



# Oregon

John A. Kitzhaber, MD, Governor

**Board of Naturopathic Medicine**  
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## **SB 108**

Health Care and Human Services Committee

Senator Laurie Monnes Anderson, Chair  
Senator Jeff Kruse, Vice-Chair  
Senator Tim Knopp  
Senator Chip Shields  
Senator Elizabeth Steiner Hayward

Re: SB108

Dear Chair Monnes Anderson and Members of the Committee:

As the Executive Director of the Oregon Board of Naturopathic Medicine, I am here to ask your support of SB 108.

SB 108 will give the Board authority to require a person disciplined by the board to pay the reasonable costs of a disciplinary hearing.

The Board's mission to protect the public includes the investigation of complaints and providing the licensee with a Notice of Proposed Discipline when disciplinary action is deemed appropriate. Every person issued a notice has the right to challenge the allegations and is provided with the information on how to request a hearing in the notice.

As an Other Funds agency, the Board of Naturopathic Medicine relies on fees from licensees to support all aspects of this agency's operation.

As the profession grows and the number of consumers of naturopathic medicine increases, the Board receives and investigates more complaints. There were less than 225 licensees in January 1999; there are over 975 licensees as of January 2013. The number of complaints that must be investigated has increased as well.

From 2000 to 2005 the Board investigated 10-17 complaints in a year; in 2012 that number increased to 38 investigated cases.

As the Board is faced with a rise in disciplinary action being taken, so it is also faced with an increase in request for a hearing. Contested case hearings are being requested more often and the Board has no way to know what to budget for these unknown costs, nor how much of an increase to licensing fees will be necessary. The 2011-2013 budget required a fee increase to all licensees, as the overall costs involved with contested cases had increased over the last several biennium.

Due to one contested case in 2007-2009, the Board's AAG cost alone was \$30,000 over the budgeted line item. The cost of this case, before the licensee finally voluntarily surrendered his license, was over \$62,000. This case included unbudgeted costs for investigation, the Office of Administrative Hearing and expert witnesses. With no certainty that the Board would not be faced with other contested cases that could conceivably cost as much, the licensing fees had to be raised.

In 2009-2011, AAG costs had again exceeded the budgeted line item and the Board was faced with two additional requests for a hearing. One case settled before going to hearing, at a cost to licensees of \$11,350 and no license was even issued to the applicant; and more than \$28,500 for another case that went to a hearing, in which the Board prevailed.

A contested case, if it does not go to hearing can cost the Board between \$2,000 and \$6,000. A contested case that goes to hearing can cost the Board \$7,000 to \$50,000 or more. These costs are currently paid with licensee fees.

The Board asks your support of SB108 so that the costs incurred in a contested case hearing may be charged back to the few respondents who are in violation of Oregon law, not all licensees; thus, reducing the likelihood of future fee increases due to contested cases.

Thank you for your time and consideration in this matter.

Sincerely,

Anne Walsh  
Executive Director