

## Legislative Fiscal Office

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## Joint Committee on Ways and Means

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**To:** Transportation and Economic Development Subcommittee

**From:** Ben Ruef, Legislative Fiscal Office

**Date:** May 7, 2023

**Subject:** HB 2697 – Relating to staffing plans for health care provider entities  
Work Session Recommendations

House Bill 2697 mandates hospitals to establish committees and staffing plans, following specific criteria. Psychiatric units also must create a subcommittee for staffing plans. Nurse-to-patient and certified nursing assistant-to-patient ratios are defined, with exceptions listed. The ratios must be implemented by hospitals before September 1, 2023. Committees must be formed by December 31, 2024.

The measure also directs the Oregon Health Authority (OHA) to develop a website for complaint submissions by January 1, 2024. Meal or break violation complaints can be submitted to OHA or the Bureau of Labor and Industries (BOLI) on June 1, 2025. OHA will forward meal and break violation complaints to BOLI for investigation. Civil penalties for violations can be imposed by both organizations from June 1, 2025. Current projections anticipate an increase of roughly 6,000 meal and break violations reported annually due to this measure.

The -A4 amendment:

- Expands the definition of "registered nurses" to include those with patient care consulting but not primary care responsibility.
- Grants OHA and BOLI rule-making authority for specified components of the measure.
- Clarifies a 60-day period for plan consensus, followed by a 60-day period for the hospital CEO to respond to disputed sections. An additional 60-day extension is allowed by a majority committee vote.
- Increases the nurse-to-patient ratio in medical-surgical units from 1:5 to 1:4.
- Adds meal and rest break requirements to employment provisions, with provisions for dismissal if complaints are addressed in other ways.
- Removes the requirement for a formal process to evaluate and limit patient admissions in a nurse staffing plan.
- Imposes a four-year time period for OHA to issue civil penalties for violations.

- Adds failure to comply with CNA staffing ratios to the list of violations.
- Specifies effective dates and compliance deadlines for various requirements outlined in the measure.

A fiscal impact of \$1,980,571 General Fund and 13 full-time permanent positions (7.15 FTE) is expected for OHA in the 2023-25 biennium, increasing to \$3,226,972 and 13 full-time permanent positions (13.00 FTE) for the 2025-27 biennium. OHA will hire:

- One permanent full-time Compliance and Regulatory Manager 2 position to oversee the staff and the implementation of the program.
- Two permanent full-time Operations and Policy Analyst 3 positions to develop the complaint investigation process and survey tool, conduct trainings for hospital staff, develop enforcement and tracking systems, and provide ongoing guidance.
- Three permanent full-time Compliance Specialist 3 positions to enforce civil penalties, communicate with hospitals during an investigation, track hearing request deadlines and prepare cases for DOJ attorneys to present.
- Three permanent full-time Client Care Surveyors for each committee type to investigate complaints relating to staffing plans or committees.
- One permanent full-time Administrative Specialist 1 to provide administrative support to the manager and team.
- Two permanent full-time Administrative Specialist 1 positions and one permanent full-time Operations and Policy Analyst 1 for the Oregon State Hospital to assist with the administrative tasks of its subcommittees and track requirements and potential complaints.

The fiscal impact for BOLI is expected to be \$188,577 General Fund and 8 positions (1.00 FTE) for the 2023-25 biennium, increasing to \$1,289,559 General Fund and 8 positions (7.50 FTE) for the 2025-27 biennium. BOLI will hire:

- Six permanent full-time Compliance Specialist 1 positions to investigate complaints.
- One permanent full-time Administrative Specialist 1 position to enter complaints into the case management system, process proof of payments, and track complaints.
- One permanent part-time Legal Secretary to file, schedule, prepare, and send form letters and final orders, and coordinate with the Wage and Hour Division.

The total fiscal impact of HB 2697 is \$2,169,148 General Fund and 21 positions (8.15 FTE) for the 2023-25 biennium, increasing to \$4,516,531 General Fund and 21 positions (20.50 FTE) for the 2025-27 biennium.

The -A5 amendment adds \$1,980,571 in General Fund appropriation to the OHA budget and \$188,577 in General Fund appropriation to the BOLI budget for the 2023-25 biennium.

**Recommended Changes**

LFO recommends adoption of the –A4 amendment.

**MOTION: I move adoption of the –A4 amendment to HB 2697. (VOTE)**

LFO recommends adoption of the –A5 amendment.

**MOTION: I move adoption of the –A5 amendment to HB 2697. (VOTE)**

**Final Subcommittee Action**

LFO recommends that HB 2697, as amended by the –A4 and –A5 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 2697, as amended, to the Full Committee with a do pass recommendation. (VOTE)**

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_