

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Clair Clark, Department of Administrative Services

Reviewed By: Krista McDowell, Legislative Fiscal Office

Agency: Board of Chiropractic Examiners

Biennium: 2015-17

Budget Summary*

| | 2013-15 Legislatively Approved Budget ⁽¹⁾ | 2015-17 Current Service Level | 2015-17 Committee Recommendation | Committee Change from 2013-15 Leg. Approved | |
|---------------------|---|----------------------------------|-------------------------------------|--|----------|
| | | | | \$ Change | % Change |
| Other Funds Limited | \$ 1,600,901 | \$ 1,540,715 | \$ 1,915,058 | \$ 314,157 | 19.6% |
| Total | \$ 1,600,901 | \$ 1,540,715 | \$ 1,915,058 | \$ 314,157 | 19.6% |

Position Summary

| | | | | |
|--------------------------------------|------|------|------|------|
| Authorized Positions | 6 | 5 | 6 | 0 |
| Full-time Equivalent (FTE) positions | 4.88 | 4.50 | 5.10 | 0.22 |

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Board of Chiropractic Examiners (OBCE) is funded entirely with Other Funds revenue generated by fees paid for professional licenses, examinations, and miscellaneous revenue. It receives approximately 95 percent of its revenue from fees for licensure. With the adoption of the Subcommittee recommendations, the agency's estimated 2015-17 ending fund balance is \$352,552, or the equivalent of approximately 4.4 months of operating expenses.

The Subcommittee approved the following recommendation:

- Package 106, Fee Increase, generates \$323,164 Other Funds revenue. This package reflects planned fee increases for Doctors of Chiropractic, effective July 1, 2015. The application fee would increase from \$150 to \$250. The initial Doctors of Chiropractic license fee would increase from \$100 to \$150 and the senior license fee would increase from \$262.50 to \$318.80. The regular active renewal fee would increase from \$350 to \$425. The inactive renewal fee would increase from \$175 to \$225 and the late renewal fee would increase from \$100 to \$125.

During the 2013 regular session, Senate Bill 106 was passed which allowed the OBCE to set fees by administrative rule. According to ORS 291.050, agencies must obtain legislative approval for fee changes. If the changes are not ratified by the Legislature, the fees must be rescinded and therefore return to their original levels.

Summary of Education Subcommittee Action

OBCE regulates the practice of chiropractic, promotes quality, and ensures competent ethical health care. The Board ensures public protection by setting standards for entry to practice, examination of applicants, issuance and renewal of licensing, ensuring licensees complete continuing education, rulemaking, and setting practice guidelines for Doctors of Chiropractic and Chiropractic Assistants.

The Subcommittee approved a budget for OBCE of \$1,915,058 Other Funds and 5.10 full-time equivalent positions. This is a 19.6 percent increase from the 2013-15 Legislatively Approved Budget.

The Subcommittee approved the following recommendations:

- Package 100, Health Care Investigator, provides \$147,286 Other Funds expenditure limitation to make permanent one part-time, limited duration Health Care Investigator 2 position (0.60 FTE). The current limited duration position was approved for the 2013-15 biennium as an 18 month half-time position. This package increases the FTE to ensure the Board has sufficient resources to address the investigative workload. This package includes a reduction of \$12,000 Other Funds expenditure limitation in Services and Supplies to account for the reduced need for consultant chiropractors resulting from the addition of the Health Care Investigator position.
- Package 101, Attorney General Legal Services, provides \$140,000 Other Funds expenditure limitation to account for the escalating legal costs associated with utilizing the services of legal counsel in the Business, Trial, Civil Enforcement and Appellate Sections of the Department of Justice (DOJ). The Board entered into a flat-rate contract with DOJ for the 2013-15 biennium. Actual usage of DOJ services has been roughly 200 percent more than what was projected when the flat-rate contract was drafted, therefore this package funds the anticipated rate increase for the 2015-17 biennium.
- Package 102, Professional Services (Administrative Hearings), provides \$40,219 Other Funds expenditure limitation in Professional Services. This package funds increased costs for the Office of Administrative Hearings that provides administrative law judges from a select panel to preside over contested case hearings. This includes pre-hearing conferences, review of pre-hearing motions, considering and ruling on those motions, the actual hearing itself (from 1 to 12 days), and the subsequent writing of a proposed order for the Board's final consideration. This package provides expenditure limitation for the expected cost increases for the Office of Administrative Hearings as the number and length of contested case proceedings and/or hearings increases.
- Package 103, Merchant Fees for Online License Renewal, provides \$26,360 Other Funds expenditure limitation for expenses associated with the Board's online license renewal system for chiropractic physicians and chiropractic assistants. These expenses include a \$2 per transaction fee charged by NIC-USA for the system's ongoing development and maintenance as well as merchant fees charged by banks estimated at two percent per transaction. Expense estimates assume that 70 percent of licensees will renew online in 2015-16 and 80 percent in 2016-17.
- Package 105, New Executive Director Differential, provides \$20,478 Other Funds expenditure limitation for the new Executive Director's pay line exception differential, including \$16,509 in Salary and Wages and \$3,969 in Other Payroll Expenses. The Executive Director

position did not receive a differential in 2013-15 at the time the 2015-17 base budget was established, therefore this existing expense was not included in the Board's current service level budget.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5007-A

**Board of Chiropractic Examiners
Clair Clark -- 503-378-3117**

| DESCRIPTION | GENERAL FUND | LOTTERY FUNDS | OTHER FUNDS | | FEDERAL FUNDS | | TOTAL ALL FUNDS | POS | FTE |
|---|--------------|---------------|---------------------|-------------|---------------|-------------|------------------|----------|-------------|
| | | | LIMITED | NONLIMITED | LIMITED | NONLIMITED | | | |
| 2013-15 Legislatively Approved Budget at Dec 2014 * | \$ - | \$ - | \$ 1,600,901 | \$ - | \$ - | \$ - | 1,600,901 | 6 | 4.88 |
| 2015-17 Current Service Level (CSL)* | \$ - | \$ - | \$ 1,540,715 | \$ - | \$ - | \$ - | 1,540,715 | 5 | 4.50 |
| SUBCOMMITTEE ADJUSTMENTS (from CSL) | | | | | | | | | |
| SCR 001 - Operations | | | | | | | | | |
| Package 100: Health Care Investigator | | | | | | | | | |
| Personal Services | \$ - | \$ - | \$ 141,308 | \$ - | \$ - | \$ - | 141,308 | 1 | 0.60 |
| Services and Supplies | \$ - | \$ - | \$ 5,978 | \$ - | \$ - | \$ - | 5,978 | | |
| Package 101: AG Legal Services | | | | | | | | | |
| Services and Supplies | \$ - | \$ - | \$ 140,000 | \$ - | \$ - | \$ - | 140,000 | | |
| Package 102: Prof. Services (Admin Hearings) | | | | | | | | | |
| Services and Supplies | \$ - | \$ - | \$ 40,219 | \$ - | \$ - | \$ - | 40,219 | | |
| Package 103: Merchant Fees for Online Lic. Renewal | | | | | | | | | |
| Services and Supplies | \$ - | \$ - | \$ 26,360 | \$ - | \$ - | \$ - | 26,360 | | |
| Package 105: New Executive Director Differential | | | | | | | | | |
| Personal Services | \$ - | \$ - | \$ 20,478 | \$ - | \$ - | \$ - | 20,478 | 0 | 0.00 |
| TOTAL ADJUSTMENTS | \$ - | \$ - | \$ 374,343 | \$ - | \$ - | \$ - | 374,343 | 1 | 0.60 |
| SUBCOMMITTEE RECOMMENDATION * | \$ - | \$ - | \$ 1,915,058 | \$ - | \$ - | \$ - | 1,915,058 | 6 | 5.10 |
| | | | | | | | | | |
| % Change from 2013-15 Leg Approved Budget | 0.0% | 0.0% | 19.6% | 0.0% | 0.0% | 0.0% | 19.6% | | |
| % Change from 2015-17 Current Service Level | 0.0% | 0.0% | 24.3% | 0.0% | 0.0% | 0.0% | 24.3% | | |

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: CHIROPRACTIC EXAMINERS, BOARD of

Mission: The mission of the Oregon Board of Chiropractic Examiners is to serve the public, regulate the practice of chiropractic, promote quality, and ensure competent ethical health care.

| Legislatively Proposed KPMs | Customer Service Category | Agency Request | Most Current Result | Target 2016 | Target 2017 |
|---|-----------------------------|----------------|---------------------|-------------|-------------|
| 1 - Average number of days to resolve a complaint. | | Approved KPM | 263.00 | 180.00 | 180.00 |
| 2 - Percent of sexual misconduct/boundary complaints resolved in 180 days | | Approved KPM | 0.00 | 50.00 | 50.00 |
| 3 - The Percentage of new complaints that are assessed, investigated, and presented to the board for an initial decision within a target number of days. | | Approved KPM | 96.00 | 80.00 | 80.00 |
| 4 - Percentage of chiropractic physicians meeting the annual continuing education requirements. | | Approved KPM | 94.00 | 95.00 | 95.00 |
| 5 - The Percentage of licenses issued within a target number of days once all application components (that are the responsibility of the applicant) have been received. | | Approved KPM | 94.00 | 90.00 | 90.00 |
| 6 - Customer Service - 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 | 91.00 | 75.00 | 75.00 |
| 6 - Customer Service - 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 | 91.60 | 75.00 | 75.00 |
| 6 - Customer Service - 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 | 90.42 | 75.00 | 75.00 |
| 6 - Customer Service - 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 | 92.22 | 75.00 | 75.00 |

Agency: CHIROPRACTIC EXAMINERS, BOARD of

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| Legislatively Proposed KPMs | Customer Service Category | Agency Request | Most Current Result | Target 2016 | Target 2017 |
|---|----------------------------------|-----------------------|----------------------------|--------------------|--------------------|
| 6 - Customer Service - 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 | 92.20 | 75.00 | 75.00 |
| 6 - Customer Service - 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 | 92.80 | 75.00 | 75.00 |
| 7 - Board Best Practices - Percent of total best practices met by the Board. | | Approved KPM | 94.00 | 100.00 | 100.00 |

LFO Recommendation:

Approve

Sub-Committee Action:

The Education Subcommittee recommends approval of the KPM?s. The agency has agreed, by request of the subcommittee, to propose adjustments to the KPM targets for the 2017-19 budget cycle.