

Health Related Licensing Board

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	7,068,455	8,179,912	8,695,557	9,275,717	9,302,439
Total Funds	7,068,455	8,179,912	8,695,557	9,275,717	9,302,439
Positions	24	23	23	23	24
FTE	23.00	21.90	22.15	22.15	23.00

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The Health-Related Licensing Board (HRLB) consists of six independent boards combined into one agency for budgetary reporting. However, each Board operates independently and has a separate expenditure limitation that is approved by the Legislature. The Boards are:

- Oregon Mortuary and Cemetery Board (OMCB)
- Oregon Board of Naturopathic Medicine (OBNM)
- Occupational Therapy Licensing Board (OTLB)
- Oregon Board of Medical Imaging (OBMI)
- Board of Examiners for Speech-Language Pathology and Audiology (BSPA)
- Oregon Veterinary Medical Examining Board (OVMEB)

CSL Summary

The current service level (CSL) budget for all Boards includes statewide adjustments for payroll expenses and standard inflation. The CSL budget for each board also included above standard inflation costs for rent due to cost increases and remeasurement of space in the Portland State Office Building, where the HRLBs are located. Additionally, each Board has a net-zero fund transfer between line items due to incorrect data from the previous biennium regarding the actual costs of budget and accounting services provided by the Department of Administrative Services - Shared Financial Services.

Policy Issues

An unanticipated cost for all Boards was an increase in rent at the Portland State Office Building. OBMI and OMCB have their own office suites, while OBNM, OTLB, BSPA, and OVMEB share a suite along with a semi-independent state agency, the Board of Physical Therapy. All seven agencies have a shared conference room and other shared space. Due to the COVID-19 pandemic, most staff now work from home and the office space currently leased by the HRLBs is likely to remain underutilized.

Governor's Budget Summary

Two of the Boards- OBNM and OTLB- are requesting fee increases this biennium due to unanticipated increases in costs (both Boards) and lower than anticipated license renewals (OTLB). Both Boards also had fee increases approved during the 2021 legislative session.

Other Significant Issues and Background

The 2021-23 Governor's Budget recommended that the HRLBs be transferred to the Health Licensing Office within the Oregon Health Authority (OHA) as of July 1, 2022. The transfer of the HRLBs to OHA was not approved by the Legislature during the 2021 legislative session, and the HRLBs were instead asked to return to the 2022 legislative session with additional information about the potential transfer to OHA, pursuant to a budget note included in the budget report for SB 5521 (2021). The report submitted by the HRLBs did not include a "plan for staffing, budgetary, operational, and structural changes that will facilitate efficient administrative functions related to interagency coordination and the sharing of resources among the six boards" as directed by the budget note, it was also not clear that there would be any cost savings or administrative efficiencies if the HRLBs were to transfer to OHA.

Mortuary and Cemetery Board

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	2,235,895	2,832,630	2,915,294	3,090,191	3,059,415
Total Funds	2,235,895	2,832,630	2,915,294	3,090,191	3,059,415
Positions	7	7	7	7	7
FTE	7.00	7.00	7.00	7.00	7.00

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The Oregon Mortuary and Cemetery Board (OMCB) is responsible for licensing and regulating the practice of individuals and facilities engaged in the care, preparation, processing, transportation, and final disposition of human remains. The Board licenses or registers funeral service practitioners, embalmers, apprentices, interns, pre-need salespeople, funeral establishments, immediate disposition companies, cemeteries, and crematories. The Board consists of 11 members appointed by the Governor: 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 Board is funded solely by Other Funds revenue from license and examination fees, and a \$14 portion of the \$30 death certificate filing fee.

In addition to the Board's general operations expenses, the death certificate filing fee funds the Indigent Disposition Program (IDP). Per statute, \$16 of the \$30 death filing fee is 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. Due to a revenue shortfall, the death certificate filing fee increased from \$20 to \$30 as of January 1, 2022, with the additional \$10 going to the IDP Fund. The fee was last raised in 2009, and this increase is anticipated to keep the fund solvent through 2026.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$3,090,191 Other Funds and seven positions (7.00 FTE). The current service level budget is \$174,897, or 6%, more than the 2021-23 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to increased costs for the agency's office space in the Portland State Office Building.

At CSL, the Legislative Fiscal Office projects that the Board's ending balance for the 2023-25 biennium will total \$1.7 million Other Funds, equivalent to 13.1 months of operating reserves. Some of these funds are dedicated to the IDP and not available for general agency expenses.

Governor's Budget Summary

OMCB's budget request included no Policy Option Packages and there were no significant budgetary adjustments made in the Governor's Budget.

Other Significant Issues and Background

Licensee numbers

OMCB has seen an ongoing decrease in the number of individual licensees over the past decade as a result of consolidation in the industry, as well as many people aging out of the profession. Additionally, there may have been some impact on licensee numbers due to practitioners who burned out due to the demands of the COVID-19 pandemic. Between the 2009-11 biennium and the 2019-21 biennium, the total number of licenses issued (both individual and facilities) fell from 2,614 to 1,924. A full license renewal cycle has not been completed for 2021-23, so 2019-21 is used here as a comparator. Specific to individual licensees, the 10-year high for number for individual license renewals was 1,289 in 2011-13; in 2019-21, only 835 individual licenses were renewed. The number of new individual licenses issued also has decreased from a high of 476 in the 2013-15 biennium, to 280 in the 2019-21 biennium. Continued declines in the number of licensees may require OMCB to become reliant on death certificate filing fees as their primary source of revenue.

Changing role in regulation

Disposition practices are changing, and this could impact OMCB operations in the long-term. Legislation passed in recent years authorized alternative disposition practices including alkaline hydrolysis and natural organic reduction. While there have not been many licenses issued to provide these services in Oregon, changes to how people choose to handle disposition of human remains will require the Board to adopt different licensing and inspection processes and to adapt to the differing demands of these practices.

Laws around licensing and regulation of funeral homes, funeral service practitioners, and other aspects of this industry vary widely across the United States. Given that there is no uniform approach to regulation of this industry, the agency will likely need to continue to evolve to ensure that they are protecting and meeting the needs of Oregonians. The Board's strategic framework states that OMCB will "consider regulating other companies and individuals dealing with human remains, such as first call/removal companies" and will "Explore [the] need for licensing of cemetery personnel, [and] stronger regulation of preneed salespeople." The Board is additionally working to develop a continuing education program for licensees.

Inspections

The Board is required by statute to perform physical inspections every biennium of licensed death care facilities in the state. These inspections ensure that 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 Board's sole inspector position, inspections of licensed death care facilities did not occur for over a year, from September 2018 to January 2020. Beginning in the 2019-21 biennium, a second inspector position was added to increase capacity for inspections. Inspections resumed in early 2020, 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. Throughout the pandemic, inspectors instead had to conduct virtual inspections. As of 2022, the Board has returned to conducting inspections in-person and is on track to conduct inspections of all licensed facilities in the state this biennium.

Legal costs

In 2016, OMCB revoked the licenses for the Eternal Hills Memorial Gardens in Klamath County after numerous complaints were filed. In 2017, the State of Oregon filed involuntary bankruptcy against Eternal Hills Memorial Gardens and Funeral Home, Inc. There were lengthy bankruptcy proceedings, and in 2022, Eternal Hills transferred to new ownership. OMCB has had an ongoing role in the legal proceedings related to this establishment. While the agency does not immediately require additional expenditure limitation for legal costs related to this case, they may see an increase in costs in the 2025-27 biennium, related to risk management services provided by the Department of Administrative Services.

Key Performance Measures

A copy of the OMCB Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_OMCB_2022-10-03.pdf

Board of Naturopathic Medicine

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	977,717	1,060,590	1,079,025	1,168,614	1,126,407
Total Funds	977,717	1,060,590	1,079,025	1,168,614	1,126,407
Positions	4	3	3	3	3
FTE	4.00	3.00	3.00	3.00	3.00

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The mission of the Oregon Board of Naturopathic Medicine (OBNM) is to protect the public by licensing and regulating naturopathic physicians and certifying practitioners qualified to perform natural childbirth. The Board determines the qualifications and fitness of applicants for licensure; establishes standards of professional responsibility, practice, and continuing education for licensees; and investigates complaints concerning violations of those standards and determines the appropriate sanction when a violation is found. The seven-member Board, appointed by the Governor, includes five licensed Naturopathic physicians and two public members.

OBNM is funded solely by Other Funds revenue, primarily from license, certification, and examination fees. The Board operates on an annual licensure renewal cycle with most active licenses renewed in November and December each year. OBNM requires an ending balance equivalent to approximately six months of operating reserves due to this license renewal cycle.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$1,168,614 Other Funds and three positions (3.00 FTE). The CSL budget is \$89,589, or 8.3%, more than the 2021-23 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to remeasurement of the agency's office space in the Portland State Office Building.

At CSL, the Legislative Fiscal Office estimates that the Board's ending balance for the 2023-25 biennium totals \$41,165, equivalent to approximately 0.8 months of operating expenses. Fee increases and cost reductions have been proposed by the Board to mitigate the revenue shortfall, which are discussed in more detail in the Governor's Budget Summary section below.

Policy Issues

The Board has done no strategic planning since 2018; a planned Board retreat in 2020 was cancelled due to the COVID-19 pandemic and not rescheduled.

Governor's Budget Summary

The OBNM budget includes two Policy Options Packages:

- *Package 101 Revenue Shortfall - Spending Reduction* will reduce expenditures by \$34,270 to address the Board's inadequate ending balance; this package also includes increased limitation for Board stipends and funding for an in-person Board retreat to conduct strategic planning.
- *Package 104 Raise Licensure Fees* will increase all annual licensure renewal fees, lapsed license restoration fees, and jurisprudence exam fees by \$50; and institutes an application processing fee of \$50. Additional revenue from this fee increase is estimated at \$167,000. Funds will offset higher Personal Services costs related to Board stipends, pay equity, and COLA adjustments, as well as increased rent costs.

The Legislative Fiscal Office estimates that the Board will have an ending balance for the 2023-25 biennium of \$288,847, equivalent to 6.2 months of operating reserves.

Absent any sort of unanticipated costs, this fee increase will likely be sufficient to fund Board expenses through the 2023-25 biennium. However, the Board will need to seek another fee increase for the 2025-27 biennium, which would be their third over three biennia. Fees were also increased in 2020.

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

A copy of the OBNM Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_OBNM_2022-10-10.pdf

Occupational Therapy Licensing Board

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	506,804	697,289	707,899	769,780	723,158
Total Funds	506,804	697,289	707,899	769,780	723,158
Positions	2	2	2	2	2
FTE	1.75	1.65	1.65	1.65	1.50

* Includes Emergency Board and administrative actions through December 2022.

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 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 five-member Board, appointed by the Governor, includes three licensed occupational therapists and two public members. The Board is funded solely by Other Funds received from license application and renewal fees, limited permit fees, civil penalties, the sale of licensee lists, and interest.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$769,780 Other Funds, two positions, and 1.65 FTE. The current service level budget is \$61,881, or 8.7%, more than the 2021-23 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to increased costs for the agency's office space in the Portland State Office Building. At CSL, the Legislative Fiscal Office estimates that the Board has an ending balance for the 2023-25 biennium of \$189,222, equivalent to approximately 5.9 months of operating expenses.

Policy Issues

HB 2736 (2023) would add OTLB to the Occupational Therapy Licensure Compact. This would require OTLB to recognize licenses issued in other states that participate in the compact. While the Board would be able to charge some fee to occupational therapists who are licensed in other states but practicing in Oregon, they would likely face a substantial reduction in revenue.

Governor's Budget Summary

The OTLB budget includes two Policy Options Packages:

- *Package 100: Raise Licensure Fees* will increase licensing renewal fees for Occupational Therapists from \$200 to \$240, and Occupational Therapist Assistant renewals fees from \$140 to \$160; and will increase initial application fees for both types of licensees

by \$40 (from \$120 to \$160, and \$90 to \$130). This is projected to increase revenues by \$130,205. Funds will offset higher Personal Services costs related to Board stipends, pay equity, and COLA adjustments, as well as increased rent costs.

- *Package 102: Revenue Shortfall* will reduce the Board's Administrative Specialist 2 position from 0.65 FTE to 0.50 FTE and make reductions to the office supplies and instate travel line items. These actions are anticipated to result in savings of \$42,474.

With these packages, the Board has an estimated ending balance of \$361,331, equivalent to approximately 11.9 months of operating expenses. Due to the biennial license renewal cycle, the Board requires around nine months of operating reserves since license renewals start eight months into each biennium.

While the Board raised licensing fees in the 2021-23 biennium, they are coming forward with another fee increase for the 2023-25 biennium due partially to decreased licensing revenues. The Board had seen fairly steady growth in licensee numbers; between 2007 and 2020, the number of Occupational Therapy licensees nearly doubled, from approximately 1,500 licensees in 2007 to a peak of over 3,000 practitioners early in 2020. However, starting in April 2020, renewals dropped 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. The Board renews all licenses every two years, and in the most recent renewal period in 2022, the Board again saw another decline in license renewals, totaling 24%. Prior to the fee increase approved for the 2021-23 biennium, the Board had last increased fees in 2006, and had actually decreased fees twice in the intervening time period.

Other Significant Issues and Background

The number of person training in occupational therapy in Oregon continues to grow, judging from increased demand at schools of occupational therapy in Oregon, including the Occupational Therapy Assistant School at Linn-Benton Community College, and a doctorate program at the Pacific University School of Occupational Therapy. In 2022 and 2024, another two Occupational Therapy schools will be opening in Oregon, at the Western University College of Health Sciences, and George Fox University. Additionally, according to the Oregon Healthcare Workforce Needs Assessment, employment growth for occupational therapists is approximately 17 percent, making it one of the fastest growing health care professions. While the Board has seen fewer licensees in the past two biennia, the Board may face increasing pressures on services as licensee growth rebounds, and likely continues to expand in the future.

Key Performance Measures

A copy of the OTLB Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_OTLB_2022-08-12.pdf

Board of Medical Imaging

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	1,197,693	1,206,467	1,435,584	1,569,834	1,548,081
Total Funds	1,197,693	1,206,467	1,435,584	1,569,834	1,548,081
Positions	4	4	4	4	4
FTE	3.50	3.50	3.75	3.75	3.75

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The Oregon Board of Medical Imaging (OBMI) promotes, preserves, and protects the public health, safety, and welfare of Oregonians undergoing medical imaging performed by licensees for the purpose of medical diagnosis and therapy. The twelve-member Board is appointed by the Governor and includes four licensed physicians who represent different medical specialties, 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). The Board establishes licensure standards; oversees initial examinations for limited x-ray machine operators; provides oversight and authorization to educational institutions that offer initial education programs for limited x-ray permits; and investigates violations of licensure statutes and rules.

The Board is funded by Other Funds primarily from initial licensing and renewal application fees charged to medical imaging technologists from the following modalities: MRI, nuclear medicine, radiation therapy, radiography, sonography, and limited X-ray machine operators. The Board also receives revenues for limited scope examinations, as well funds from civil penalties and interest. Currently, there are over 7,200 individuals with a two-year permanent license or limited x-ray permit. Over the past six years, the total number of permanent licenses has increased by nine to 12 percent annually, due partially to 2009 legislation that added a state licensure requirement for sonography, MRI, and nuclear medicine. The Board has also seen an increase in licensees from out of state who worked in Oregon temporarily during the COVID-19 pandemic. A license or permit expires biennially on the first day of the birth month of the licensee.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$1,569,834 Other Funds, four positions, and 3.75 FTE. The CSL budget includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to increased costs for the agency's office space in the Portland State Office Building. The CSL budget is \$134,250, or 9.4%, more than the 2021-23 legislatively approved budget. Board fees were increased in 2021, and the Legislative Fiscal Office estimates that at CSL, the Board has an ending balance of \$1.1 million Other Funds, equivalent to 16.4 months of operating reserves.

Governor's Budget Summary

OBMI's budget request included no Policy Option Packages and there were no significant budgetary adjustments made in the Governor's Budget.

OBMI proposes to delete KPM #2, which relates to percentage of license applications processed online. This KPM is no longer relevant as all applications are now processed online. The Board is also proposing a new KPM to track investigation timelines, which will track the number of days from when an investigation is opened to the day the report is completed for action by the Board.

Other Significant Issues and Background

During the January 2022 Interim Joint Ways and Means meeting, the Board requested additional Other Funds expenditure limitation of \$202,000 and increased the agency's part-time Investigator position by 0.25 FTE, due largely to an increase in caseload. The Board recently came under new leadership and began enforcing a rule that was not previously prioritized, which holds facilities responsible for employing individuals to practice medical imaging without a current Oregon license or permit. This infraction carries a daily fine, which has increased revenues but also increased the agency's need for legal and investigatory services. The Board has seen an average of 75 disciplinary cases per year over the past six years.

Key Performance Measures

A copy of the OBMI Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPRProposed_OBMI_2022-09-27.pdf

Board of Speech-Language Pathology and Audiology

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	951,881	1,045,357	1,178,713	1,255,280	1,246,614
Total Funds	951,881	1,045,357	1,178,713	1,255,280	1,246,614
Positions	3	3	3	3	3
FTE	3.00	3.00	3.00	3.00	3.00

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The mission of the Board of Speech-Language Pathology and Audiology (BSPA) is to protect the public by licensing and regulating the performance of speech-language pathologists, speech-language pathology assistants, and audiologists. The Board regulates the professional practice of speech-language pathology and audiology through licensing and ongoing monitoring of licensees, including investigating professional competence and conduct. The eight-member Board, appointed by the Governor, includes two audiologists, two licensed speech-language pathologists, one speech-language pathology assistant, one medical doctor who holds Board certification from the American Board of Otolaryngology, and two public members.

BSPA is supported solely by Other Funds. Approximately 99 percent of all agency revenue comes from licensing fees, with the remainder provided through delinquent fees, civil penalties, interest income, and sales of mailing lists. License renewals are done on a biennial basis, and 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 biennium. For cash flow purposes, the Board requires the equivalent of at least five to seven months operating reserves.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$1,255,280 Other Funds and three positions (3.00 FTE). The CSL budget is \$76,567, or 6.5%, more than the 2021-23 legislatively approved budget. The CSL budget includes an increase in expenditure limitation of \$107,000 that was approved during the September 2022 Emergency Board meeting, for increased legal costs and licensing expenses, due largely to an increased number of licensees. The CSL budget also includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to increased costs for the agency's office space in the Portland State Office Building. Additionally, there is a net-zero fund shift which transfers expenditure limitation from the Professional Services line item to Telecommunications, due to unbudgeted data charges and monthly fees to share confidential documents with Board members.

The Board submitted revised revenue estimates after submission of their agency request budget. Using these revised projections, the Legislative Fiscal Office estimates that the Board will end the 2023-25 biennium with approximately five months of operating reserves if licensee growth continues at a conservative rate. The agency may need to look at a fee increase for the 2025-27 biennium. Fees were last increased for the 2021-23 biennium.

Policy Issues

HB 3118 (2021) would have added BSPA to the Audiology and Speech-Language Pathology Interstate Compact. This would require BSPA to recognize licenses issued to audiologists and speech-language pathologists in other states that participate in the compact. HB 3118 was never heard in committee and was determined by Legislative Counsel to be unconstitutional, but there is a possibility that this idea will be brought forward in future sessions.

Due to a rise in telemedicine in recent years, more than half of all new BSPA licensees live out of state. While the Board would be able to charge a fee of some sort to speech-language pathologists and audiologists who are licensed in other states but practicing in Oregon, they would likely face a substantial reduction in revenue.

Governor's Budget Summary

BSPA's budget request included no Policy Option Packages and there were no significant budgetary adjustments made in the Governor's Budget.

Other Significant Issues and Background

According to the agency, the number of BSPA licensees has increased by approximately 10 percent each biennium over the past 15 years. In the most recent two-year reporting period, the number of licensees increased from 3,058 in July 2020 to 3,510 in July 2022, an increase of 14% over the biennial licensing period. The agency has seen an increasing number of out of state residents obtaining licenses so that they can provide telepractice services to Oregonians from their home states; more than 55% of all new licensees lived out of state in 2021 and 2022. Increasing numbers of licensees could lead to increased need for regulatory or licensing resources.

The Board faces an ongoing issue related to speech-language pathology assistant supervision. Speech-language pathology assistants are required to have a designated supervising speech-language pathologist. The speech-language pathologist is responsible for making all diagnostic and treatment related decisions for all clients on a caseload, must meet with patients every 60 days to treat or co-treat with the assistant, and must fulfill other supervisory requirements. There is persistent confusion about the roles and responsibilities of speech-language pathology assistants and their requirement to work under the supervision of a licensed speech-language pathologist, and in some cases speech-language pathology assistants are relied on to provide the majority of clinical services without proper safeguards to ensure they are in compliance with the Board's rules. Continued work in this area will be required of the Board to ensure that patients are receiving the treatment they need.

Key Performance Measures

A copy of the BSPA Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_BSPA_2022-10-07.pdf

Veterinary Medical Examining Board

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	1,198,465	1,337,579	1,379,042	1,422,018	1,598,764
Total Funds	1,198,465	1,337,579	1,379,042	1,422,018	1,598,764
Positions	4	4	4	4	5
FTE	3.75	3.75	3.75	3.75	4.75

* Includes Emergency Board and administrative actions through December 2022.

Program Description

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

OVMEB is funded solely by Other Funds revenue. Due to the license renewal cycle, the Board requires an ending balance equivalent to at least six months of operating reserves. All active licenses expire annually on December 31.

CSL Summary

The 2023-25 current service level (CSL) budget for the Board is \$1,422,018 Other Funds and includes four positions (3.75 FTE). The current service level budget is \$42,976, or 3.1%, more than the 2021-23 legislatively approved budget. The CSL budget includes statewide adjustments for payroll expenses and standard inflation, as well as above standard inflation costs for rent due to increased costs for the agency's office space in the Portland State Office Building. At CSL, the Legislative Fiscal Office estimates that the Board has an ending balance of \$632,056 Other Funds, which is equivalent to 10.7 months of operating expenses.

Policy Issues

The Board is proposing one legislative concept, which will narrow a statutory loophole in ORS 686.040. This statute currently allows any person to practice veterinary medicine without a license. The concept will limit the exemption to providers of ancillary care, animal husbandry, and animal owners.

Governor's Budget Summary

OVMEB has one Policy Option Package:

- *Package 103: New Investigator 2 Position* adds one new position (1.00 FTE) at a total cost of \$195,285 Other Funds, to assist with increased investigation caseload.

The addition of this position could potentially require the agency to increase fees in the 2025-27 biennium, for the first time in over a decade. Fees were increased in 1993 and 2014, with facility inspection/registration fees added in 2016. The number of individual licensees has increased by 23% over the past decade, growing from 3,719 to 4,587 licensed veterinarians, veterinary technicians, interns, and euthanasia technicians. The Board has also issued over 600 facility registrations since these registrations began in 2016. Due partially to this growth in licensees, the Board's ending balance for the 2019-21 biennium was equivalent to 14.8 months of operating reserves.

Other Significant Issues and Background

Leadership changes

OVMEB's previous Executive Director held that position for 22 years, retiring in 2020. The agency was under interim leadership for two years until a new permanent Executive Director was hired in late 2022.

Inspections backlog

The Board conducts annual pharmacy inspections, as well as triennial full facility inspections, for the 671 registered and non-exempt veterinary facilities in Oregon. Pharmacy inspections can be completed remotely and as a result, the agency has a high rate of completion for these inspections. Between July 1, 2021 and June 30, 2022, all facilities conducted a pharmacy self-inspection and submitted a completed pharmacy self-inspection checklist. All submissions were reviewed by the agency's inspector and facilities were required to submit written verification of corrective action taken for any self-reported deficiencies.

However, due to the COVID-19 pandemic, full facility inspections were paused for two years. Inspections were put on hold for another few months in 2022 as the agency's inspector worked on completion of pharmacy inspections and a training plan for transitioning work to new hire before their retirement. As of August 2022, there were 373 facilities requiring a full facility inspection during the 2022-2023 fiscal year, which is more than half of all facilities. About one-third of facilities did not meet minimum standards during the last inspection period before the pandemic, however no substantial non-compliance with facility minimum standards has been found.

Audit follow up

A 2019 Secretary of State audit titled "The Oregon Veterinary Medical Examining Board's Monitoring of Controlled Substances Needs to Be Strengthened" found that OVMEB's inspections of veterinary facilities did not include verification that the federal Drug Enforcement Agency's requirements for controlled substances were being followed; that the board did not conduct background checks on new or renewing licensees; and that inclusion of veterinarians in Oregon's Prescription Drug Monitoring Program (PDMP) would contribute to a more complete

database of opioid prescribers and could provide useful information to the Oregon Health Authority. While the agency has taken action on the first two findings, legislative action is required for veterinarian participation in the PDMP.

Key Performance Measures

A copy of the OVMEB Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_OVMEB_2022-10-06.pdf