

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Art Ayre, Department of Administrative Services

Reviewed By: Laurie Byerly, Legislative Fiscal Office

Agency: Long Term Care Ombudsman

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
General Fund	\$ 3,784,880	\$ 6,066,619	\$ 6,086,984	\$ 2,302,104	60.8%
Other Funds Limited	\$ 703,321	\$ 726,536	\$ 719,650	\$ 16,329	2.3%
Total	\$ 4,488,201	\$ 6,793,155	\$ 6,806,634	\$ 2,318,433	51.7%

Position Summary

Authorized Positions	24	25	25	1
Full-time Equivalent (FTE) positions	16.81	24.25	24.50	7.69

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

General Fund supports about 89 percent of the budget for the Long Term Care Ombudsman (LTCO). Most of the remainder is federal Older Americans Act funds received from the Department of Human Services (DHS) as Other Funds. Per Senate Bill 626 (2013), the agency has begun to receive civil penalty revenue from DHS to help cover costs of work under that legislation, which expanded the LTCO’s duties to include advocating for residents of care facilities who have mental illness or developmental disabilities.

Summary of Human Services Subcommittee Action

The Office of the Long Term Care Ombudsman (LTCO) is a federally-mandated consumer protection program under the federal Older Americans Act. Its mission is to enhance the quality of life, improve the level of care, protect the individual’s rights, and promote the dignity of each Oregon citizen living in a long term care facility. The LTCO supports a network of certified volunteers to investigate and resolve complaints for those who live in Oregon’s nursing facilities, residential care facilities, assisted living facilities, and adult foster homes. Program duties were recently expanded by Senate Bill 626 (2013) to cover facilities serving individuals who have mental illness or intellectual and developmental disabilities. Under Senate Bill 1553 (2014), the agency became responsible for providing guardian and conservator services for eligible persons without relatives or friends willing or able to serve as guardians or conservators.

The Human Services Subcommittee approved a budget of \$6,806,634 total funds, consisting of \$6,086,984 General Fund, \$719,650 Other Funds, and 25 positions (24.50 FTE). The approved budget is 51.7 percent above the Legislatively Approved Budget due to the expansion of the agency’s

duties during the 2013-15 biennium. Additionally, the Subcommittee approved the reclassification of the agency director position from a Principal Executive Manager E to a Principal Executive Manager F; this change is also the result of expanded scope.

Long Term Care Ombudsman - 010

The Subcommittee approved Package 070: Revenue Shortfalls. This package reduces Other Funds revenue and expenditure limitation by \$194,639 to align the budget with projected revenues and results in a loss of 0.34 full-time equivalent position. The agency's Older Americans Act federal dollars passed through DHS have been affected by federal sequestration; funding was already flat and not keeping up with inflation.

The Subcommittee approved Package 101: Restore Position Lost in OF Shortfall. A Program Analyst 2 was reduced from full-time to part-time (0.66 FTE) in Package 070 to balance with projected Older Americans Act revenue. This package restores the position back to 1.00 FTE by adding \$59,325 General Fund.

The Subcommittee approved Package 102: Position 1140009 to 1.0 FTE. This package increases funding for the agency's data (research) analyst position from 0.75 full-time equivalent to 1.00 full-time equivalent by adding \$24,914 General Fund and \$8,306 Other Funds expenditure limitation. The expansion of the agency as a result of the new Residential Facilities Ombudsman program and the Oregon Public Guardian programs is increasing workload for data collection and reporting.

The Subcommittee approved Package 801: LFO Analyst Adjustments. This package includes five adjustments:

- (1) 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 changes for this budget structure are decreases of \$18,322 General Fund and \$3,887 Other Funds.
- (2) To account for funding received under the Senior Medicare Patrol program, an increase in expenditure limitation of \$103,334 Other Funds because 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 DHS and recorded as Other Funds in the LTCO budget.
- (3) 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 an additional \$90,000 estimated to come in over the course of the biennium. This adjustment uses \$80,000 Other Funds to replace (free up) General Fund in several Services and Supplies accounts. Since this is still a new and relatively untested revenue stream, a balance of the projected revenue is left for potential later use, assuming it estimates are correct.
- (4) 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 current state of the agency's IT systems and service options to maintain those systems. Next steps will likely be determined before the end of the session, at which point the placeholder can be reevaluated if necessary.

- (5) A change in the 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.

Public Guardian and Conservator Program - 020

The Subcommittee approved Package 801: LFO Analyst Adjustments. This package makes 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 General Fund.

Summary of Performance Measure Action

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

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5521-A

**Long Term Care Ombudsman
Art Ayre - 503-378-3108**

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 *	\$ 3,784,880	\$ -	\$ 703,321	\$ -	\$ -	\$ -	\$ 4,488,201	24	16.81
2015-17 Current Service Level (CSL)*	\$ 6,066,619	\$ -	\$ 726,536	\$ -	\$ -	\$ -	\$ 6,793,155	25	24.25
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010 - Long Term Care Ombudsman									
Package 070: Revenue Shortfalls									
Personal Services	\$ -	\$ -	\$ (108,945)	\$ -	\$ -	\$ -	\$ (108,945)	0	-0.34
Services and Supplies	\$ -	\$ -	\$ (85,694)	\$ -	\$ -	\$ -	\$ (85,694)		
Package 101: Restore position lost in OF Shortfall									
Personal Services	\$ 59,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,325	0	0.34
Package 102: Position 1140009 to 1.0 FTE									
Personal Services	\$ 24,914	\$ -	\$ 8,306	\$ -	\$ -	\$ -	\$ 33,220	0	0.25
Package 801: LFO Analyst Adjustments									
Personal Services (Vacancy Savings)	\$ (18,322)	\$ -	\$ (3,887)	\$ -	\$ -	\$ -	\$ (22,209)	0	0.00
Services and Supplies									
Agency Program Related S&S	\$ -	\$ -	\$ 103,334	\$ -	\$ -	\$ -	\$ 103,334		
Instate Travel	\$ (25,000)	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -		
Training	\$ (25,000)	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -		
Office Expenses	\$ (15,000)	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -		
Other Services and Supplies	\$ (15,000)	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -		
IT Professional Services	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000		
SCR 020 - Public Guardian and Conservator Program									
Package 801: LFO Analyst Adjustments									
Personal Services (Vacancy Savings)	\$ (5,552)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,552)	0	0.00
TOTAL ADJUSTMENTS	\$ 20,365	\$ -	\$ (6,886)	\$ -	\$ -	\$ -	\$ 13,479	0	0.25
SUBCOMMITTEE RECOMMENDATION *	\$ 6,086,984	\$ -	\$ 719,650	\$ -	\$ -	\$ -	\$ 6,806,634	25	24.50

% Change from 2013-15 Leg Approved Budget 60.8% 0.0% 2.3% 0.0% 0.0% 0.0% 51.7%
 % Change from 2015-17 Current Service Level 0.3% 0.0% -0.9% 0.0% 0.0% 0.0% 0.2%

*Excludes Capital Construction Expenditures

Legislatively Approved 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

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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:

Approved the LFO recommendation.