

## ANALYSIS

### Item 89: Board of Examiners for Speech-Language Pathology and Audiology Increased Licensee and Caseload Costs

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**Analyst:** Haylee Morse-Miller

**Request:** Approve increased Other Funds expenditure limitation of \$107,000 for increased legal costs and licensing expenses.

**Analysis:** The Board of Speech-Language Pathology and Audiology (BSPA) requests increased Other Funds expenditure limitation of \$107,000 due to higher than anticipated legal fees and licensing costs. Over the past two years, licensee numbers have increased by nearly 24%, and the increase in licensees has led to additional Board expenses, which include:

- \$65,000 for increased Department of Justice (DOJ) legal expenses. The Board was previously on a flat rate program for legal costs, but now pays for actual hours billed by their assigned DOJ Assistant Attorney General. The Board notes that with increased licensee numbers, they have seen more cases, and have had several complex cases this biennium.
- \$25,000 for Oregon State Police (OSP) background checks. Licensees pay a fee to BSPA for background checks on license application/renewal and these funds are “passed through” the agency to OSP.
- \$17,000 in bank fees, largely due to credit card processing costs driven by the increase in the number of licensees.

BSPA’s revenues for the 2021-23 biennium are projected to be close to \$250,000 over the revenues included in the 2021-23 Legislatively Adopted Budget, which is sufficient to support this request. If this request is approved, additional expenditure limitation for legal expenses and licensing fees is intended to be included as part of the agency’s 2023-25 budget request.

The Board requires an ending balance of at least five months of operating reserves, since the bulk of the Board’s biennial operating revenue is received in November and December of odd-numbered years. This is because licenses are renewed by December 31 of each odd-numbered year; license renewals are responsible for 90% of the Board’s revenue. At this point in the 2023-25 budget process, the Legislative Fiscal Office estimates that the Board will end the 2023-25 biennium with approximately five months of operating reserves if this request is approved, and licensee growth continues at a conservative rate. The agency may need to look at a fee increase for the 2025-27 biennium.

**Recommendation:** The Legislative Fiscal Office recommends that the Emergency Board increase Other Funds expenditure limitation by \$107,000 for the Board of Speech-Language Pathology and Audiology to pay for increased legal and licensing expenses.

Board of Examiners for Speech-Language Pathology and Audiology  
Michelson

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**Request:** Increase Other Funds expenditure limitation for the Oregon State Police (OSP) background checks (\$25,000), bank fees due to an increase in license applicants (\$17,000), and Department of Justice (DOJ) expenses due to increased caseload (\$65,000).

**Recommendation:** Approve the request.

**Discussion:** The Board of Examiners for Speech-Language Pathology and Audiology (BSPA) is requesting a total increase of \$107,000 Other Funds expenditure limitation to address a large increase in the number of applicants leading to increased OSP background checks and bank fees as well as an increased DOJ caseload.

BSPA utilizes OSP to run background checks on all applicants seeking Oregon licensure and has seen a steady increase in the number of license applications over the past several biennia. However, within the past two biennia alone, BSPA has seen a substantial increase of 24 percent, half of which are providers residing in other states offering services in Oregon via tele-practice. Due to the unanticipated increase in the number of applicants for Oregon licensure, BSPA has seen a rise in the cost for OSP's background checks and the bank fees collected when applicants apply for licensure or renewal online. Additionally, BSPA has experienced a surge in DOJ expenses due to the complexity of cases requiring DOJ's insight and an increase in caseload related to the number of licensees.

**Legal Reference:** Increase Other Funds expenditure limitation established by chapter 504, section 5, Oregon Laws 2021, for the Board of Examiners for Speech-Language Pathology and Audiology by \$107,000 for the 2021-23 biennium.



# Oregon

Kate Brown, Governor

**Board of Examiners For  
Speech-Language Pathology & Audiology  
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**August 22, 2022**

Senator Peter Courtney, Co-Chair  
Representative Dan Rayfield, Co-Chair  
Joint Emergency Board  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301

Dear Co-Chairs:

## **Nature of the Request**

The Board of Examiners for Speech-Language Pathology and Audiology (BSPA) is appearing before the Emergency Board to request increased Other Funds expenditure limitation of \$107,000 due to increased legal costs, background check fees and credit card fees.

## **Agency Action**

BSPA's licensee numbers have increased a consistent 13% per biennia since at least 2015. As of August 1, 2022, there are 3,510 active licensees. As of four years ago, there were 2,824, which represents a 24% increase over two biennia. License renewals were strong during the last biennial renewal period, and there is a large increase in the number of new licensees. Fifty-five percent of those new licensees are practicing in Oregon from other states via telepractice, and we expect that trend to continue. Oregon has historically had a shortage of licensed speech-language pathologists and audiologists to fill the needs of schools, hospitals and clinics, so it is positive that the numbers are increasing substantially. However, new and renewing licensees must pay various fees, including bank fees and a fee for Oregon State Police (OSP) background checks, which are then passed through the BSPA budget to our credit card processing vendor and OSP. The unanticipated increase in licensees has caused BSPA to exceed our budgeted expenditure limitation for these expenditures.

Additionally, legal costs for the 2021-23 biennium are nearly double that of the 2019-21 biennium. The Department of Justice (DOJ) discontinued their flat fee program this biennium, and BSPA now pays our DOJ Assistant Attorney General (AAG) based on actual billable hours; simultaneously, the Board's caseload has grown substantially.

To support some of these increased costs, the Board has curtailed travel and in-person board meetings. The three full-time staff have absorbed the additional work (licensure and investigation caseloads), and the executive director has taken on more work negotiating cases to minimize use of the AAG. We expect these increased costs to continue into future biennia. However, due to

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strong and consistently growing licensure numbers, we forecast there will be sufficient revenue to support a healthy ending balance of at least five months of operating reserves.

### **Action Requested**

BSPA requests additional Other Funds expenditure limitation of \$107,000:

- \$25,000 for Oregon State Police (background checks) and \$17,000 in bank fees due to a large increase in the number of license applicants;
- \$65,000 for DOJ legal expense increase due to elimination of flat fee program and large caseload.

### **Legislation Affected**

Increase Other Funds expenditure limitation established by Chapter 504, Section 5, Oregon Laws 2021, for the Board of Speech-Language Pathology and Audiology by \$107,000 for the 2021-23 biennium.

Sincerely yours,



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Erin K. Haag  
Executive Director  
Oregon Board of Examiners for Speech-Language Pathology & Audiology  
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