

Health Related Licensing Boards

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|---|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 5,760,500 | 7,488,030 | 7,710,936 | 8,554,547 | 3,947,461 |
| Total Funds | 5,760,500 | 7,488,030 | 7,710,936 | 8,554,547 | 3,947,461 |
| Positions | 22 | 24 | 24 | 23 | 23 |
| FTE | 20.56 | 23.00 | 23.00 | 22.00 | 10.64 |
| * Includes Emergency Board and administrative actions through January 2021. | | | | | |

Program Description

The Health Related Licensing Boards (HRLB) consists of six independent boards: (1) Oregon Mortuary and Cemetery Board; (2) Board of Naturopathic Medicine; (3) Occupational Therapy Licensing Board; (4) Oregon Board of Medical Imaging; (5) Board of Examiners for Speech-Language Pathology and Audiology; and (6) the Veterinary Medical Examining Board. The Boards are combined into one agency for budgetary reporting; however, each Board operates independently and has a separate expenditure limitation that is approved by the Legislature.

CSL Summary and Issues

The current service level (CSL) budget includes statewide adjustments for payroll expenses and standard inflation.

Policy Issues

For cash flow purposes, each board requires at least a three to six-month operating reserve ending balance. Four of the boards do not meet this requirement and submitted Revenue Shortfall packages and subsequent fee increase packages to stabilize their revenue stream and ensure an ending balance sufficient to cover costs of operations, personnel increases, and contingencies.

In the previous three biennia, with the hope of retaining autonomy while realizing savings, the HRLBs opted to share a position, originally approved as an accountant series position. It was later decided that an accountant was not appropriate, and a fiscal analyst was hired. The HRLBs hired several fiscal analysts who later left the agency, leaving the HRLBs to seek immediate assistance from DAS Share Financial Services (SFS) during the 2017-19 biennium. This move left discord between some directors who wanted to remain independent from DAS. Some directors wish to continue to look for other options going forward, including interagency agreements with other licensing boards to develop HR and budgetary protocols apart from DAS. Because there is no clear path to resolve disagreements among co-equal directors, issues such as this have resulted in the lack of a unified voice for the good of the HRLBs, as a whole.

The Governor's budget proposed all six boards continue currently established oversight roles, however, be transferred to Oregon Health Authority's Health Licensing Office for coordination of services and administrative efficiency by July 1, 2022.

State Mortuary and Cemetery Board

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|---|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 1,922,723 | 2,343,995 | 2,405,424 | 2,680,688 | 1,392,291 |
| Total Funds | 1,922,723 | 2,343,995 | 2,405,424 | 2,680,688 | 1,392,291 |
| Positions | 7 | 7 | 7 | 7 | 7 |
| FTE | 7.00 | 7.00 | 7.00 | 7.00 | 3.50 |
| * Includes Emergency Board and administrative actions through January 2021. | | | | | |

Program Description

The mission of the Oregon Mortuary and Cemetery Board (OMCB) is to protect public health, safety, and welfare by fairly and efficiently performing its licensing, inspection, and enforcement duties of individuals and facilities in the death care industry. The death care industry refers to the practice of individuals and facilities engaged in the care, preparation, processing, transportation, and final disposition of human remains. Board licensees include funeral service practitioners (e.g. embalmers, apprentices, interns, pre-need sales professionals) and funeral establishments (e.g. funeral establishments, immediate disposition companies, alternative disposition facilities, cemeteries, and crematories). The Board promotes professional behavior and standards in all facets of the Oregon death care industry by maintaining constructive relationships with licensees and those they serve, as well as others with an interest in the Board's activity. The eleven-member Board, appointed by the Governor, is composed of two funeral service practitioners, one embalmer, three cemetery representatives, one crematory operator, and four public members, with one public member from an association representing older adults. The seven-member staff consists of an executive director, a licensing manager, an education and compliance manager, two inspectors, an investigator, and an administrative specialist.

The Board is funded solely by Other Funds revenue from license and examination fees and a \$14 portion of the \$20 death certificate filing fee. Individual and facility licenses renew in alternate years of the biennium and death filing fees are billed monthly to death care facilities. For cash flow purposes, the Board requires at least a six-month operating reserve ending balance, due to the license renewal cycle. Revenues have remained steady, though the licensee count has decreased since the 2013-15 biennium. The agency has been able to keep their revenue stream high by carrying over a significant ending balance for the last two biennia.

In addition to the Board's general operations expenses, the death certificate filing fee funds the Indigent Disposition Program (IDP). Per statute, \$6 of the \$20 death filing fee collected are required to be used for the IDP Fund. Established in 1993, the Oregon Indigent Disposition Program provides licensed funeral establishments an opportunity to seek reimbursement from the Board for the costs (not to exceed \$500 per deceased individual) that they incur while taking care of the final disposition of unclaimed indigent bodies. Prior to the 1993 legislation, the responsibility for paying for indigent disposition fell solely to the county. In 2015, the Oregon Legislature reworked the requirements of

the program, moving management from the Oregon Health Authority Public Health Division to OMCB. The Board initiated a review of the IPD fund and determined that there is an average increase of 100 IPD claims per year, which will continue to stress the fund and deplete reserves. The Board created a subcommittee to investigate all facets of the program to determine its long-term viability and any legislative solutions to consider.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$2,680,688 Other, seven positions, and 7.00 FTE. The current service level budget is \$275,264, or 11.4%, more than the 2019-21 legislatively approved budget. The current service level (CSL) budget includes statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has an ending balance of \$923,874 Other Funds, which is an equivalent of 8.3 months of operating expenses.

Policy Issues

The Board's requested budget includes:

- Policy Option Package 101: The Board submitted a Legislative Concept, and corresponding policy packages, to increase the death filing fee from \$20 to \$30 to stabilize the Indigent Disposition Program. The last time this fee was raised was in 2009. Currently, the Oregon Health Authority Public Health Division collects a filing fee of \$20 for each report of death and allocates \$6 to the IDP fund, and \$14 to OMCB's operations. If the fee increase is approved by the Legislature, \$16 will be allocated to the IDP fund, and \$14 to OMCB's operations. The fee increase is anticipated to raise an additional \$971,831 Other Funds in revenues in the 2021-23 biennium. The legislative concept also creates a new fund independent of the Board's general operating funds to delineate IDP funds from OMCB's operations funds.
- Policy Option Package 102: Increase expenditure limitation by \$555,500 for the IDP program if fee increase is approved.
- Policy Option Package 103: Increase expenditure limitation by \$61,760 to allow inspectors to travel throughout the state to complete facilities inspections. During the 2019-21 biennium, OMCB added another inspector but did not factor in travel expenses.

In addition to savings realized through vacancy savings, the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes approval of Packages 101 and 103, as well as:

- A modified Policy Option Package 102 to increase expenditure limitation by \$150,000 for the IDP program if fee increase is approved.
- A proposal to fund the Board for one year and transferring all funding, revenues, and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Other Significant Issues and Background

- The Board is required by statute to perform physical inspections every biennium of licensed death care facilities in the state. These inspections ensure death care providers are held accountable for protecting public health, while records inspections ensure providers are held accountable for training apprentices, documenting care performed, and maintaining contracts for pre-purchased services.

Due in part to a ten-month vacancy in the inspector position, inspections of licensed death care facilities did not occur for over a year, from September 2018 to January 2020. Before there was a vacancy in the inspector role, the Board raised concerns whether a single inspector was sufficient to ensure inspections of facilities across the state. Beginning in the 2019-21 biennium, a second inspector position was added to increase capacity for inspections. After the first inspector was hired, the Board began updating its various facility inspection checklists and procedures to ensure they encompassed all compliance requirements. Inspection checklist updates were finalized in January and February 2020 and inspections of facilities resumed. However, the Board was only able to conduct 73 inspections before March 2020, when the COVID-19 pandemic affected the operation of facilities and inspectors' ability to travel. As of March 2020, 94% of facilities in Oregon require inspection. In addition, the Secretary of State's December 2020 audit found that 70% of the inspected facilities had a deficiency of some kind identified in their most recent inspection. With the lapse in inspections, it is likely these deficiencies have gone unaddressed.

- The Secretary of State's December 2020 audit found the Board did not adhere to state policies regarding travel reimbursements and SPOTS cards.
- The Secretary of State's audit also found that the Board has not established a mechanism to track the activities of the Indigent Disposition Program which could result in revenues being used to supplement operations out of compliance with statute.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OMCB_2020.pdf

Oregon Board of Naturopathic Medicine

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|--------------------|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 831,172 | 1,166,035 | 1,207,655 | 1,134,984 | 511,817 |
| Total Funds | 831,172 | 1,166,035 | 1,207,655 | 1,134,984 | 511,817 |
| Positions | 3 | 4 | 4 | 3 | 3 |
| FTE | 3.00 | 4.00 | 4.00 | 3.00 | 1.38 |

* Includes Emergency Board and administrative actions through January 2021.

Program Description

The mission of the Board of Naturopathic Medicine is to protect the public by licensing and regulating Naturopathic physicians and certifying practitioners qualified to perform natural childbirth. The seven-member Board, appointed by the Governor, is composed of five licensed Naturopathic physicians and two public members. The Board determines the qualifications and fitness of applicants for licensure; establishes standards of professional responsibility, practice, and continuing education for licensees; and conducts hearings on complaints concerning violations of those standards to determine the appropriate sanction when a violation is found. The Board administers state jurisprudence and formulary exams twice per year, in coordination with the two national licensing exams held annually. The Board also offers the licensing exams two other times a year for those qualified and needing only to take and pass the state exams. Renewals for licensure also require continuing education hours, which recently changed in 2018 from 50 hours per year to 32 hours per year, including 10 hours in pharmacy and two hours in one of the following: ethics, cultural competency, or suicide prevention. The Board is receiving a greater than ever number of inquiries from the public regarding naturopathic medicine as an alternate primary healthcare. Americans are seeking naturopathic physicians (ND) for their primary health care, with a resulting increase in practicing physicians. There are currently seven accredited colleges, with new schools seeking accreditation through the Council on Naturopathic Medical Education (CNME).

The Board is funded solely by Other Funds revenue primarily from license, certification, and examination fees. The Board's last fee increase was in 2011. The Board operates on an annual licensure renewal cycle with the majority of active licenses renewed in November and December of a calendar year. For cash flow purposes, the Board requires an ending balance equivalent to approximately six months of operating expenses due to the license renewal cycle. While the active license base has seen steady increases, it is not enough to cover inflationary costs over the next biennium.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$1,134,984 Other Funds, three positions, and 3.00 FTE. The current service level budget is (\$72,671), or 6.1%, less than the 2019-21 legislatively approved budget. The current service level (CSL) budget includes

statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has an ending balance of \$130,384, an equivalent of approximately 2.8 months of operating expenses.

Policy Issues

The Board's requested budget includes:

- Revenue Shortfall package to reduce Professional Services expenditures by \$40,000 to address the Board's inadequate ending balance. With this package, the Board has an ending balance of \$170,384, an equivalent of approximately 3.74 months of operating expenses.
- Policy Option Package 104 to increase annual licensure fees by \$50 to increase the Board's ending balance and offset costs associated with higher inflation from data processing, State Government Service Charges, and Attorney General fees.

In addition to savings realized through the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes package 104 and:

- A reduction to Personal Services by (\$49,968) Other Funds and (0.25 FTE) to address the revenue shortfall and ensure the Board has sufficient funds and ending balance in the 2021-23 biennium.
- A proposal to fund the Board for one year and transferring all funding, revenues, and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Other Significant Issues and Background

The Board is introducing two legislative concepts:

- Authorizes the Board to require a licensee to undergo a mental, physical, chemical dependency, or competency evaluation.
- Modifies grounds for discipline.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OBNM_2020-10-08.pdf

Occupational Therapy Licensing Board

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|---|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 427,315 | 619,842 | 639,452 | 767,275 | 334,104 |
| Total Funds | 427,315 | 619,842 | 639,452 | 767,275 | 334,104 |
| Positions | 2 | 2 | 2 | 2 | 2 |
| FTE | 1.50 | 1.75 | 1.75 | 1.75 | 0.75 |
| * Includes Emergency Board and administrative actions through January 2021. | | | | | |

Program Description

Established in 1977, the mission of the Occupational Therapy Licensing Board (OTLB) is to protect the public by supervising occupational therapy practice and assuring safe and ethical delivery of occupational therapy services in Oregon. The five-member Board, appointed by the Governor, consists of three licensed occupational therapists and two public members. The Board develops policy and sets standards of practice; reviews applications and issues licenses to qualified applicants; investigates complaints; takes appropriate disciplinary action when violations are found to have occurred; and monitors and enforces continuing education requirements.

The Board is funded solely by Other Funds received from license application and reinstatement of licensure fees, renewal fees, limited permit fees, civil penalties, and the sale of licensee lists, as allowed by law, and interest. The Board absorbs the costs of a mandatory \$4 per license renewal fee for workforce data collection paid through a “revenue transfer” to the Oregon Health Authority.

The practice of occupational therapy in Oregon continues to grow, judging from the increased demand at higher educational schools of occupational therapy in Oregon, including the Occupational Therapy Assistant School at Linn-Benton Community College, and the addition of a doctorate program at the Pacific University School of Occupational Therapy. Additionally, according to the Oregon Healthcare Workforce Needs Assessment, employment growth for occupational therapists is approximately 20 percent, making it one of the fastest growing health care professions. As the number of licenses issued continues to increase, additional resources will be required to ensure applications, renewals, and background checks are completed on a timely basis.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$767,275 Other Funds, two positions, and 1.75 FTE. The current service level budget is \$127,823, or 19.9%, more than the 2019-21 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has an ending balance of \$88,018, an equivalent of approximately 2.7 months of operating expenses

Policy Issues

The Board's requested budget includes:

- Revenue Shortfall Package to address the Board's inadequate ending balance, this package reduces Personal Services expenditures by (\$54,377) Other Funds and (0.10 FTE). With this package, the Board has an ending balance of \$142,395, an equivalent of approximately 4.79 months of operating expenses.
- Policy Package 105 to increase annual licensure fees by \$50 to provide sufficient funds to maintain a three to six-month operating balance. While the active license base has seen steady increases, it is not enough to cover inflationary costs over the next biennium. If the fee increase is approved, the revenue gain would increase the ending balance by approximately \$100,000, sufficient to cover costs for future biennia. The Board has historically been conservative in expenditure increases as well as in increasing fees on their license base. The Board has twice reduced the occupational therapist and occupational therapist assistant two-year renewal fees, over the past 12 years.

In addition to savings realized through the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes package 105 and:

- A reduction of Personal Services by (\$30,618) Other Funds and (0.15 FTE) of an Administrative Specialist 2 position to address the revenue shortfall and ensure the Board has sufficient funds and ending balance in the 2021-23 biennium.
- A proposal to fund the Board for one year and transferring all funding, revenues, and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Pandemic

The Board has witnessed peaks and valleys over the past 10 years with an increase in total licensure by 40 percent, peaking at over 3,000 practitioners early in 2020. However, starting in April 2020 renewals dropped dramatically by 22 percent to about 2,400 licensees, due in part to the outbreak of COVID-19 causing some therapists to retire earlier than originally planned. As the lingering effects of COVID-19 continue, it is unknown how the pandemic will impact initial applicants and the renewal of licenses. In the last two years, 80 percent of new licenses were from out of state, and due to COVID-19, the Board anticipates fewer licensees will want to travel indicating there will be fewer new applications and less overall growth.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OTLB_2020-07-16.pdf

Board of Medical Imaging

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|---|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 904,834 | 1,175,429 | 1,211,640 | 1,407,326 | 527,791 |
| Total Funds | 904,834 | 1,175,429 | 1,211,640 | 1,407,326 | 527,791 |
| Positions | 3 | 4 | 4 | 4 | 4 |
| FTE | 3.00 | 3.50 | 3.50 | 3.50 | 1.63 |
| * Includes Emergency Board and administrative actions through January 2021. | | | | | |

Program Description

The mission of the Oregon Board of Medical Imaging (OBMI) is to promote, preserve, and protect the public health, safety, and welfare of Oregonians undergoing medical imaging studies performed by licensees for the purpose of medical diagnosis and therapy. The twelve-member Board, appointed by the Governor, is composed of four licensed physicians who represent different medical specialties (at least one radiologist and at least one licensed medical imaging specialist), three public members, and one member from each of the five major medical imaging modalities (MRI technology, nuclear medicine technology, radiation therapy, radiology therapists, and limited x-ray machine operators (LMXO)). The Board licenses nuclear medicine technologists, sonographers, MRI technologists, diagnostic or therapeutic technologists, and diagnostic technicians; administers limited permit examinations for radiologic technicians to determine initial competence to practice; approves continuing education offerings to assure continuing competence; and defines and enforces the scope of practice for all licensees.

The Board is funded by Other Funds primarily from revenues for limited scope examinations, as well as initial licensing and renewal application fees charged to temporary and permanent medical imaging technologists from the following modalities: MRI, nuclear medicine, radiation therapy, radiography, sonography, and limited X-ray machine operators (LXMO). Minor additional revenue sources include late fees, civil penalty fees, and interest. Initial license and license renewal fees account for over 90 percent of OBMI's revenue. Currently, there are over 6,000 individuals with a two-year permanent license or limited x-ray permit. Over the past eight years, the total number of permanent licenses has increased by over 50 percent largely due to 2009 legislation that added a state licensure requirement for sonography, MRI, and nuclear medicine.

The Board also collects a pass-through fee for the Oregon Health Authority's required Workforce Data Survey. This fee is collected at the time the Board collects other license renewal fees and is currently \$4.00 per licensee. A license or permit expires biennially on the first day of the birth month of the licensee.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$1,407,326 Other Funds, four positions, and 3.50 FTE. The current service level budget is \$195,686, or 16.2%, more than the 2019-21 legislatively approved budget. The current service level (CSL) budget includes statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has a negative ending balance of (\$297,137), which is an equivalent of 5.1 months of operating expenses.

Policy Issues

The Board's requested budget includes:

- Revenue Shortfall Package to reduce expenditures by (\$297,137) Other Funds and (0.25) FTE. This reduction still leaves the Board with an ending balance of zero.
- Policy Package 106 to increase annual licensure fees to provide sufficient funds to maintain a three to six-month operating balance. OBMI has not had a fee increase in over 10 years and was initially on track to raise fees early in the 2019-21 biennium. However, due to a transition in agency directors, the administratively approved fee increase has been delayed until January 1, 2021. While the active license base has seen steady increases, it is not enough to cover inflationary costs over the next biennium. If the fee increase is ratified by the Legislature, the revenue gain would increase the ending balance by approximately \$581,760, sufficient to cover costs for future biennia.

In addition to savings realized through the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes approval of package 106 and a proposal to fund the Board for one year and transferring all funding, revenues and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OBMI_2020.pdf

State Board of Examiners for Speech-Language Pathology and Audiology

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|---|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 611,106 | 979,115 | 986,701 | 1,192,111 | 524,135 |
| Total Funds | 611,106 | 979,115 | 986,701 | 1,192,111 | 524,135 |
| Positions | 3 | 3 | 3 | 3 | 3 |
| FTE | 2.31 | 3.00 | 3.00 | 3.00 | 1.50 |
| * Includes Emergency Board and administrative actions through January 2021. | | | | | |

Program Description

The mission of the Board of Examiners for Speech-Language Pathology and Audiology (BSLPA) is to protect the public by licensing and regulating the performance of Speech-Language Pathologists (SLP), Speech-Language Pathology Assistants (SLPA), and Audiologists (AUD). The Board regulates the professional practice of speech-language pathology and audiology through ongoing monitoring of licensees, including investigating professional competence and conduct. The seven-member Board, appointed by the Governor, consists of two audiologists, two licensed SLPs, one medical doctor who holds Board certification from the American Board of Otolaryngology, and two public members.

The Oregon Board of Speech-Language Pathology and Audiology is supported solely by Other Funds. Licensing fees are about 90 percent of revenue, with the remainder provided through delinquent fees, civil penalties, interest income, and sales of mailing lists. Licensing fees are paid on a biennial basis by active SLPs, SLPAs and AUDs, individuals dually licensed in both SLP and AUD pay only a single fee. Delinquent fees are levied on licensees who are late in renewing, re-activating after a lapse, and for other reasons specified in Board rules. All regular licenses must be renewed by December 31 of odd numbered years to be considered timely. This creates a very uneven revenue cycle with 90 percent of BSPA's revenue historically realized in November/December/January of each new biennia.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$1,192,111 Other Funds, three positions, and 3.00 FTE. The current service level budget is \$205,410, or 20.8%, more than the 2019-21 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has a negative ending balance of (\$96,415), which is equivalent of (1.9) months of operating expense.

Policy Issues

The Board's requested budget includes:

- Revenue Shortfall Package to reduce expenditures by (\$117,997) Other Funds to increase savings. With this reduction, the Board has an ending balance of \$21,582, which is equivalent of only 0.48 month of operating expense. BSLPA generally requires five to seven months of operating reserve.
- Policy Option Package 107 to increase annual licensure fees to provide sufficient funds and ending balance. The Board has been able to maintain the current fee structure since 2013. If the fee increase is approved, the revenue gain would increase the ending balance by approximately \$120,000, sufficient to cover costs for future biennia.

In addition to savings realized through the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes approval of package 107 and proposal to fund the Board for one year and transferring all funding, revenues and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Other Significant Issues and Background

The total number of licensees as of July 2018 was 2,771, and has increased to 3,058 as of July 2020, representing a 10 percent increase. The trend of licensees increasing by approximately 10 percent each biennium has held true over the past 15 years and is expected to continue. Disciplinary and compliance cases have increased on par with the increases in licensure. From 2004 through 2008, the Board investigated approximately 20 cases per year. In 2009, there was a jump to 41 cases and in 2011, the Board logged 100 case investigations. The Board opened 86 case investigations in 2017, 56 in 2018, and 74 in 2019. Due to the COVID-19 pandemic and the subsequent closure of schools and clinics, the Board anticipated a decrease in case openings, however, that has not proven correct for 2020.

The Board has submitted a legislative concept to add a position to its Board. The Board determined that it does not have proper representation of a speech-language pathology assistant (SLPA). The Board is proposing to add an eighth member to assist with a higher volume of complaints from SPLA practitioners. This action will have a minor fiscal impact on Board expenditures.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_BSLPA%209.30.20.pdf

Oregon State Veterinary Medical Examining Board

| | 2017-19 Actual | 2019-21 Legislatively Adopted | 2019-21 Legislatively Approved * | 2021-23 Current Service Level | 2021-23 Governor's Budget |
|--------------------|-------------------|-------------------------------------|--|-------------------------------------|------------------------------|
| Other Funds | 1,063,350 | 1,203,614 | 1,260,064 | 1,372,163 | 657,323 |
| Total Funds | 1,063,350 | 1,203,614 | 1,260,064 | 1,372,163 | 657,323 |
| Positions | 4 | 4 | 4 | 4 | 4 |
| FTE | 3.75 | 3.75 | 3.75 | 3.75 | 1.88 |

* Includes Emergency Board and administrative actions through January 2021.

Program Description

The mission of the Oregon Veterinary Medical Examining Board (OVMEB) is to protect animal health and welfare, public health, and consumers of veterinary services. The Board regulates the veterinary professions in Oregon through enforcement of the Veterinary Practice Act. The Board was established in 1903 to test, license, monitor, and regulate practitioners of veterinary medicine in the state. The eight-member Board, appointed by the Governor, consists of five members licensed to practice veterinary medicine, surgery, and dentistry in Oregon, two public members, and one certified veterinary technician (CVT). The Board establishes licensing requirements and monitors the professional conduct of veterinarians, veterinary technicians, euthanasia shelters, and euthanasia technicians. The Board investigates consumer complaints and takes appropriate remedial or disciplinary action.

The Board is funded solely by Other Funds revenue. Applications, examinations, and license fees make up approximately 95 percent of the Board's revenue, with the remainder derived from the sale of license lists and civil penalties. For cash flow purposes, the Board requires at least a six-month operating reserve ending balance, due to the license renewal cycle. All active licenses expire annually on December 31. Applications for licenses received after November 1 will be valid through December 31 of the following year. There are no changes in revenue sources or fees for the 2021-23 biennium. Through conservative spending trends and a growing licensing base, the Veterinary Medical Examiner's Board acquired an ending fund balance more than sufficient to cover salary and benefit increases for the next biennium and operational expenses.

There are 651 veterinary facilities registered statewide, and initial inspections for compliance with minimum facility standards have been conducted at all non-exempt registered facilities prior to June 2019. Between July 1, 2019 and June 2020, 156 facilities were inspected with 50 found to have minor noncompliance issues. By policy, noncompliant conditions are reported back to the Managing Veterinarian of the facility with a due date for correction. Expired radiography equipment licensure is reported to the Oregon Radiation Protection Services for follow-up. As of July 2020, no substantial noncompliance with facility minimum standards has been found. The Board adopted rules that essentially mirror minimum standards required by the Oregon Board of Pharmacy's Drug Practitioner Dispensing Outlet (DPDO) program.

Facilities have completed and reported self-inspections for compliance with the expanded drug requirements, physical inspections will resume with COVID-19 safety restrictions are lifted.

The Board continues to work with the Oregon Board of Pharmacy (OBOP) on proposed rules to register veterinary drug outlets. The Board now regulates and may inspect veterinary facilities and will, therefore, be able to incorporate OBOP requirements in the minimum standards of the Veterinary Practice Act. This will eliminate the need for facilities to apply and pay for a separate registration from OBOP, while reserving the ability to ensure proper controlled drug protocols. The Board has streamlined eligibility requirements for Certified Veterinary Technician applicants from other states in an effort to increase the availability of paraprofessionals in Oregon.

CSL Summary and Issues

The 2021-23 current service level (CSL) budget for the Board is \$1,372,163 Other Funds, four positions, and 3.75 FTE. The current service level budget is \$112,099, or 8.9%, more than the 2019-21 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation. At CSL, the Board has an ending balance of \$1,167,245 Other Funds, which is an equivalent of 20.4 months of operating expenses.

Policy Issues

In addition to savings realized through vacancy savings and the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes a proposal to fund the Board for one year and transferring all funding, revenues and position authority to the Oregon Health Authority's Health Licensing Office by July 1, 2022.

Other Significant Issues and Background

The Board is projected to roll over 17 months of ending fund balance in the 2019-21 biennium. The Board should potentially look at a fee decrease in the upcoming biennium.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OVMEB_2020-10-09.pdf