



Oregon

Tina Kotek, Governor

Medical Board

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October 29, 2025

The Honorable Kate Lieber, Co-Chair
The Honorable Tawna Sanchez, Co-Chair
Joint Interim Committee on Ways and Means
Oregon State Capitol
900 Court Street N.E.
Salem, OR 97301

Re: 2025-27 Agency Reduction Options

Dear Senator Lieber and Representative Sanchez,

Enclosed, please find the requested Reductions Options and New and Expanded Programs forms for the Oregon Medical Board (OMB or Board).

Executive Summary

The OMB respectfully submits this proposal outlining reduction options for the 2025-27 biennium. These reductions total \$1,224,619, representing 5.84% of our Legislatively Adopted Budget of \$20,967,892. As an entirely Other Funds agency that receives no General Fund support, these reductions will not provide additional General Fund resources for the state. However, we have developed these options in response to the state's request while prioritizing the protection of our core mission of public safety.

Agency Mission and Purpose

For more than 135 years, the Oregon Medical Board has protected the health, safety, and wellbeing of Oregon's citizens by regulating the practice of medicine in a manner that promotes access to quality care. Established by the Legislature in 1889, the Board is responsible for licensing, regulating, and disciplining medical doctors (MD), doctors of osteopathic medicine (DO), doctors of podiatric medicine (DPM), physician associates (PA), and acupuncturists (LAc).

The Board operates under Oregon Revised Statutes Chapter 677 (the Medical Practice Act) and Oregon Administrative Rules Chapter 847, ensuring that only qualified and competent individuals are licensed to practice medicine in Oregon. Our work is essential for maintaining healthy and safe communities throughout the state, as we protect the public from unauthorized or unqualified practitioners and from unprofessional conduct by licensed persons.

Strategic Approach to Budget Reductions

In developing these reduction options, the Board has been guided by three fundamental principles:

1. Preserving Public Safety Functions

Our primary consideration has been to minimize impact on our core mission of public protection. While all proposed reductions will affect our operations, we have carefully evaluated each option to preserve essential public safety functions to the greatest extent possible.

2. Prioritizing Vacant Positions

As a small agency where personal services constitute approximately 62% of our expenditures, we have prioritized reductions to currently vacant positions to minimize immediate impacts on existing staff and maintain continuity of operations.

3. Aligning with Strategic Objectives

Each reduction option has been evaluated against our agency's Strategic Plan, with preference given to eliminating positions and services that have less direct impact on our ability to meet core strategic objectives.

Proposed Reduction Options

The attached spreadsheet details four specific reduction options, ranging from the elimination of program funding to the reduction of various staffing positions across our Licensing, Information Technology, and Executive divisions. These reductions include:

- Services and supplies reductions totaling \$500,000
- Position eliminations totaling \$724,619 (affecting 2.5 FTE across various departments)

Impact Considerations

While we have structured these reductions to minimize disruption, it is important to acknowledge that each proposed reduction will have consequences for our operations and our ability to serve Oregonians. Impacts include:

- **Extended Processing Times:** Reduced staffing in Licensing will increase the time required for healthcare professionals to receive their licenses, potentially affecting access to care
- **Technology Vulnerabilities:** Reductions in IT staffing and services and supplies may compromise our systems modernization efforts and internal operating efficiencies
- **Workforce Stability:** Increased workload on remaining staff may lead to higher turnover, creating a compounding effect on service delivery

Commitment to Public Protection

Despite these challenging circumstances, the Oregon Medical Board remains committed to fulfilling our statutory obligations and protecting the public. We will continue to operate in a manner guided by our values of integrity, accountability, excellence, customer service, and equity. Should these reductions be implemented, we will work diligently to reorganize our

operations to maintain the highest possible level of public protection within our available resources.

We appreciate the opportunity to provide this analysis and remain available to discuss this information in greater detail or to explore alternative approaches that might better balance fiscal constraints with our public safety mission.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicole Krishnaswami". The signature is fluid and cursive, with a prominent initial "N" and a trailing flourish.

Nicole Krishnaswami, JD
Executive Director

2025-27 Biennium

2025-27 LAB	-	-	20,967,892	-	-	-	20,967,892
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Detail of Reductions to 2025-27 Legislatively Adopted Budget									
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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[illegible]

Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Dept	Prgm/ Div															

[illegible]

Oregon Medical Board (OMB)

2025-27 Biennium

2025-27 LAB	-	-	20,967,892	-	-	-	20,967,892
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Detail of Reductions to 2025-27 Legislatively Adopted Budget

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
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Dept	Prgm/ Div															
											\$ -					
											\$ -					
				TOTAL	-	-	1,224,619	-	-	-	\$ 1,224,619	3	2.50			

Target (5%)	-	-	1,048,395	
Difference	-	-	176,224	

2025-27 Biennium

Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23

[illegible]

Instructions

Column (5) - Authorization should identify the source of the new program or program expansion, which could include enabling legislation, approved policy option package, or administrative establishment.

Column (6) - Program description should include a summary of the program and the expansion (if applicable), including any partner state agencies.

Column (16) - Current status of program implementation should be summarized, including any future budget requests anticipated upon full program implementation.