

BUDGET REPORT AND MEASURE SUMMARY

CARRIER: Sen. Johnson

Joint Committee On Ways and Means

Action: Do Pass The A-Eng Bill.

Action Date: 06/05/15

Vote:

Senate

Yeas: 8 - Burdick, Devlin, Hansell, Johnson, Monroe, Roblan, Shields, Steiner Hayward

Nays: 2 - Girod, Whitsett

Exc: 2 - Thomsen, Winters

House

Yeas: 7 - Buckley, Gomberg, Komp, Nathanson, Rayfield, Read, Williamson

Nays: 4 - Huffman, McLane, Whisnant, Whitsett

Exc: 1 - Smith

Prepared By: Dustin Ball, Department of Administrative Services

Reviewed By: Matt Stayner, Legislative Fiscal Office

Agency: Department of Consumer and Business Services

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	\$ 216,088,555	\$ 221,417,741	\$ 244,399,283	\$ 28,310,728	13.1%
Other Funds Nonlimited	\$ 199,565,185	\$ 199,655,595	\$ 197,626,507	\$ (1,938,678)	-1.0%
Federal Funds Limited	\$ 5,936,901	\$ 3,006,195	\$ 16,431,616	\$ 10,494,715	176.8%
Total	\$ 421,590,641	\$ 424,079,531	\$ 458,457,406	\$ 36,866,765	8.7%

Position Summary

Authorized Positions	923	919	962	39
Full-time Equivalent (FTE) positions	914.18	911.93	952.57	38.39

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Department of Consumer and Business Services (DCBS) is funded primarily by Other Funds revenues from over 500 dedicated fees, assessments, and charges. Other Fund revenue is derived from the worker's compensation "cents-per-hour" assessment and contributions (30.0 percent of revenue), the workers' compensation premium assessments (21.0 percent revenue), insurer assessments (20.0 percent of revenue), licensing fees (17.0 percent of revenue) and other charges for services, and fines and penalties. Interest income represents roughly 2.0 percent of revenues. The agency also receives Federal Funds which make up between 2.0 and 3.0 percent of revenue.

Although DCBS does not receive a General Fund appropriation, its Insurance Division collects retaliatory taxes from out-of-state insurance companies, which it transfers to the General Fund. This retaliatory tax is collected from insurance companies based in states with higher tax rates than Oregon and is forecasted to generate roughly \$121.5 million for the General Fund in the 2015-17 biennium. The Division of Finance and Corporate Securities also makes a transfer of revenues in excess of expenditure needs to the General Fund. This transfer from the Division of Finance and Corporate Securities is forecasted to generate roughly \$22.8 million in the 2015-17 biennium.

With the passage of Senate Bill 1 (2015), the Oregon Health Insurance Marketplace will be established at DCBS. Revenues to support the marketplace will be Other Funds derived from a transfer upon the dissolution of Cover Oregon, premium assessment revenues, and a transfer from the Oregon Health Authority for information technology professional service contract obligations. The transfer of funds from Cover Oregon is anticipated to be roughly \$8.2 million, premium assessments are anticipated at roughly \$21.2 million, and the transfer of funds from the Oregon Health Authority is anticipated at roughly \$13.2 million.

Summary of Transportation and Economic Development Subcommittee Action

DCBS is Oregon's largest business regulatory and consumer protection agency which administers state laws and rules to protect consumers and workers. The Department is involved in the regulation of workers' compensation, occupational health and safety, financial services, insurance companies/agents, and building codes.

The Subcommittee recommended \$244,399,283 Other Funds, \$197,626,507 Other Funds Nonlimited, and \$16,431,616 Federal Funds budget for 2015-17 is 8.7 percent higher than the legislatively approved spending level for the 2013-15 biennium. This subcommittee recommendation includes \$30,525,202 Other Funds expenditure limitation, as a separate appropriation, for the newly established Oregon Health Insurance Marketplace.

The Subcommittee approved the following recommendations:

Workers' Compensation NL Accts – 005

DCBS administers two reserves within its Operating Fund: the Self-Insured Employer Adjustment Reserve and the Self-Insured Employer Group Adjustment Reserve. These reserves are for the payment of claims from insolvent self-insured employers and are intended to protect injured workers who work for employers that choose to self-insure their workers' compensation liability.

The Subcommittee recommended funding this program at the current service level.

Workers' Benefit Fund – 006

The Workers' Benefit Fund supports a variety of programs that help injured workers and employers. DCBS administers two Nonlimited special payment accounts and five workers' compensation reserve programs within the Workers Benefit Fund.

- Package 803, Position Funding from Nonlimited to Limited, moves 11 positions (10.04 FTE) and \$2,029,088 Other Funds Nonlimited from the Workers Benefit Fund to Other Funds Limited in the Central Services Program. These positions are used for accounting and accounts receivable functions for certain premium assessments for Workers' Compensation Insurance, Insurance, and Health Insurance Marketplace programs. Costs of the positions are allocated to each program on a pro-rata basis and are funding from each program is transferred to the Central Services operating fund within the Consumer Business Services Fund.

Workers' Comp Board – 011-12

The Workers' Compensation Board is an independent adjudicatory agency within DCBS which ensures that Oregon workers, employers, and insurers have an efficient, effective, and expeditious mechanism by which to resolve disputes under the Workers' Compensation Act and the Oregon Safe Employment Act. The Board's proceedings remove disputes from the court system and into an administrative forum, allow for quick dispute resolution, and reduce prolonged and costly litigation.

The subcommittee recommended funding this program at Current Service Level.

Workers' Comp Division – 011-13

The Workers' Compensation Division administers, regulates, and enforces requirements to protect workers, provide medical care for injuries and diseases, and provide timely and accurate wage-replacement benefits. The division funds programs that help injured workers and employers.

- Package 101, Increase in Disability Disputes, provides \$131,312 Other Funds expenditure limitation and establishes one position (0.88 FTE). When an insurer closes a claim for a disability award, the award may be disputed. The appellate review program of the Workers' Compensation Division then has an eighteen day deadline for resolving the dispute (possible extension of up to 60 days if a medical arbiter exam is required). If the review of the dispute is not completed within the statutory time frame, the insurer's notice of closure is affirmed by default. In 2010, the agency processed 2,978 disputes with 16.00 FTE allocated to the review program. The Legislatively Adopted Budget for the 2011-2013 biennium removed 36 positions, 37.00 FTE from the Worker's Compensation Division, including six Compliance Specialist positions. Based on projections of an increased number of claims, DCBS projects a 10 percent increase in workload. The package includes the establishment of an additional Compliance Specialist position (0.88 FTE) to address the workload shortfall. The amount of the package reflects the cost of the position for 22 months due to a projected lag-time in hiring. However the position will be rolled-up to 1.00 FTE in subsequent biennia.
- Package 102, Workplace Safety and Health, transfers \$498,444 Other Funds revenue from the Workers' Compensation Division to OR-OSHA to fund the restoration of three permanent full-time positions (2.76 FTE).

OR OSHA – 011-15

The Oregon Occupational Safety and Health Division (OR-OSHA) helps ensure workplace safety. The division reduces the cost of workers' compensation insurance and indirect costs of injuries and illnesses. Its top priority is to achieve the lowest possible occupational injury, illness, and fatality rates through a full range of services and regulation, all of which are designated to encourage and enable employers and their workers pursue safe and healthy workplaces. OR-OSHA administers the Oregon Safe Employment Act and has regulatory authority over most Oregon employers.

- Package 102, Workplace Safety and Health, transfers \$498,444 Other Funds revenue from the Workers' Compensation Division to OR-OSHA to fund the restoration of three permanent full-time positions (2.76 FTE). This package increases the capacity of the Oregon OSHA program to perform enforcement inspections and safety consultations. The program had a reduction of 14 Occupational Safety Specialist and one Industrial Hygienist position in the 2011-13 budget due to reduced revenues related to the economic downturn. This reduction resulted in a decrease in the average annual enforcement inspection rate by 980 inspections. This package establishes two new Occupational Safety Specialists and one new Industrial Hygienist in the Occupational Safety and Health Division.
- Package 802, Federal Funds Expenditure Limitation, moves \$11,395,000 Other Funds expenditure limitation to Federal Funds expenditure limitation. In the past several biennia, DCBS has been recognizing and expending federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related expenditure limitation in the agency's budget and reestablishes that revenue and expenditure limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

Insurance – 014

The Insurance Division works to ensure financially strong insurance companies, legal and competitive insurance products, and savvy customers. It also works towards the affordability and availability of insurance products and that policy holders and claimants are treated fairly.

- Package 080, May 2014 Emergency Board, provides \$121,672 Other Funds expenditure limitation for the upward reclassification of two positions as approved by the Emergency Board. The Emergency Board action provided the agency with expenditure limitation for eleven months of the 2013-15 biennium (0.46 FTE for each position). However, the positions are full time and in the base budget at 1.00 FTE. This increased funding is required to fully fund the upward reclassifications of the existing positions because it is not captured in the current service level calculation.
- Package 081, September 2014 Emergency Board, provides a one-time Federal Funds expenditure limitation of \$923,206 and extends two existing limited duration positions by 12 months each (1.00 FTE). This package is for the September Emergency Board actions related to the Cycle IV Federal Rate Review grant. The original amount requested by the agency for the federal grant was \$1,179,000. The Emergency Board provided \$300,000 Federal Funds expenditure limitation in the 2013-15 biennium with the understanding that the unused balance would be established in the 2015-17 biennium. DCBS is projecting that it will expend \$255,794 Federal Funds in the 2013-15 biennium. This package establishes the remaining \$923,206 Federal Funds in the 2015-17 biennium and extends two existing limited duration positions by 12 months each (1.00 FTE). The expenditure limitation associated with this package should be phased out in the development of the agency's 2017-19 budget.
- Package 103, Market Regulation, provides \$199,079 Other Funds expenditure limitation and establishes one permanent full-time position (1.00 FTE). The Insurance Division has experienced an increase in workload during the past six years. The increase has required the agency to request additional positions for Consumer Advocacy, Market Regulation, and Rates and Forms programs. The May 2014 meeting of the Emergency Board approved a plan to repurpose and reclassify two existing positions to deal with the workloads of the Consumer Advocacy and Market Regulation programs and to establish a new, limited-duration Compliance Specialist position in the Rates and Forms program. The limited-duration positions were established and the agency was directed to ask for the position to be established as a permanent position during the budgeting process if the workload of the program continued. This package establishes that position.
- Package 801, LFO Analyst Adjustments, removes \$637,089 Federal Funds expenditure limitation from the Insurance Division. The current service level budget for the agency phases in the remaining Federal Funds expenditure limitation related to the Cycle II and Cycle III Rate Review grant funding that was anticipated to be unexpended at the end of the 2013-15 biennium. Subsequent to the development of the current service level, the agency determined that an extension for the Cycle II funds was not required; the funds are anticipated to be expended in the 2013-15 biennium, and therefore the associate expenditure limitation would not be required to be established in the 2015-17 biennium.
- Package 802, Federal Funds Expenditure Limitation, moves \$1,299,674 Other Funds expenditure limitation to Federal Funds expenditure limitation. In the past several biennia, DCBS has been recognizing and expending federal revenues as Other Funds. This package reduces

the Other Funds revenue from federal sources and the related expenditure limitation in the agency's budget and reestablishes that revenue and expenditure limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

OR Health Insurance Marketplace – SCR 015

The Oregon Health Insurance Marketplace is a newly established division within DCBS to administer the state health insurance exchange.

- Package 804, SB 1 – Health Insurance Marketplace, provides \$30,525,202 Other Funds expenditure limitation, establishes 11 permanent full-time positions (11.00 FTE) and 13 limited duration full-time positions (13.00 FTE) to provide the budgetary framework for the implementation of SB 1 (2015). The amounts included in the package reflect the best estimates of the available revenues and projected expenditures. The package intends to provide a high level of flexibility and capacity for DCBS to seamlessly transition the Health Insurance Marketplace into the agency's operation. However it is also assumed that actual expenditures, particularly IT professional service contracts and legal fees, may vary substantially and therefore, it is anticipated that the budget will be adjusted as necessary during the 2016 Legislative Session. Biennial revenues in the package assume a beginning balance transfer of \$8.24 million upon dissolution of Cover Oregon, premium assessment revenues of \$21.2 million, and a transfer of \$13.2 million from the Oregon Health Authority for information technology professional service contract obligations.

The Oregon Health Insurance Marketplace is comprised of the Marketplace function and the Call Center function. The package provides Other Funds expenditure limitation for thirteen limited duration positions (13.00 FTE) and associated Services and Supplies for the Call Center function and eleven permanent positions (11.00 FTE) in the Marketplace function. All of the Call Center positions and the majority of Marketplace functions are filled by incumbent employees and are budgeted using actual information. The package includes a revenue transfer of \$13,222,705 from the Oregon Health Authority for the payment of roughly 90 percent of the budgeted information technology professional services contract obligations assumed by DCBS from Cover Oregon. Exclusive of the OHA portion of IT professional service contracts, the biennial budget of the Marketplace program totals just over \$20 million with roughly \$3.54 million in budgeted one-time costs including \$1.0 million for tax credit estimate errors, \$900,000 for the move of IT equipment, and \$805,042 for lease termination costs for the Durham office complex.

The package includes Other Funds expenditure limitation of \$2,307,672 for marketing, publicity, or promotion during the biennium. It is the intent of the legislature that this is the maximum amount to be expended for this purpose prior to the submittal of the analysis and report on marketing and outreach efforts as required by budget note.

The package provides for an estimated ending fund balance of \$8,960,802. Based on the estimated ongoing expenditures of the program, this amount equates to approximately 12.7 months of operating reserves.

Finance and Corporate Securities – 016

The Division of Finance and Corporate Securities ensures a wide range of financial services and products are provided in a safe, sound, equitable, and fraud-free manner while promoting a favorable business climate for these institutions.

The Subcommittee recommended funding this program at the current service level.

Shared Services – 017

The Shared Services Division includes the Director's Office, Central Services, Employee Services, and the Communications Section.

- Package 802, Federal Funds Expenditure Limitation, moves \$217,025 Other Funds expenditure limitation to Federal Funds expenditure limitation. In the past several biennia, DCBS had been recognizing and expending federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related expenditure limitation in the agency's budget and reestablishes that revenue and expenditure limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.
- Package 803, Position Funding from Nonlimited to Limited, moves eleven positions (10.04 FTE) and moves \$2,029,088 Other Funds Nonlimited from the Workers Benefit Fund to Other Funds Limited in the Central Services Program. These positions are used for accounting and accounts receivable functions for certain premium assessments for Workers' Compensation Insurance, Insurance, and Health Insurance Marketplace programs. Costs of the positions are allocated to each program on a pro-rata basis and funding from each program is transferred to the Central Services operating fund within the Consumer Business Services Fund.
- Package 804, SB 1 – Health Insurance Marketplace, provides \$1,951,351 Other Funds expenditure limitation, establishes four permanent full-time positions (4.00 FTE) and six limited duration positions (3.00 FTE) to provide the budgetary framework for the implementation of SB 1 (2015). The amounts included in the package reflect the best estimates of the available revenues and projected expenditures. The package intends to provide a high level of flexibility and capacity for DCBS to seamlessly transition the Health Insurance Marketplace into the agency's operation.

This package establishes, in the Central Services program, four permanent positions (4.00 FTE) providing ongoing, direct fiscal and administrative support to the Health Insurance Exchange. In addition, five limited duration Information Specialist positions (2.50 FTE) and one limited duration Security Analyst position (0.50 FTE) are budgeted in the Central Services program to facilitate the transition of IT systems during the first year of the biennium. Including the Services and Supplies expenditures, additional expenditure limitation provided to the Central Services program in the package for the direct costs of the Health Insurance Marketplace total \$1,951,351. Although not included in the package, budgeted indirect costs of the agency, estimated at approximately \$1.2 million, will be charged against the Health Insurance Marketplace Fund due to the redistribution of the agency-wide administrative costs being allocated among all of the agency's operating programs.

Building Codes – 019

The Building Codes Division adopts construction codes for thirteen specialty areas, licenses trade workers and businesses, and oversees a statewide inspection system of local government services to protect property and building occupants. The division ensures safe and effective building construction while supporting a positive business climate.

- Package 108, Building Codes – Workload Increase, provides \$664,698 Other Funds expenditure limitation and makes permanent four limited duration positions (4.00 FTE). These positions were originally established as limited duration at the May 2014 meeting of the Emergency Board with the recommendation that DCBS include them as a policy package in its 2015-17 budget, to allow the full legislature the opportunity to review. The continuation of these positions will allow the Building Codes Division to respond timely to the increasing needs of its customers. With the passage of Senate Bill 582 (2013), the Building Codes Division is now the service provider for Harney County, Grant County, the Umatilla Indian Tribe, and parts of Curry and Union County. Additionally, Oregon is experiencing a growth in manufactured dwelling production, prefab construction, permit volumes, and construction employment, which are all driving the increased demand for services.
- Package 802, Federal Funds Expenditure Limitation, moves \$227,605 Other Funds expenditure limitation to Federal Funds expenditure limitation. In the past several biennia, DCBS has been recognizing and expending federal revenues as Other Funds. This package reduces the Other Funds revenue from federal sources and the related expenditure limitation in the agency’s budget and reestablishes that revenue and expenditure limitation as Federal Funds. This change enables the tracking of federal revenue to specific expenditure of Federal Funds.

The Subcommittee approved the following budget note:

Budget Note:

The budget for the Department of Consumer and Business Services includes funding for marketing and outreach efforts. DCBS is instructed to complete a plan and report on each of the publicity and publication campaigns either upcoming or implemented for the Health Insurance Marketplace Program. The plan and report must be completed and submitted to the Joint Committee on Ways and Means prior to the beginning of the 2016 Legislative Session. This plan and report must include at a minimum:

- A narrative description of each campaign;
- The total amount of biennial expenditures of each campaign;
- The goals and objectives of each campaign;
- The expected results of each campaign activity; and
- Identification of the quantitative measures that directly demonstrate the effectiveness of the campaign with respect to the goals of the campaign.

It is the intent of the Legislature that the information provided by the plan and report is to be used to formulate potential Key Performance Measures related to the expenditure of funds for publication, promotion, and outreach efforts undertaken by the agency.

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 5012-A

**Department of Consumer and Business Services
Dustin Ball -- 503-378-3119**

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 *	\$ -	\$ -	\$ 216,088,555	\$ 199,565,185	\$ 5,936,901	\$ -	\$ 421,590,641	923	914.18	
2015-17 Current Service Level (CSL)*	\$ -	\$ -	\$ 221,417,741	\$ 199,655,595	\$ 3,006,195	\$ -	\$ 424,079,531	919	911.93	
SUBCOMMITTEE ADJUSTMENTS (from CSL)										
SCR 006 - Workers' Benefit Fund										
Package 803: Position Funding from Nonlimited to Limited										
Personal Services	\$ -	\$ -	\$ -	\$ (1,739,674)	\$ -	\$ -	\$ (1,739,674)	-11	-10.04	
Services and Supplies	\$ -	\$ -	\$ -	\$ (289,414)	\$ -	\$ -	\$ (289,414)			
SCR 011-13 - Workers' Comp Devison										
Package 101: Increase in Disability Disputes										
Personal Services	\$ -	\$ -	\$ 122,293	\$ -	\$ -	\$ -	\$ 122,293	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 9,019	\$ -	\$ -	\$ -	\$ 9,019			
SCR 011-15 - OR OSHA										
Package 102: Workplace Safety and Health										
Personal Services	\$ -	\$ -	\$ 456,501	\$ -	\$ -	\$ -	\$ 456,501	3	2.76	
Services and Supplies	\$ -	\$ -	\$ 41,943	\$ -	\$ -	\$ -	\$ 41,943			
Package 802: Federal Funds Expenditure Limitation										
Personal Services	\$ -	\$ -	\$ (11,333,910)	\$ -	\$ 11,333,910	\$ -	\$ -	0	0.00	
Services and Supplies	\$ -	\$ -	\$ (61,090)	\$ -	\$ 61,090	\$ -	\$ -			
SCR 014 - Insurance Division										
Package 080: May 2014 E-Board										
Personal Services	\$ -	\$ -	\$ 121,672	\$ -	\$ -	\$ -	\$ 121,672	0	0.00	
Package 081: September 2014 E-Board										
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 496,883	\$ -	\$ 496,883	0	1.00	
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 426,323	\$ -	\$ 426,323			
Package 103: Market Regulation										
Personal Services	\$ -	\$ -	\$ 190,331	\$ -	\$ -	\$ -	\$ 190,331	1	1.00	
Services and Supplies	\$ -	\$ -	\$ 8,748	\$ -	\$ -	\$ -	\$ 8,748			
Package 801: LFO Analyst Analyst Adjustments										
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ (637,089)	\$ -	\$ (637,089)	0	0.00	
Package 802: Federal Funds Expenditure Limitation										
Personal Services	\$ -	\$ -	\$ (654,759)	\$ -	\$ 654,759	\$ -	\$ -	0	0.00	
Services and Supplies	\$ -	\$ -	\$ (644,915)	\$ -	\$ 644,915	\$ -	\$ -			

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 015 - OR Health Insurance Marketplace									
Package 804: SB1 - Health Insurance Marketplace									
Personal Services	\$ -	\$ -	\$ 5,746,028	\$ -	\$ -	\$ -	\$ 5,746,028	24	24.00
Services and Supplies	\$ -	\$ -	\$ 23,779,174	\$ -	\$ -	\$ -	\$ 23,779,174		
Special Payments	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000		
SCR 017 - Central Services									
Package 802: Federal Funds Expenditure Limitation									
Personal Services	\$ -	\$ -	\$ (200,792)	\$ -	\$ 200,792	\$ -	\$ -	0	0.00
Services and Supplies	\$ -	\$ -	\$ (16,233)	\$ -	\$ 16,233	\$ -	\$ -	0	0.00
Package 803: Position Funding from Nonlimited to Limited									
Personal Services	\$ -	\$ -	\$ 1,739,674	\$ -	\$ -	\$ -	\$ 1,739,674	11	10.04
Services and Supplies	\$ -	\$ -	\$ 289,414	\$ -	\$ -	\$ -	\$ 289,414		
Package 804: SB1 - Health Insurance Marketplace									
Personal Services	\$ -	\$ -	\$ 1,661,499	\$ -	\$ -	\$ -	\$ 1,661,499	10	7.00
Services and Supplies	\$ -	\$ -	\$ 289,852	\$ -	\$ -	\$ -	\$ 289,852		
SCR 019 - Building Codes									
Package 108: Building Codes, Workload Increase									
Personal Services	\$ -	\$ -	\$ 587,714	\$ -	\$ -	\$ -	\$ 587,714	4	4.00
Services and Supplies	\$ -	\$ -	\$ 76,984	\$ -	\$ -	\$ -	\$ 76,984		
Package 802: Federal Funds Expenditure Limitation									
Personal Services	\$ -	\$ -	\$ (202,523)	\$ -	\$ 202,523	\$ -	\$ -		
Services and Supplies	\$ -	\$ -	\$ (25,082)	\$ -	\$ 25,082	\$ -	\$ -		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 22,981,542	\$ (2,029,088)	\$ 13,425,421	\$ -	\$ 34,377,875	43	40.64
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 244,399,283	\$ 197,626,507	\$ 16,431,616	\$ -	\$ 458,457,406	962	952.57
% Change from 2013-15 Leg Approved Budget	0.0%	0.0%	13.1%	-1.0%	176.8%	0.0%	8.7%		
% Change from 2015-17 Current Service Level	0.0%	0.0%	10.4%	-1.0%	446.6%	0.0%	8.1%		

Legislatively Approved 2015-2017 Key Performance Measures

Agency: CONSUMER & BUSINESS SERVICES, DEPARTMENT of

Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - PERFORMANCE OF FINANCIAL SERVICE ENTITIES - Percentage of financial services entities rated satisfactory or		Approved KPM	83.30	77.00	77.00
2 - INSURANCE CONSUMER RELIEF – Percent of confirmed complaints resolved with relief for the consumer.		Approved KPM	76.10	75.00	75.00
3 - OCCUPATIONAL INJURY AND ILLNESS INCIDENCE RATES Number of occupational injury and illness cases per 100 full-time workers.		Approved KPM	4.10	4.30	4.20
4 - TIMELY WORKER BENEFITS Percent of injured workers who receive timely benefits from insurers.		Approved KPM	90.70	93.00	93.00
5 - ACCURATE WORKER BENEFITS Percent of injured workers who receive accurate benefits from insurers.		Approved KPM	72.00	95.00	95.00
6 - REEMPLOYMENT FOR INJURED WORKERS Difference in percentage of eligible workers who return to work using return-to-work programs from those who do not use return-to-work programs.		Approved KPM	8.40	11.00	11.00
7 - WAGE RECOVERY FOR INJURED WORKERS Difference in percentage wage recovery for workers who use return-to-work programs versus workers who do not.		Approved KPM	13.60	13.00	13.00
8 - WORKERS' COMPENSATION COVERAGE Number of claims against employers without workers' compensation coverage per 1,000 accepted disabling claims.		Approved KPM	1.90	3.00	3.00
9 - WORKERS' COMPENSATION INSURER PERFORMANCE - Percentage of workers' compensation insurers meeting standards for benefit delivery and reporting.		Approved KPM	82.30	85.00	85.00
10 - UPHELD WORKERS' COMPENSATION DECISIONS Percent of Workers' Compensation Board decisions affirmed on appeal to the Judiciary.		Approved KPM	92.60	96.00	96.00

Agency: CONSUMER & BUSINESS SERVICES, DEPARTMENT of

Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
11 - PERMITS FOR MINOR CONSTRUCTION WORK Number of building permits that can be used by contractors in multiple jurisdictions for minor construction work.		Approved KPM	65,910.00	61,450.00	65,000.00
12 - ON-TIME WORK: Percent of timelines for key department activities that are met.		Approved KPM	86.50	95.00	95.00
13 - E-TRANSACTIONS FOR CUSTOMERS Percent of customer transactions completed electronically.		Approved KPM	58.10	62.50	65.00
14 - 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	89.60	90.00	90.00
14 - 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	85.50	90.00	90.00
14 - 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	90.70	90.00	90.00
14 - 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	89.30	90.00	90.00
14 - 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	88.70	90.00	90.00
14 - 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	87.10	90.00	90.00

LFO Recommendation:

Approve the Key Performance Measures and Targets as Presented

Sub-Committee Action:

The Subcommittee approved the key performance measures as recommended by LFO