**Agency**  
Oregon Health Licensing Agency

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**Biennium**  
2011-13

## **Budget Summary\***

	<b>2009-11 Legislatively Approved Budget (1)</b>	<b>2011-13 Current Service Level</b>	<b>2011-13 Governor's Budget</b>	<b>2011-13 Committee Recommendation</b>	<b>Committee Change from 2009-11 Leg Approved</b>	
					<b>\$ change</b>	<b>% change</b>
Other Funds	6,622,806	6,593,989	6,568,327	6,585,824	-36,982	-0.6%
Total	\$ 6,622,806	\$ 6,593,989	\$ 6,568,327	\$ 6,585,824	-36,982	-0.6%

## **Position Summary**

Authorized Positions	33	29	34	33	0
Full-time Equivalent (FTE) Positions	33.00	28.28	33.28	33.00	0.00

(1) Includes adjustments through March 2011.

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The Oregon Health Licensing Agency (OHLA) is funded entirely with Other Funds primarily derived from licensing fees. Revenue for the agency is collected from over 70,000 authorizations among eight boards, two councils, and one licensing program. The agency reviewed and updated its cost allocation model during the 2009-11 biennium as directed by the 2009 Legislature. The updated model more accurately accounts for actual costs and use of services for each board or council's administrative activity.

During the 2009-11 biennium, the agency also conducted a review of each board and council fee structure and administratively changed fees, both increasing and decreasing fees where needed to more accurately align revenues with expenditures. The subcommittee spent time discussing these fee increases and decreases, and in response to these discussions the subcommittee approved the following budget note:

### **Budget Note**

The Subcommittee on Education expressed its concern about the number of fee changes in the agency Fee bill, and the distribution of costs and revenue among the programs within the agency. The agency is directed to report to the Emergency Board at the meeting closest to June 2012 on the status of the fee changes and the cost distributions by program. The report should include the status of revenues, by program, generated from the fee changes, and the anticipated ending balances by program, and any proposals to adjust the fees based on the findings, or otherwise.

The total revenue expected for 2011-13 is \$6,916,913, which includes administrative fee changes made during the 2009-11 biennium, available revenues from the transfer of the Board of Examiners of Licensed Dietitians, and additional revenue from the creation of a temporary license for

the Board of Denture Technology in House Bill 2145. The recommended budget leaves an ending balance of \$1,740,432, approximately six months operating expenses.

### **Summary of Education Subcommittee Action**

The Subcommittee approved a budget for the OHLA of \$6,585,824 Other Funds and 33 positions (33.00 Full Time Equivalent). This is a 0.6 percent decrease from the 2009-11 Legislatively Approved Budget.

The Subcommittee approved the following packages:

- Package 101 – Personnel Adjustments: This package adds \$315,050 Other Funds limitation to permanently establish five new permanent positions to replace existing limited duration positions and reclassifies two positions to address demand for services and oversight for increased consumer protection. This package also reduces services and supplies to better reflect agency expenditures.
- Package 102 – Attorney General Adjustments: This package has a net zero amount. This package addresses the increased demand for legal services provided by the Department of Justice for regulatory document review, board questions and legal advice, rule writing review and legal cases in which the agency is involved. This increase in Attorney General expenditures is offset by a decrease in Agency Program Related Services and Supplies expenditures.
- Package 810 – Licensed Dietitians: This package includes \$35,000 Other Fund limitation and \$98,800 Other Funds revenue because of the transfer of the Board of Examiners of Licensed Dietitians from Health Related Licensing Boards. The package includes the beginning balance, revenues and expenditure limitation necessary to support the Board. The transfer does not include any positions or FTE.

In addition to the packages mentioned above, the Subcommittee approved statewide personal services reductions and the elimination of inflationary adjustments that were included in the Governor's budget. The Subcommittee further reduced the agency's budget by eliminating one currently vacant position (0.28 FTE) in package 802.

### **Summary of Performance Measure Action**

The Subcommittee discussed and approved the Oregon Health Licensing Agency's Key Performance Measurements, which can be reviewed in the attached Legislatively Adopted 2011-13 Key Performance Measures form.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**HB 5026-A**

**Oregon Health Licensing Agency**

Kate Nass - 503-378-3742

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2009-11 Legislatively Approved Budget at March 2011 *	\$ 0	\$ 0	\$ 6,622,806	\$ 0	\$ 0	\$ 0	\$ 6,622,806	33	33.00
2011-13 ORBITS printed Current Service Level (CSL)*	\$ 0	\$ 0	\$ 6,593,989	\$ 0	\$ 0	\$ 0	\$ 6,593,989	29	28.28
2011-13 Governor's Recommended Budget*	\$ 0	\$ 0	\$ 6,568,327	\$ 0	\$ 0	\$ 0	\$ 6,568,327	34	33.28
<b><u>SUBCOMMITTEE ADJUSTMENTS (from GRB)</u></b>									
Package 802: Vacant Position Savings									
Personal Services	\$ 0	\$ 0	\$ (17,503)	\$ 0	\$ 0	\$ 0	\$ (17,503)	(1)	-0.28
Package 810: LFO Analyst Adjustments									
Personal Services	\$ 0	\$ 0	\$ 5,425	\$ 0	\$ 0	\$ 0	\$ 0	0	0
Services and Supplies	\$ 0	\$ 0	\$ 29,575	\$ 0	\$ 0	\$ 0	\$ 29,575	0	0.00
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 17,497</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 12,072</b>	<b>(1)</b>	<b>(0.28)</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 6,585,824</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 6,580,399</b>	<b>33</b>	<b>33.00</b>
% Change from 2009-11 Leg Approved Budget	0.0%	0.0%	-0.6%	0.0%	0.0%	0.0%	-0.6%	0.0%	0.0%
% Change from 2011-13 Current Service Level	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	-0.2%	13.8%	16.7%
% Change from 2011-13 Gov's Recommended Budget	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.2%	-2.9%	-0.8%

\*Excludes Capital Construction Expenditures

## Legislatively Proposed 2011-2013 Key Performance Measures

**Agency: OREGON HEALTH LICENSING AGENCY**

**Mission:** The Oregon Health Licensing Agency (OHLA) puts qualified Oregonians to work while protecting Oregon consumers.&nbsp; OHLA sets, communicates and enforces regulatory standards for multiple health and related professions.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2012	Target 2013
2 - Percent of critical status complaints investigated within one week of receipt (unlicensed activity and high risk health issues).		Approved KPM	99.00	97.00	97.00
3 - Percent of online renewals compared to total renewals processed by agency.		Approved KPM	44.00	50.00	50.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	88.00	90.00	90.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	85.00	90.00	90.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	87.00	90.00	90.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	86.00	90.00	90.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	89.00	90.00	90.00
5 - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	87.00	90.00	90.00

**LFO Recommendation:**

Approve the requested Key Performance Measures and associated targets.

**Sub-Committee Action:**