

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 4032**80th Oregon Legislative Assembly – 2020 Regular Session  
Legislative Fiscal Office*Only Impacts on Original or Engrossed  
Versions are Considered Official*Prepared by: Kim To  
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Date: February 11, 2020**Measure Description:**

Appropriates moneys from General Fund to Oregon Health Authority for expenses related to hospital nurse staffing program.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA)

**Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

**Summary of Expenditure Impact - Oregon Health Authority:**

	2019-21 Biennium	2021-23 Biennium
General Fund		
Personal Services	746,061	1,492,122
Services and Supplies	237,528	475,056
Attorney General Fees	200,000	400,000
Office of Administrative Hearings Fees	200,000	400,000
<b>Total Funds</b>	<b>\$1,383,589</b>	<b>\$2,767,178</b>
Positions	6	6
FTE	3.00	6.00

**Analysis:**

HB 4032 appropriates \$1,383,589 General Fund to the Oregon Health Authority (OHA) for the 2019-21 biennium to support the agency's operation of hospital nurse staffing services consistent with state law.

OHA reports that the appropriation of additional funds of \$1,383,589 will allow the Health Care Regulation and Quality Improvement (HCRQI) program to hire the following six positions and support Department of Justice (DOJ) and Office of Administration expenses to properly support the program's statutory requirements:

- Two Client Care Surveyor positions to help increase turnaround times for survey results and allow the program to complete current workloads within statutory timelines. Hospital nurse staffing legislation adopted in 2015 provided one position for this purpose, but the workload for nurse staffing surveys and complaints has far exceeded original estimates. The program is unable to meet statutory survey and complaint investigation requirements at the currently funded staffing level.
- One Public Health Nurse 2 position to provide consultation and advice regarding compliance and best practices. Currently, the program does not provide this service and the surveyor training model promotes evaluation and encourages hospitals to create solutions based on their knowledge of the resources and challenges. The program currently provides some feedback to hospitals while they work towards solutions; this position would expand services in this area.
- One Research Analyst 4 position to provide analysis of trends in nurse staffing and tie practices to patient outcomes. Currently, the program does not have this analytical capacity or capability. This position would

analyze results of Oregon nurse staffing surveys and complaint investigations, as well as academic studies related to nurse staffing to provide analysis of these information streams.

- One Compliance Specialist 3 position to ensure due process rights for hospitals by providing notice of proposed assessment of civil penalties, tracking hearing request deadlines, referring cases to the Office of Administrative Hearings, and preparing cases for the Department of Justice (DOJ) to present.
- One Principal Executive Manager D position to oversee the two Client Care Surveyors, the Public Health Nurse, the Research Analyst and the Compliance Specialist.

Appeals and contested case hearings expenses are to cover the hearings for hospitals who contest the civil penalties that would be assessed. State law allows for civil penalties to be assessed for non-compliance. The program has not recently assessed civil penalties, but when it does, the hospitals are entitled to an administrative hearing to contest the civil penalties. These costs are calculated based on 10 requests per year at \$20,000 each. OHA predicts that the expense of these hearings could be significant because OHA would be paying DOJ to represent the agency at the hearings and the Office of Administrative Hearings to hear cases and issue recommendations.