

Oregon Medical Board

	2017-19 Actual	2019-21 Legislatively Adopted	2019-21 Legislatively Approved *	2021-23 Current Service Level	2021-23 Governor's Budget
Other Funds	11,555,508	13,662,415	14,079,904	15,112,386	16,496,735
Total Funds	11,555,508	13,662,415	14,079,904	15,112,386	16,496,735
Positions	40	41	41	41	42
FTE	40.00	41.00	41.00	41.00	42.00
* Includes Emergency Board and administrative actions through January 2021					

Program Description

Established in 1889, the mission of the Oregon Medical Board (OMB) is to protect the health, safety, and well-being of Oregon's citizens by regulating the practice of medicine in a manner that promotes access to quality care. The Board is responsible for licensing, regulating, and disciplining the professions of medical doctor (MD), doctor of osteopathic medicine (DO), doctor of podiatric medicine (DPM), physician assistant (PA), and acupuncturist (LAc) to ensure that only qualified and competent individuals are licensed to practice. The 14-member board, appointed by the Governor, is composed of seven medical doctors, two doctors of osteopathy, one podiatric physician, one physician's assistant, and three public members not employed in the medical field. The Board sets requirements for licensure, establishes board policies, reviews investigative cases, and takes disciplinary action where appropriate. It also appoints and reviews the work of the executive director.

The Board is solely funded by Other Funds revenues. The Board receives approximately 97 percent of its revenue from fees for licensure and registration. Licensure and renewal of medical doctors and osteopathic physicians make-up 83 percent of the Board's revenue and increase on a net basis of approximately two percent per year. The estimate for the 2021-23 revenue is based on the current trend in fee income, which shows between 2016 and 2020 fee receipts from all licensees increased by an average of 2.5 percent per year. In addition to the fees, which support Board programs, the Board collects several pass-through fees from its licensees for the Oregon Health Authority and the Oregon Health and Sciences University. The last fee increase implemented by the Board occurred during the 2013-15 biennium and the Board has proposed no new fee increase for the 2021-23 biennium.

The Board has a significant Other Funds ending balance projected for the 2021-23 biennium. In the 2019-21 LAB, the Board unsuccessfully requested Policy Package 101, which proposed a 10 percent temporary fee reduction to all registration and renewal fees to decrease their ending balance. Instead, a fund sweep was proposed for the 2019-21 budget by the Legislature. Because this fund sweep was isolated to the Oregon Medical Board and not extended to other licensing agencies who also carried large ending balances, the fund sweep was ultimately vetoed by the Governor. The Board's ending balance has remained strong; however, the OMB's planned expenditures are outpacing

anticipated licensee growth. The Board lists increasing personal services and state government service charges costs as the main driver of expenditure growth.

CSL Summary and Issues

The 2019-21 current service level (CSL) budget for the Board is \$15,112,386 Other Funds, 41 positions, and 41.00 FTE. The current service level budget is \$1,032,482, or 7.3%, more than the 2017-19 legislatively approved budget. The CSL budget includes adjustments for payroll expenses and standard inflation. At CSL, the board has an ending balance of \$7,570,582 Other Funds, which is an equivalent of 12.1 months of operating expenses.

Policy Issues

The Board's requested budget includes:

- Policy Option Package 101 Core Business Suite Software Replacement: Increase limitation by \$1,603,000 for 2021-23 to contract with a new vendor to modernize the Board's core business software suite from the current system, GLSuite software. Of the \$1,603,000 request, \$512,000 would be a permanent budget adjustment. The Board conducted a review of their IT business suite and concluded that their current vendor, GLSuite software, is unable to provide adequate updates to the software or provide support as required by the Board. OMB does not have access to all of the source code, severely limiting OMB's ability to improve and secure the system. The system captures all data relevant to an applicant or licensee, including varying levels of sensitive data included on each record or potential investigation. The agency is in the process of working with DAS Enterprise Information Services to ensure modernization objectives are met.
- Policy Option Package 102 Investigative Resources: Increase limitation by \$277,921, one position, and 1.00 FTE to establish an additional Investigator 2 position and reclassify existing support positions to better assist in completing investigations. As Oregon's population has increased, so has the number of healthcare professionals licensed by the Board. In 2019, the investigations unit received 1,652 phone call inquiries, 859 emails, and 842 written complaints.
- Policy Option Package 103 Information Security Management: Increase limitation by \$72,000 to purchase and implement Security Information Event Management Software to meet the Oregon Statewide Information Security Plan. The Board collects a variety of data from applicants and licensees. Data collected includes personally identifying (PII), Health Insurance Portability and Accountability Act (HIPPA), and Criminal Justice Information Services (CJIS) information. This information is considered to meet the State's level 3 classification for all applicants and licensees with a few licensees marked as having level 4 classified data.
- Policy Option Package 104 Lease Expense: Increase limitation by \$44,800 to cover projected increase in leasing costs.

In addition to savings realized through vacancy savings, the elimination of standard inflation on certain Services and Supplies accounts including State Government Service Charges, Attorney General Fees, and statewide consolidation of Microsoft 365 costs, the Governor's budget includes funding for the Board's requested policy option packages 101, 102, and 103.

Pandemic

The Board continues to work with physicians and PAs in changing their practices to adhere to the Governor's Executive Orders during the COVID-19 pandemic. The Board has taken steps to assist their licensee base to understand and interpret the Oregon Health Authority's guidance for resumption of non-emergent and elective procedures. In the First Special Session of 2020, the Legislature passed House Bill 4212 to increase the health care workforce and provide flexibility to certain requirements for PAs, during the declared state of emergency. The Board has also taken emergency action to increase the physician and PA workforce in Oregon by adopting new temporary rules for out-of-state practitioners.

Other Significant Issues and Background

The Board has proposed one legislative concept, LC 484, amending ORS 677.235(2)(d)(B) to allow any of the eleven professional members of the Board to satisfy the requirement that at least one member is appointed from each federal congressional district. This will provide flexibility when identifying the best-qualified candidates and will improve geographic diversity among board members. There is no fiscal impact associated with this change.

Key Performance Measures

https://www.oregonlegislature.gov/lfo/APPR/APPR_OMB_2020_08_06%20FINAL.pdf