

**Legislative  
Fiscal Office**

Oregon State Capitol  
900 Court Street NE, H-178  
Salem, OR 97301  
503-986-1828

Ken Rocco, Legislative Fiscal Officer  
Paul Siebert, Deputy Legislative Fiscal Officer



**Joint Committee on  
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Human Services Subcommittee  
**From:** Meg Bushman Reinhold, Legislative Fiscal Office  
**Date:** March 4, 2019  
**Subject:** HB 5523 – Oregon State Board of Nursing  
Work Session Recommendations

**Oregon State Board of Nursing – Agency Totals**

	<b>2015-17 Actual</b>	<b>2017-19 Legislatively Approved</b>	<b>2019-21 Current Service Level</b>	<b>2019-21 LFO Recommended</b>
Other Funds	\$15,351,050	\$16,847,478	\$17,888,645	\$19,868,656
<b>Total Funds</b>	\$15,351,050	\$16,847,478	\$17,888,645	\$19,868,656
Positions	49	49	49	54
FTE	48.49	48.90	48.90	53.90

The LFO Recommended budget is \$19,868,656, which is a 17.9% increase over the 2017-19 Legislatively Approved Budget and an 11.1% increase over the Current Service Level. The budget increase reflects the growth of the agency and the need for new positions and office space.

**Adjustments to Current Service Level**

LFO recommends three packages for this agency. See attached “Work Session Presentation Report.”

Package 100 increases the Board’s expenditure limitation by \$200,000 to provide sufficient limitation to cover the transfer of the dedicated license fee surcharge to the Oregon Center for Nursing.

Package 101 provides \$1,305,011 in Other Funds expenditure limitation for 11 reclassified positions and five new positions. The reclasses align licensing, policy and investigative staff with similarly situated staff at other health licensing boards. The five new positions are necessary because of the increase in licensees and the increasing complexity of investigations.

Package 801 contains the adjustments made by LFO. Adjustments to projected revenue include: (1) increasing the Board's beginning balance by \$3,806,279; (2) increasing anticipated license revenue by \$867,404; and (3) increasing non-license fee revenue by \$24,000.

LFO also recommends a one-time expenditure limitation increase of \$400,000 and an ongoing expenditure limitation increase of \$75,000 for office upgrades and expansion. The \$400,000 will be used to lease and improve adjacent office space for additional workstations, and to upgrade existing facilities. The \$75,000 is ongoing for rent and services and supplies for the new office space.

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5523. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation to HB 5523, with modifications. (VOTE)**

### **Performance Measures**

See attached "Legislatively Proposed 2019-21 Key Performance Measures."

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)**

**OR**

**Change** LFO Recommendation:

**MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)**

### **Recommended Changes**

LFO recommends a budget of \$19,868,656 Other Funds, which is reflected in the -1 amendment.

**MOTION: I move adoption of the -1 amendment to HB 5523. (VOTE)**

**Final Subcommittee Action**

LFO recommends that HB 5523, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 5523, as amended, to the Full Committee with a do pass recommendation. (VOTE)

**Carriers**

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

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

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

	<b>General Fund</b>	<b>Lottery Funds</b>	<b>Other Funds</b>	<b>Federal Funds</b>	<b>Nonlimited Other Funds</b>	<b>Nonlimited Federal Funds</b>	<b>Total Funds</b>	<b>Positions</b>	<b>Full-Time Equivalent (FTE)</b>
<b>2017-19 Agy. Leg. Adopted</b>	-	-	<b>16,595,386</b>	-	-	-	<b>16,595,386</b>	<b>49</b>	<b>48.90</b>
2017-19 Ebds, SS & Admin Act	-	-	252,092	-	-	-	252,092	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
<b>2017-19 Leg Approved Budget</b>	-	-	<b>16,847,478</b>	-	-	-	<b>16,847,478</b>	<b>49</b>	<b>48.90</b>
<b>2017-19 Leg Approved Budget (Base)</b>	-	-	<b>16,847,478</b>	-	-	-	<b>16,847,478</b>	<b>49</b>	<b>48.90</b>
Summary of Base Adjustments	-	-	268,793	-	-	-	268,793	-	-
<b>2019-21 Base Budget</b>	-	-	<b>17,116,271</b>	-	-	-	<b>17,116,271</b>	<b>49</b>	<b>48.90</b>
010: Non-PICS Pers Svc/Vacancy Factor	-	-	299,505	-	-	-	299,505	-	-
030: Inflation & Price List Adjustments	-	-	472,869	-	-	-	472,869	-	-
<b>2019-21 Current Service Level</b>	-	-	<b>17,888,645</b>	-	-	-	<b>17,888,645</b>	<b>49</b>	<b>48.90</b>
<b>Adjusted 2019-21 Current Service Level</b>	-	-	<b>17,888,645</b>	-	-	-	<b>17,888,645</b>	<b>49</b>	<b>48.90</b>
<b>Total LFO Recommended Packages</b>	-	-	<b>1,980,011</b>	-	-	-	<b>1,980,011</b>	<b>5</b>	<b>5.00</b>
<b>2019-21 Legislative Actions</b>	-	-	<b>19,868,656</b>	-	-	-	<b>19,868,656</b>	<b>54</b>	<b>53.90</b>
Net change from 2017-19 Leg Approved Budget	-	-	3,021,178	-	-	-	3,021,178	5	5.00
Percent change from 2017-19 Leg Approved Budget	0.0%	0.0%	17.9%	0.0%	0.0%	0.0%	17.9%	10.2%	10.2%
Net change from 2019-21 Adj Current Service Level	-	-	1,980,011	-	-	-	1,980,011	5	5.00
Percent change from 2019-21 Adj Current Service Level	0.0%	0.0%	11.1%	0.0%	0.0%	0.0%	11.1%	10.2%	10.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 100 Expense Increase: Dist to non-profit Org**

Package Description This package increases expenditure limitation by \$200,000 to accommodate the increase in the license fee surcharge revenue transfer to the Oregon Nursing Advancement Fund.

LFO Recommendation Approval.

LFO Recommended	-	-	200,000	-	-	-	200,000	-	-
-----------------	---	---	---------	---	---	---	---------	---	---

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 101 Position Reclass and Position Establishment**

Package Description This package establishes five new, permanent full-time positions: (1) a PEM A Licensing Supervisor (1.00 FTE); (2) an additional Public Service Representative 4 (1.00 FTE); (3) a PEM C Investigator Supervisor (1.00 FTE); (4) a Nurse Investigator (1.00 FTE); and (5) a Scanning Specialist (1.00 FTE). These additions are necessary given the growth in licensees and increasing complexity of investigations.

This package also reclasses the eight call center PSR 3's to PSR 4's, reclasses an AS 1 to an AS 2, and changes two AS 1's to Investigator 2's. The reclasses were approved by DAS and reflect a better alignment with the true duties of these positions and a consistency with similar positions at other health licensing boards.

LFO Recommendation Approval.

<b>LFO Recommended</b>	-	-	<b>1,305,011</b>	-	-	-	<b>1,305,011</b>	<b>5</b>	<b>5.00</b>
------------------------	---	---	------------------	---	---	---	------------------	----------	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

**Package 801 LFO Analyst Adjustments**

Package Description Accounting updates warrant the following changes to this board's projected available revenue for 2019-21: (1) an increase in the beginning balance of \$3,806,279; (2) an increase in anticipated license revenue of \$867,404; and (3) an increase in non-license fee revenue of \$24,000.

This package also adds one-time expenditure limitation of \$400,000 Other Funds and ongoing expenditure limitation of \$75,000 Other Funds for office upgrades and expansion. The \$400,000 will be used to lease and improve adjacent office space for additional workstations and to upgrade existing facilities. The \$75,000 is ongoing for rent and services and supplies for the new office space.

LFO Recommendation Approval.

<b>LFO Recommended</b>	-	-	<b>475,000</b>	-	-	-	<b>475,000</b>	-	-
------------------------	---	---	----------------	---	---	---	----------------	---	---

# Legislatively Proposed 2019 - 2021 Key Performance Measures

Published: 2/21/2019 2:09:08 PM

**Agency:** Nursing, Board of

**Mission Statement:**

The mission of the Oregon State Board of Nursing is to safeguard the public's health and well-being by providing guidance for, and regulation of, entry into the profession, nursing education, and continuing safe practice.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. TIMELY RESOLUTION OF COMPLAINTS - Percent of cases investigated and referred to Board within 120 days of receipt of complaint.		Approved	56%	75%	75%
2. REDUCTION OF RECIDIVISM - Percent of disciplined licensees with a new complaint within three years of Board closing original case with a disciplinary action.		Approved	1%	1%	1%
3. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as good or excellent: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved	92%	95%	95%
	Expertise		90%	95%	95%
	Timeliness		88%	95%	95%
	Helpfulness		87%	95%	95%
	Availability of Information		87%	95%	95%
	Overall		91%	95%	95%
5. TIMELY LICENSING - Percent of licensing applications processed within target.		Approved	98%	100%	100%
6. EFFECTIVE GOVERNANCE - Percent of total best practices met by the Board.		Approved	93%	100%	100%
4. ON-LINE TRANSACTIONS - Percent of business transactions completed on-line.		Proposed Delete	94%	TBD	TBD

**LFO Recommendation:**

Approve the 2019-21 Key Performance Measures as proposed, including deleting Measure #4, which is no longer necessary.

**SubCommittee Action:**