

Health Related Licensing Boards

Legislative Budget Note Report: SB 5521

- BOARD OF EXAMINERS FOR SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY - EXECUTIVE DIRECTOR, ERIN HAAG
- OCCUPATIONAL THERAPY LICENSING BOARD - EXECUTIVE DIRECTOR, NANCY SCHUBERG
- OREGON BOARD OF MEDICAL IMAGING - EXECUTIVE DIRECTOR, STACY KATLER, DVM
- OREGON BOARD OF NATUROPATHIC MEDICINE - EXECUTIVE DIRECTOR, MARY-BETH BAPTISTA, JD
- OREGON MORTUARY AND CEMETERY BOARD - EXECUTIVE DIRECTOR, CHAD DRESSELHAUS
- OREGON VETERINARY MEDICAL EXAMINING BOARD - INTERIM EXECUTIVE DIRECTOR, CASSANDRA MCLEOD-SKINNER, JD

Health Related Licensing Boards (HRLB) Overview

- HRLB is comprised of six autonomous Boards, regulated under separate chapters of the Oregon Revised Statutes and divisions of Oregon Administrative Rules.
 - “HRLB” is not a statutorily created agency, but for ease in budgetary and billing purposes, the six Boards have been assigned one budget code.
 - Each of the six agencies report directly to the Governor.
 - Each of the six agencies present their respective Biennial Budget to the Legislature.
 - Each of the six agencies has contracted with DAS SFS for accounting and budgeting services.
 - The six agencies and semi-independent PT Board share office space and resources in PSOB.

HRLB is Comprised of Six Autonomous Boards

- **Board of Examiners for Speech-Language Pathology and Audiology: Executive Director, Erin Haag (Hire Date: February 2015)**
3.FTE / Eight-member Board.
400 audiologists, 2,800 speech-language pathologists (SLPs), and 380 speech-language pathology assistants (SLPAs)
- **Oregon Occupational Therapy Licensing Board (OTLB) Executive Director, Nancy Schuberg (Hire Date: August 2012).**
1.65 FTE / Five-member Board
3,050 licensees, 550 of those are OT Assistants.
- **Oregon Board of Medical Imaging: Executive Director, Stacy Katler, DVM (Hire Date: September 2019)**
3.5 FTE / Twelve-member Board
7,200 license and permit holders.

- **Oregon Board of Naturopathic Medicine: Executive Director, Mary-Beth Baptista, JD (Hire Date: February 2017)**
3.0 FTE / Seven-member Board and Seven-member Formulary Committee
1250 licensees
- **Oregon Mortuary and Cemetery Board: Executive Director, Chad Dresselhaus (Hire Date: August 2018)**
7.0 FTE / Eleven-member Board
2,167 licensees
- **Oregon Veterinary Medical Examining Board: Interim Executive Director, Cassandra McLeod-Skinner, JD (Appointed: January 2021)**
4.0 FTE / Eight-member Board
4421 of licensees and 686 facilities

Comparison Of Personal Service Costs: Per HLO costs associated with the possible transition of the 6 HRLB Boards and agencies (along with their 57 respective board members) into the HLO structure.

Board / Agency	Personal Services Costs*	Differential
Combined 21-23 LAB - six HRLB (PICS 100)	\$5,123,803	
HLO 21-23 Budget Projection	\$4,897,577	Savings – Financial: \$226,226

*Personal Services Costs here only includes staff salaries and OPE and does not include Board member stipends or per diem (or OPE) they receive for board work and meeting attendance, nor any stipends or per diem paid to committee members. HLO's estimate is based on all positions budgeted at step 2, however, the majority of HRLB's staff members are above step 2. Personal Services Costs here also does not include estimated Board member travel expenses.

Undetermined Costs Associated with Consolidation:

- ▶ Costs associated with the DAS CHRO class and compensation evaluation / pay equity analysis process including staff hours from an already short-staffed CHRO office
- ▶ Human Resource and DOJ/AAG costs associated with HLO employee reclassification and potential union bargaining issues
- ▶ Costs associated with recruitment, training, and onboarding associated with hiring for approximately 29 additional HLO positions
- ▶ Costs associated with training 57 board members in new management structure, workflow, and IT

- Costs Associated with Thentia Contract / Database Reconfiguration:
 - Legislature Approved in each of the six Boards' respective 2019-21 Agency Requested Budgets to replace an outdated and inefficient database, and for the associated IT costs with implementing a new, shared database. The 6 Boards contracted with Thentia for five years (November 2019 – November 2024) with an option to renew in 2024 for another 5 years.
 - Potential and Undetermined Costs of Consolidation:
 - Approximately \$30,000 due upon termination of contract.
 - Extensive customizations to the HLO database to accommodate the different licensure types and requirements for each of the six Boards. Alternatively, administrative costs associated by reeducating licensees from the six boards to the HLO common model.

Organizational Impacts / Costs of Consolidation into HLO

- ▶ **Revision of all Board Statutes and Rules:** The statutes and administrative rules for each of the six agencies would need to be rewritten for consolidation Oregon Health Authority/Health Licensing Office

- ▶ **Financial Costs:**

Rewriting statutes and rules for the six Boards to fit into the HLO regulatory structure would conservatively take approximately 200 billable hours, or at least \$48,500. These costs do not include the additional expense of legislative counsel, administrative costs per Board staff, holding public hearings, subsequent revisions based on the public input from licensees, professional associations, and the public.

➤ **Loss of Direct Connection and Communication with the Legislature:**

Each ED directs their agency's budgetary process, which includes working with DAS budget and financial analysts for projections, submitting an Agency Request Budget, and each Director making a Budget Presentation directly to the legislature.

➤ **Impact / Costs – Human Capital:**

The HLO Executive Director does not make a presentation to the Legislature regarding the Boards under their purview. This consolidation would result in a loss of direct connection with the legislature regarding each HRLB agency's programs, goals, POPs, and strategic plans. If consolidated, Legislators will lose a platform to inquire directly to each Board Executive Director regarding progress on Key Performance Measures and topics of import to the legislature, legislative constituents, licensees, and the public.

- **HRLB Organizational Structures Incongruous with HLO Structure and Operations:** The HLO Director serves as the Director of all HLO Boards, and HLO shares staff for organizational functions across all seventeen HLO Boards, Programs and Councils.
- **Impact / Costs - Human Capital:**
Current Executive Directors, Board Investigators, and Administrative Specialists work very closely with each other, Board members, licensees, professional associations, educational institutions, and the public, resulting in trust and efficiency from a direct relationship with the dedicated staff of the HRLB agencies. Loss of dedicated Executive Directors, Investigators and Staff will result in a loss of expertise and historical knowledge from the current executive directors and dedicated staff.

Boards' Recommendation: Continue To Operate Under The Current Configuration and Independent From HLO.

- ▶ There are significant legal, logistical, financial, and human costs associated with consolidation. Further, there are still several unknown variables associated with consolidation, including the total re-alignment of staffing, with the looming question of which, if any, of the six Boards' staff members, all with many years of expertise and service to the State of Oregon, will remain with their respective Boards. One of the most difficult thing to replace is institutional knowledge.
- ▶ The information presented in the submitted report shows that the HRLB agencies are operating with maximum efficiency related to their shared organizational structure, resources, information technology, and budget and accounting needs, and therefore it would not be in the State's best interest to consolidate these six HRLB agencies into HLO.