

**SB 5523 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Drew Cohen, Department of Administrative Services

**Reviewed By:** Michael Graham, Legislative Fiscal Office

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**Mental Health Regulatory Agency  
2021-23**

PRELIMINARY

**Budget Summary\***

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ 4,370,784	\$ 4,650,352	\$ 5,198,007	\$ 827,223	18.9%
Total	\$ 4,370,784	\$ 4,650,352	\$ 5,198,007	\$ 827,223	18.9%

**Position Summary**

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21
Authorized Positions	12	12	14	2
Full-time Equivalent (FTE) positions	12.00	12.00	14.00	2.00

<sup>(1)</sup> Includes adjustments through January 2021

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

The Mental Health Regulatory Agency (MHRA) was established in 2018 and its mission is to provide administrative and regulatory oversight of two Boards that regulate mental health professions in Oregon, the Board of Licensed Professional Counselors and Therapists (BLPCT) and the Oregon Board of Psychology (OBOP). MHRA is supported solely from Other Funds generated from licensing fees, applications, examinations, and other miscellaneous sources, including civil penalties and sales of publications. The recommended budget is projected to leave the Agency with an ending balance equivalent to nine months of operating expenses.

**Summary of Education Subcommittee Action**

MHRA performs budgeting, recordkeeping, staffing, contracting, procedure and policymaking, and performance and standard setting functions for both Boards. BLPCT and OBOP maintain their own separate statutory authority to investigate complaints, enforce regulations, establish and collect fees, instill licensing criteria for education, training and examination, and instill practice standards including the adoption of a code of ethics.

The Subcommittee recommended a budget for the Mental Health Regulatory Agency of \$5,198,007 Other Funds and 14 positions (14.00 FTE). This is an 18.9% increase from 2019-21 legislatively approved budget. The budget includes an increase of two positions (2.00 FTE) from the 2019-21 legislatively approved budget.

### **Board of Licensed Professional Counselors and Therapists**

The mission of BLPCT is to protect the health and well-being of Oregon citizens by setting a strong ethical standard of practice through the regulation of counselors and marriage and family therapists. The Board consists of one program unit, which is divided into five core activities: applications, examinations, licensing, continuing education, and consumer protection. The Subcommittee recommended a budget of \$3,320,690 Other Funds and 14 positions (9.60 FTE). The Subcommittee recommended the following packages:

Package 099: Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100: Licensing Manager Position. This package increases Other Funds expenditure limitation by \$158,111 for the BLPCT's portion of one permanent Licensing Manager position (0.70 FTE) to direct and support the licensing activity operations for both Boards, due to the continued growth of their licensee base. This position will manage the licensing program, supervise administrative personnel, and perform policy/legislative analysis and operational research and evaluation duties.

Package 101: Limited Duration Investigator Position. This package increases Other Funds expenditure limitation by \$126,707 for BLPCT's portion of the limited duration Investigator position (0.70 FTE) to support agency compliance functions. This position will assist with the Boards' growing investigation backlog by performing complaint investigations and investigation reporting and documentation.

Package 103: Attorney General Fees. This package increases Other Funds expenditure limitation by \$76,600 for BLPCT's portion of the services and supplies needed to sufficiently fund the Attorney General fees for both Boards. This increase in Attorney General fees will enable the Boards to process and dispose of their increasing number of complaints and investigations, resulting in sanctions, contested case hearings or appeals, and other matters requiring legal advice.

Package 104: Board Cost Allocation Adjustment. This package updates the current cost allocation model for certain shared expenditures between both Boards. Under the current model, BLPCT pays 65% and OBOP pays 35%. This package increases BLPCT's share to 70% and reduces OBOP's share to 30%, in order to more equitably distribute the cost of shared resources between them and reflect the change in their respective licensee bases. This package increases Other Funds expenditure limitation for BLPCT by \$142,707, a reduction is included in the OBOP budget structure.

### **Board of Psychologists**

The mission of OBOP is to promote, preserve, and protect the public health and welfare by ensuring the ethical and legal practice of psychology. The Board consists of one program unit, which is divided into five core activities: applications, examinations, licensing, continuing

education, and consumer protection. The Subcommittee recommended a budget of \$1,877,317 Other Funds and zero positions (4.40 FTE). The Subcommittee recommended the following packages:

Package 099: Microsoft 365 Consolidation. Microsoft 365 is being consolidated within the office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100: Licensing Manager Position. This package increases Other Funds expenditure limitation by \$68,902 for OBOP's portion of one permanent Licensing Manager position (0.30 FTE) to direct and support the licensing activity operations for both Boards, due to the continued growth of their licensee base. This position will manage the licensing program, supervise administrative personnel, and perform policy/legislative analysis and operational research and evaluation duties.

Package 101: Limited Duration Investigator Position. This package increases Other Funds expenditure limitation by \$55,444 for OBOP's portion of the limited duration Investigator position (0.30 FTE) to support agency compliance functions. This position will assist with the Boards' growing investigation backlog by performing complaint investigations and investigation reporting and documentation.

Package 103: Attorney General Fees. This package increases Other Funds expenditure limitation by \$70,365 for OBOP's portion of the services and supplies needed to sufficiently fund the Attorney General fees for both Boards. This increase in Attorney General fees will enable the Boards to process and dispose of their increasing number of complaints and investigations, resulting in sanctions, contested case hearings or appeals, and other matters requiring legal advice.

Package 104: Board Cost Allocation Adjustment. This package updates the current cost allocation model for certain shared expenditures between both Boards. Under the current model, BLPCT pays 65% and OBOP pays 35%. This package increases BLPCT's share to 70% and reduces OBOP's share to 30%, in order to more equitably distribute the cost of shared resources between them and reflect the change in their respective licensee bases. This package reduces Other Funds expenditure limitation by \$142,716 for OBOP; an increase is included in the BLPCT budget structure.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**Mental Health Regulatory Agency**  
**Drew Cohen (971) 707-8779**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ -	\$ -	\$ 4,370,784	\$ -	\$ -	\$ -	\$ 4,370,784	12	12.00
2021-23 Current Service Level (CSL)*	\$ -	\$ -	\$ 4,650,352	\$ -	\$ -	\$ -	\$ 4,650,352	12	12.00
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 10800-001 Board of Counselors &amp; Therapists</b>									
Package 099: Microsoft 365 Consolidation Services and Supplies	\$ -	\$ -	\$ (5,925)	\$ -	\$ -	\$ -	\$ (5,925)		
Package 100: Licensing Manager Position Personal Services	\$ -	\$ -	\$ 158,111	\$ -	\$ -	\$ -	\$ 158,111	1	0.70
Package 101: LD Investigator Position Personal Services	\$ -	\$ -	\$ 126,707	\$ -	\$ -	\$ -	\$ 126,707	1	0.70
Package 103: Attorney General Fees Services and Supplies (account 4325)	\$ -	\$ -	\$ 76,600	\$ -	\$ -	\$ -	\$ 76,600		
Package 104: Board Cost Allocation Adj Personal Services	\$ -	\$ -	\$ 99,130	\$ -	\$ -	\$ -	\$ 99,130	0	0.55
Services and Supplies	\$ -	\$ -	\$ 43,577	\$ -	\$ -	\$ -	\$ 43,577		
<b>SCR 1008-002 Board of Psychologists</b>									
Package 099: Microsoft 365 Consolidation Services and Supplies	\$ -	\$ -	\$ (2,540)	\$ -	\$ -	\$ -	\$ (2,540)		
Package 100: Licensing Manager Position Personal Services	\$ -	\$ -	\$ 68,902	\$ -	\$ -	\$ -	\$ 68,902	0	0.30
Package 101: LD Investigator Position Personal Services	\$ -	\$ -	\$ 55,444	\$ -	\$ -	\$ -	\$ 55,444	0	0.30
Package 103: Attorney General Fees Services and Supplies (account 4325)	\$ -	\$ -	\$ 70,365	\$ -	\$ -	\$ -	\$ 70,365		
Package 104: Board Cost Allocation Adj Personal Services	\$ -	\$ -	\$ (99,139)	\$ -	\$ -	\$ -	\$ (99,139)	0	-0.55
Services and Supplies	\$ -	\$ -	\$ (43,577)	\$ -	\$ -	\$ -	\$ (43,577)		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 547,655</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 547,655</b>	<b>2</b>	<b>2.00</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,198,007</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,198,007</b>	<b>14</b>	<b>14.00</b>
% Change from 2019-21 Leg Approved Budget	0.0%	0.0%	18.9%	0.0%	0.0%	0.0%	18.9%	16.7%	16.7%
% Change from 2021-23 Current Service Level	0.0%	0.0%	11.8%	0.0%	0.0%	0.0%	11.8%	16.7%	16.7%

\*Excludes Capital Construction Expenditures

# Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 5/26/2021 12:38:01 AM

**Agency:** Licensed Professional Counselors and Therapists, Board of

**Mission Statement:**

To protect and benefit the public by setting strong licensing standards for professional counselors and marriage and family therapists. Standards include education, experience, and examinations. Licensees must abide by a Code of Ethics, complete continuing education, and provide clients with licensee background information and how to contact the Board.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Expertise	Approved	92%	75%	75%
	Overall		85%	75%	75%
	Availability of Information		85%	75%	75%
	Timeliness		86%	75%	75%
	Helpfulness		90%	75%	75%
	Accuracy		92%	75%	75%
2. Board Best Practices - Percent of total best practices met by the Board.		Approved	97%	85%	85%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt of complaint.		Approved		75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	1	15	15
3. Timely Investigations - Percent of complaints presented to the Board within 120 days of receipt of complaint.		Legislatively Deleted	10%	75%	75%

**LFO Recommendation:**

LFO recommends the following:

- Delete KPM #3 ("Timely Investigations") and replace it with a new KPM. KPM #3 currently tracks the percentage of complaints presented to the board within 120 days of receipt of the complaint. The board has been falling substantially short of the 75 percent target. By extending the time for complaints to be presented to the board to 180 days, the board will have a more realistic chance of meeting the 75 percent target.
- Approve KPMs #1, #2 and #4 and their targets as presented.

These KPMs are the result of the 2017 Legislative recommendation, in which the Board of Licensed Professional Counselors and Therapists agreed to work with the Board of Psychology, DAS, and LFO during the interim to improve and align the two boards' KPMs, as part of the merging of the two boards under the Mental Health Regulatory Agency.

In addition, LFO recommends the Board of Licensed Professional Counselors and Therapists work with LFO and DAS CFO during the interim to document its data collection and processing methods to ensure that the KPM data provided are accurate and that definitions of data elements are consistent from year to year.

**SubCommittee Action:**

Approved LFO recommendation.

# Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 5/26/2021 12:40:47 AM

**Agency:** Oregon Board of Psychology

**Mission Statement:**

Our mission is to protect and benefit public health and safety; and promote quality in the psychology profession.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": Overall, Timeliness, Accuracy, Helpfulness, Expertise, Availability of Information.	Availability of Information	Approved	73%	75%	75%
	Accuracy		76%	75%	75%
	Expertise		80%	75%	75%
	Helpfulness		78%	75%	75%
	Overall		75%	75%	75%
	Timeliness		76%	75%	75%
2. BOARD BEST PRACTICES - Percent of total best practices met by the Board.		Approved	99%	85%	85%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt.		Approved		75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	6	15	15
3. Timely Investigations - Percent of complaints presented to the Board within 120 days of receipt.		Legislatively Deleted	20%	75%	75%

**LFO Recommendation:**

LFO recommends the following:

- Delete KPM #3 ("Timely Investigations") and replace it with a new KPM. KPM #3 currently tracks the percentage of complaints presented to the board within 120 days of receipt of the complaint. The board has been falling substantially short of the 75 percent target. By extending the time for complaints to be presented to the board to 180 days, the board will have a more realistic chance of meeting the 75 percent target.
- Approve KPMs #1, #2 and #4 and their targets as presented.

These KPMs are the result of the 2017 Legislative recommendation, in which the Board of Psychology agreed to work with the Board of Licensed Professional Counselors and Therapists, DAS, and LFO during the interim to improve and align the two boards' KPMs, as part of the merging of the two boards under the Mental Health Regulatory Agency.

In addition, LFO recommends the Board of Psychology work with LFO and DAS CFO during the interim to document its data collection and processing methods to ensure that the KPM data provided are accurate and that definitions of data elements are consistent from year to year.

**SubCommittee Action:**

Approved LFO recommendation.