
MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: *Human Services Subcommittee*

From: *Laurie Byerly, Legislative Fiscal Office*
(503) 986-1833

Date: May 11, 2015

Subject: *Long Term Care Ombudsman*
Work Session Recommendations

Long Term Care Ombudsman – Agency Totals

	2011-13 Actual	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	1,538,563	3,784,880	6,066,619	6,086,984
Other Funds	644,092	703,321	726,536	719,650
Total Funds	\$2,182,655	\$4,488,201	\$6,793,155	\$6,806,634
Positions	12	24	25	25
FTE	11.25	16.81	24.25	24.50

Attached are the 2015-17 budget recommendations from the Legislative Fiscal Office for the *Long Term Care Ombudsman*. The agency's 2015-17 budget is 31% total funds higher than the current biennium's budget due to the full phase-in of a 2013-15 program expansion that extended the agency's portfolio to cover mental health treatment and intellectual/developmental disabilities facilities. It also accounts for the full phase-in of the Public Guardian and Conservator program. Other highlights include:

- Adjustments to the historical vacancy savings (attrition) calculation to account for higher staffing levels.
- Actions to maintain agency staffing at current levels and incrementally increase a position to meet demands due to program expansion.
- Changes to revenues and associated expenditures to reflect fluctuations in federal funding streams and new civil penalty revenue.
- A placeholder of \$40,000 General Fund to help address newly arisen issues related to the procurement of information technology services and system administration.
- Reclassification of the agency head position from a Principal Executive Manager E level (salary range 33x) up to a Principal Executive Manager F (salary range 35x).

Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated 5/6/15.

Accept LFO Recommendation

Move the LFO recommendation to SB 5521.

OR

Change LFO recommendation

Move the LFO recommendation to SB 5521, with modifications.

Performance Measures

See attached "Legislatively Proposed 2015-17 Key Performance Measures" form.

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures

OR

Change LFO recommendation

Move the LFO recommendation on Key Performance Measures, with modifications.

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$6,086,984 *General Fund*, \$719,650 *Other Funds*, and 25 positions (24.50 FTE) and that Senate Bill 5521 be amended accordingly.

Summary of amendment:

On page 1 of the printed bill, delete lines 5 through 6 and insert:

"There are appropriated to the Long Term Care Ombudsman, for the biennium beginning July 1, 2015, out of the General Fund, the following amounts, for the following purposes:

- (1) General program and services to care facilities residents..... \$3,915,772
- (2) Public guardian and conservator program \$2,171,212"

In line 7 of the printed bill, delete "\$536,299" and insert "\$719,650".

Move to adopt the -1 amendment to SB 5521

SB 5521 Final Subcommittee Action:

Final Motion:

Move SB 5521, as amended, to the full committee with a "do pass" recommendation.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,705,620	-	680,105	-	-	-	3,385,725	19	14.56
2013-15 Ebds, SS & Admin Act	1,079,260	-	23,216	-	-	-	1,102,476	5	2.25
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	3,784,880	-	703,321	-	-	-	4,488,201	24	16.81
2013-15 Leg Approved Budget (Base)	3,784,880	-	703,321	-	-	-	4,488,201	24	16.81
Summary of Base Adjustments	1,093,422	-	16,353	-	-	-	1,109,775	-	6.44
2015-17 Base Budget	4,878,302	-	719,674	-	-	-	5,597,976	24	23.25
010: Non-PICS Pers Svc/Vacancy Factor	68,498	-	3,937	-	-	-	72,435	-	-
020: Phase In / Out Pgm & One-time Cost	1,009,332	-	-	-	-	-	1,009,332	1	1.00
030: Inflation & Price List Adjustments	110,487	-	2,925	-	-	-	113,412	-	-
2015-17 Current Service Level	6,066,619	-	726,536	-	-	-	6,793,155	25	24.25
070: Revenue Reductions/Shortfall	-	-	(194,639)	-	-	-	(194,639)	-	(0.34)
Adjusted 2015-17 Current Service Level	6,066,619	-	531,897	-	-	-	6,598,516	25	23.91
Total LFO Recommended Packages	20,365	-	187,753	-	-	-	208,118	-	0.59
2015-17 Legislative Actions	6,086,984	-	719,650	-	-	-	6,806,634	25	24.50
Net change from 2013-15 Leg Approved Budget	2,302,104	-	16,329	-	-	-	2,318,433	1	7.69
Percent change from 2013-15 Leg Approved Budget	60.8%	0.0%	2.3%	0.0%	0.0%	0.0%	51.7%	4.2%	45.8%
Net change from 2015-17 Current Service Level	20,365	-	187,753	-	-	-	208,118	-	0.59
Percent change from 2015-17 Current Service Level	0.3%	0.0%	35.3%	0.0%	0.0%	0.0%	3.2%	0.0%	2.5%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	2,705,620	-	680,105	-	-	-	3,385,725	19	14.56
2013-15 Ebds, SS & Admin Act	130,077	-	23,216	-	-	-	153,293	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	2,835,697	-	703,321	-	-	-	3,539,018	19	14.56
2013-15 Leg Approved Budget (Base)	2,835,697	-	703,321	-	-	-	3,539,018	19	14.56
Summary of Base Adjustments	659,298	-	16,353	-	-	-	675,651	-	3.69
2015-17 Base Budget	3,494,995	-	719,674	-	-	-	4,214,669	19	18.25
010: Non-PICS Pers Svc/Vacancy Factor	34,621	-	3,937	-	-	-	38,558	-	-
020: Phase In / Out Pgm & One-time Cost	272,410	-	-	-	-	-	272,410	1	1.00
030: Inflation & Price List Adjustments	87,829	-	2,925	-	-	-	90,754	-	-
2015-17 Current Service Level	3,889,855	-	726,536	-	-	-	4,616,391	20	19.25
070: Revenue Reductions/Shortfall	-	-	(194,639)	-	-	-	(194,639)	-	(0.34)
Adjusted 2015-17 Current Service Level	3,889,855	-	531,897	-	-	-	4,421,752	20	18.91
Total LFO Recommended Packages	25,917	-	187,753	-	-	-	213,670	-	0.59
2015-17 Legislative Actions	3,915,772	-	719,650	-	-	-	4,635,422	20	19.50
Net change from 2013-15 Leg Approved Budget	1,080,075	-	16,329	-	-	-	1,096,404	1	4.94
Percent change from 2013-15 Leg Approved Budget	38.1%	0.0%	2.3%	0.0%	0.0%	0.0%	31.0%	5.3%	33.9%
Net change from 2015-17 Current Service Level	25,917	-	187,753	-	-	-	213,670	-	0.59
Percent change from 2015-17 Current Service Level	0.7%	0.0%	35.3%	0.0%	0.0%	0.0%	4.8%	0.0%	3.1%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This package reduces Other Funds revenue and expenditure limitation to align the budget with projected revenues. The agency receives Older Americans Act federal dollars passed through the Department of Human Services. Federal sequestration has reduced this funding stream, which was already flat and not keeping up with inflation.

LFO Recommendation Approve the package.

LFO Recommended	-	-	(194,639)	-	-	-	(194,639)	-	(0.34)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Restore position lost in OF Shortfall

Package Description A Program Analyst 2, position #1140028, was reduced from full-time to 0.66 full-time equivalent in Package 070 to balance with projected Older Americans Act revenue. This package restores the position back to 1.00 full-time equivalent in using General Fund.

LFO Recommendation Approve the package.

LFO Recommended	59,325	-	-	-	-	-	59,325	-	0.34
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Position 1140009 to 1.0 FTE

Package Description This package increases funding for the agency's data (research) analyst position from 0.75 full-time equivalent to 1.00 full-time equivalent. The expansion of the agency as a result of the new Residential Facilities Ombudsman program and the Oregon Public Guardian is increasing the data collection and reporting workload.

LFO Recommendation Approve the package.

LFO Recommended	24,914	-	8,306	-	-	-	33,220	-	0.25
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package includes the following adjustments:

- An adjustment to the vacancy savings calculation to reflect the agency's growth in positions and a turnover rate of eight percent each year. The change for this budget structure are decreases of \$18,322 General Fund and \$3,887 Other Funds.
- To account for funding received under the Senior Medicare Patrol program, an increase of \$103,334 Other Funds (Agency Program Related S&S) since federal grant funds are expected to be continued through May 31, 2018. The program educates seniors, their families, and caregivers on health care fraud, error, and abuse. The federal dollars are authorized under the Older Americans Act, with funding passed through the Department of Human Services (DHS) and recorded as Other Funds in the LTCO budget.
- The agency has begun to receive civil penalty revenue from DHS to help cover costs of work under SB 626 (2013) that expanded the LTCO's duties to include advocating for residents of care facilities who have mental illness or developmental disabilities. About \$40,000 in Other Funds revenue is projected to be in the 2015-17 beginning balance, with about \$90,000 estimated to come in over the course of the biennium. The adjustment in this package would use \$80,000 Other Funds to replace (free up) General Fund in the following accounts/amounts: Instate Travel - \$25,000, Training - \$25,000, Office expenses - \$15,000, and Other S&S - \$15,000. Since this is a still a new and relatively untested revenue stream, a balance of the projected revenue is left for potential later use, assuming it materializes.
- Retention of \$40,000 of the General Fund resources made available by the use of civil penalties revenue as a placeholder for information technology (IT) related expenditures. The agency has recently identified two issues in the IT arena: 1) Increasing costs for telecommuting associated with new staff that are regionally located and 2) Loss of a volunteer that was providing IT systems services free of charge. The agency is evaluating both issues to determine the best next steps; one possibility may be to seek an outside assessment of the agency's IT current state and service options. Next steps will likely be determined before the end of the session, at which point the placeholder can be reevaluated if necessary. The funding should be budgeted in the IT Professional Services account.
- Change the position classification of the agency head position from a Principal Executive Manager E (salary range 33x) to a Principal Executive Manager F (salary range 35x). The Department of Administrative Services determined the position should be reclassified to account for the expanded scope and complexity of the ombudsman's duties. As the budgeted rate on the position matches a rate within the salary range of the new classification, no budget adjustment is required.

LFO Recommendation Approve the package.

LFO Recommended	(58,322)	-	179,447	-	-	-	121,125	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	-	-	-	-	-	-	-
2013-15 Ebds, SS & Admin Act	949,183	-	-	-	-	-	949,183	5	2.25
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	949,183	-	-	-	-	-	949,183	5	2.25
2013-15 Leg Approved Budget (Base)	949,183	-	-	-	-	-	949,183	5	2.25
Summary of Base Adjustments	434,124	-	-	-	-	-	434,124	-	2.75
2015-17 Base Budget	1,383,307	-	-	-	-	-	1,383,307	5	5.00
010: Non-PICS Pers Svc/Vacancy Factor	33,877	-	-	-	-	-	33,877	-	-
020: Phase In / Out Pgm & One-time Cost	736,922	-	-	-	-	-	736,922	-	-
030: Inflation & Price List Adjustments	22,658	-	-	-	-	-	22,658	-	-
2015-17 Current Service Level	2,176,764	-	-	-	-	-	2,176,764	5	5.00
Adjusted 2015-17 Current Service Level	2,176,764	-	-	-	-	-	2,176,764	5	5.00
Total LFO Recommended Packages	(5,552)	-	-	-	-	-	(5,552)	-	-
2015-17 Legislative Actions	2,171,212	-	-	-	-	-	2,171,212	5	5.00
Net change from 2013-15 Leg Approved Budget	1,222,029	-	-	-	-	-	1,222,029	-	2.75
Percent change from 2013-15 Leg Approved Budget	128.8%	0.0%	0.0%	0.0%	0.0%	0.0%	128.8%	0.0%	122.2%
Net change from 2015-17 Current Service Level	(5,552)	-	-	-	-	-	(5,552)	-	-
Percent change from 2015-17 Current Service Level	(0.3%)	0.0%	0.0%	0.0%	0.0%	0.0%	(0.3%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package contains an adjustment to the vacancy savings calculation to reflect the agency's growth in positions and a turnover rate of eight percent each year. The change for this budget structure is a decrease of \$5,552 Other Funds.

LFO Recommendation Approve the package.

LFO Recommended	(5,552)	-	-	-	-	-	(5,552)	-	-
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: LONG-TERM CARE OMBUDSMAN, Office of

Mission: To Enhance The Quality Of Life, Improve The Level Of Care, Protect The Rights Of The Individual And Promote The Dignity Of Each Oregon Citizen Living In A Nursing Facility, Residential Care Facility, Assisted Living Facility Or Adult Foster Care Home.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Percentage of non-referred complaints where action is needed that are partially or fully resolved.		Approved KPM	97.00	98.00	98.00
2 - Average initial response time to non-referred cases.		Approved KPM	1.70	1.50	1.50
3 - Average time to close non-referred cases.		Approved KPM	29.60	25.00	25.00
4 - Percentage of nursing facilities visited at least once annually.		Approved KPM	100.00	100.00	100.00
5 - Percentage of assisted living and residential care facilities visited at least once annually.		Approved KPM	96.00	98.00	98.00
6 - Percentage of adult foster care homes visited at least once annually.		Approved KPM	80.00	80.00	80.00
7 - Number of requests for assistance from consumers, the public, facility staff and agencies.		Approved KPM	5,906.00	6,000.00	6,000.00
8 - Participation in system-wide advocacy meetings at the local, regional, state and national levels.		Approved KPM	848.00	800.00	800.00
9 - Total number of certified ombudsmen volunteer hours annually.		Approved KPM	27,984.00	28,000.00	28,000.00
10 - 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	71.00	85.00	85.00
10 - 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	75.00	85.00	85.00
10 - 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	79.00	85.00	85.00

Agency: LONG-TERM CARE OMBUDSMAN, Office of

Mission: To Enhance The Quality Of Life, Improve The Level Of Care, Protect The Rights Of The Individual And Promote The Dignity Of Each Oregon Citizen Living In A Nursing Facility, Residential Care Facility, Assisted Living Facility Or Adult Foster Care Home.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
10 - 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	79.00	85.00	85.00
10 - 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	75.00	85.00	85.00
10 - 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	79.00	85.00	85.00

LFO Recommendation:

Approve the KPMs as proposed. Approve targets for 2016 and 2017 as shown.

Sub-Committee Action:

Senate Bill 5521

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Appropriates moneys from General Fund to Long Term Care Ombudsman for biennial expenses. Limits biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts and federal Older Americans Act funds received from Department of Human Services, but excluding lottery funds and other federal funds, collected or received by Long Term Care Ombudsman.

Declares emergency, effective July 1, 2015.

A BILL FOR AN ACT

1
2 Relating to the financial administration of the Long Term Care Ombudsman; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. There is appropriated to the Long Term Care Ombudsman, for the biennium**
6 **beginning July 1, 2015, out of the General Fund, the amount of \$6,128,415 for operations.**

7 **SECTION 2. Notwithstanding any other law limiting expenditures, the amount of \$536,299**
8 **is established for the biennium beginning July 1, 2015, as the maximum limit for payment of**
9 **expenses from fees, moneys or other revenues, including Miscellaneous Receipts, and in-**
10 **cluding federal Older Americans Act funds received from the Department of Human Services,**
11 **but excluding lottery funds and federal funds not described in this section, collected or re-**
12 **ceived by the Long Term Care Ombudsman.**

13 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
14 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
15 **July 1, 2015.**

16

Note: For budget, see 2015-2017 Biennial Budget

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

**PROPOSED AMENDMENTS TO
SENATE BILL 5521**

1 Delete lines 5 and 6 of the printed bill and insert:

2 **“SECTION 1. There are appropriated to the Long Term Care Om-**
3 **budsman, for the biennium beginning July 1, 2015, out of the General**
4 **Fund, the following amounts for the following purposes:**

- 5 (1) **General program and**
6 **services provided to**
7 **care facility residents \$ 3,915,772**
- 8 (2) **Public guardian and**
9 **conservator program \$ 2,171,212”.**

10 In line 7, delete “\$536,299” and insert “\$719,650”.

11
