

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Education Subcommittee

From: Michael Graham, Legislative Fiscal Office

Date: May 5, 2023

Subject: HB 5024 – Mental Health Regulatory Agency
Work Session Recommendations

Mental Health Regulatory Agency – Agency Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	--	\$300,000	--	--
Other Funds	\$3,920,298	\$5,186,427	\$5,401,035	\$5,774,268
Total Funds	\$3,920,298	\$5,486,427	\$5,401,035	\$5,774,268
Positions	13	14	13	15
FTE	13.00	14.00	13.00	15.00

Enclosed are the Legislative Fiscal Office (LFO) budget recommendations for the Mental Health Regulatory Agency (MHRA), which is comprised of two mental health licensing boards: the Board of Licensed Professional Counselors and Therapists (BLPCT) and the Board of Psychology (BOP).

The 2023-25 LFO recommended budget for MHRA is \$5,774,268 Other Funds and includes 15 positions (15.00 FTE). This represents an increase of \$287,841, or 5.3%, above the 2021-23 legislatively approved budget, and \$373,233, or 6.9%, above the current service level.

Board of Licensed Professional Counselors and Therapists – Board Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	--	\$150,000	--	--
Other Funds	\$2,457,621	\$3,319,099	\$3,423,172	\$3,985,666
Total Funds	\$2,457,621	\$3,469,099	\$3,423,172	\$3,985,666
Positions	13	14	13	15
FTE	8.40	9.60	8.90	11.05

The 2023-25 LFO recommended budget for BLPCT is \$3,985,666 Other Funds and includes 15 positions (11.05 FTE). This represents an increase of \$516,567, or 14.9%, above the 2021-23 legislatively approved budget, and \$562,494, or 16.4%, above the current service level. This increase is partly due to a cost reallocation that shifts certain expenditures from BOP to BLPCT, but which does not otherwise increase total MHRA expenditures. The LFO recommended budget includes the following:

- Package 90: This package increases BLPCT personal services costs by \$3,616 to account for board member stipends that were not included in the 2023-25 base budget; increases BLPCT expenditures by \$287,794 to account for a cost reallocation that transfers 0.65 FTE from BOP to BLPCT; and decreases BLPCT fee revenue by \$377,835 to reflect various fee decreases anticipated in the 2023-25 biennium. In total, this package increases BLPCT expenditures by \$291,410 Other Funds.
- Package 100: This package establishes one permanent Administrative Specialist 1 position (0.75 FTE) to assist with accounting and other program support functions, such as accounts payable and receivable, meeting coordination and scheduling, and travel arrangements. Since these responsibilities have traditionally fallen upon licensing and compliance staff, this package will enable BLPCT to meet its strategic goal of improved customer service and timely complaint investigation processing. In total, this package increases BLPCT expenditures by \$136,787 Other Funds.
- Package 101: This package makes a limited duration Investigator 2 position (0.75 FTE) permanent to support agency compliance functions. As the number of licensees continues to grow, BLPCT compliance staff face an increasing number of investigation requests and contested case hearings and appeals. This package will enable BLPCT to meet its strategic goal of timely complaint investigation processing. In total, this package increases BLPCT expenditures by \$134,297 Other Funds.
- Package 102: This package increases BLPCT fee revenue by an estimated \$156,500 Other Funds, to be collected upon passage of House Bill 3300 (2023), which would authorize BLPCT to issue a limited permit and impose and collect a limited permit fee from a professional counselor or marriage and family therapist who is licensed in another state to practice in Oregon for a limited amount of time. This package assumes a limited permit fee of \$100 per applicant, effective January 1, 2024.

Board of Psychology – Board Totals

	2019-21 Actual	2021-23 Legislatively Approved	2023-25 Current Service Level	2023-25 LFO Recommended
General Fund	--	\$150,000	--	--
Other Funds	\$1,462,677	\$1,867,328	\$1,977,863	\$1,788,602
Total Funds	\$1,462,677	\$2,017,328	\$1,977,863	\$1,788,602
Positions	--	--	--	--
FTE	4.60	4.40	4.10	3.95

The 2023-25 LFO recommended budget for BOP is \$1,788,602 Other Funds and includes zero positions (3.95 FTE). This represents a decrease of \$288,726, or 11.3%, below the

2021-23 legislatively approved budget, and \$189,261, or 9.6%, below the current service level. This decrease is primarily due to a cost reallocation that shifts certain expenditures from BOP to BLPCT, but which does not otherwise increase total MHRA expenditures. The LFO recommended budget includes the following:

- Package 90: This package increases BOP personal services costs by \$8,136 to account for board member stipends that were not included in the 2023-25 base budget; decreases BOP expenditures by \$287,794 to account for a cost reallocation that transfers 0.65 FTE from BOP to BLPCT; and decreases BOP fee revenue by \$344,576 to reflect various fee decreases anticipated in the 2023-25 biennium. In total, this package decreases BOP expenditures by \$279,658 Other Funds.
- Package 100: This package increases BOP's FTE count by 0.25 FTE for the Administrative Specialist 1 position, established in BLPCT's 2023-25 legislatively adopted budget, to assist with accounting and other program support functions, such as accounts payable and receivable, meeting coordination and scheduling, and travel arrangements. Since these responsibilities have traditionally fallen upon licensing and compliance staff, this package will enable BOP to meet its strategic goal of improved customer service and timely complaint investigation processing. In total, this package increases BOP expenditures by \$45,632 Other Funds.
- Package 101: This package increases BOP's FTE count by 0.25 FTE for the limited duration Investigator 2 position made permanent in BLPCT's 2023-25 legislatively adopted budget, to support agency compliance functions. As the number of licensees continues to grow, BOP compliance staff face an increasing number of investigation requests and contested case hearings and appeals. This package will enable BOP to meet its strategic goal of timely complaint investigation processing. In total, this package increases BOP expenditures by \$44,765 Other Funds.

Adjustments to Current Service Level

See attached "Work Session Presentation Report."

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

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5024. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5024 with modifications. (VOTE)

Performance Measures

See attached “Legislatively Proposed 2023-25 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 \$5,774,268 Other Funds, and 15 positions (15.00 FTE), as reflected in the –1 amendment, which includes:

- \$3,985,666 Other Funds and 15 positions (11.05 FTE) for BLPCT; and
- \$1,788,602 Other Funds and zero positions (3.95 FTE) for BOP.

MOTION: I move adoption of the –1 amendment to HB 5024. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5024, as amended by the –1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5024, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	300,000	-	5,052,276	-	-	-	5,352,276	14	14.00
2021-23 Ebds, SS & Admin Act	-	-	134,151	-	-	-	134,151	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	300,000	-	5,186,427	-	-	-	5,486,427	14	14.00
2021-23 Leg Approved Budget (Base)	300,000	-	5,186,427	-	-	-	5,486,427	14	14.00
Summary of Base Adjustments	-	-	(56,122)	-	-	-	(56,122)	(1)	(1.00)
2023-25 Base Budget	300,000	-	5,130,305	-	-	-	5,430,305	13	13.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	76,460	-	-	-	76,460	-	-
020: Phase In / Out Pgm & One-time Cost	(300,000)	-	-	-	-	-	(300,000)	-	-
030: Inflation & Price List Adjustments	-	-	194,270	-	-	-	194,270	-	-
2023-25 Current Service Level	-	-	5,401,035	-	-	-	5,401,035	13	13.00
Adjusted 2023-25 Current Service Level	-	-	5,401,035	-	-	-	5,401,035	13	13.00
Total LFO Recommended Packages	-	-	373,233	-	-	-	373,233	2	2.00
2023-25 Legislative Actions	-	-	5,774,268	-	-	-	5,774,268	15	15.00
Net change from 2021-23 Leg Approved Budget	(300,000)	-	587,841	-	-	-	287,841	1	1.00
Percent change from 2021-23 Leg Approved Budget	(100.0%)	0.0%	11.3%	0.0%	0.0%	0.0%	5.3%	7.1%	7.1%
Net change from 2023-25 Adj Current Service Level	-	-	373,233	-	-	-	373,233	2	2.00
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	6.9%	0.0%	0.0%	0.0%	6.9%	15.4%	15.4%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	300,000	-	3,225,938	-	-	-	3,525,938	14	9.60
2021-23 Ebds, SS & Admin Act	-	-	93,161	-	-	-	93,161	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	300,000	-	3,319,099	-	-	-	3,619,099	14	9.60
2021-23 Leg Approved Budget (Base)	300,000	-	3,319,099	-	-	-	3,619,099	14	9.60
Summary of Base Adjustments	-	-	(38,368)	-	-	-	(38,368)	(1)	(0.70)
2023-25 Base Budget	300,000	-	3,280,731	-	-	-	3,580,731	13	8.90
010: Non-PICS Pers Svc/Vacancy Factor	-	-	37,702	-	-	-	37,702	-	-
020: Phase In / Out Pgm & One-time Cost	(300,000)	-	-	-	-	-	(300,000)	-	-
030: Inflation & Price List Adjustments	-	-	104,739	-	-	-	104,739	-	-
2023-25 Current Service Level	-	-	3,423,172	-	-	-	3,423,172	13	8.90
Adjusted 2023-25 Current Service Level	-	-	3,423,172	-	-	-	3,423,172	13	8.90
Total LFO Recommended Packages	-	-	562,494	-	-	-	562,494	2	2.15
2023-25 Legislative Actions	-	-	3,985,666	-	-	-	3,985,666	15	11.05
Net change from 2021-23 Leg Approved Budget	(300,000)	-	666,567	-	-	-	366,567	1	1.45
Percent change from 2021-23 Leg Approved Budget	(100.0%)	0.0%	20.1%	0.0%	0.0%	0.0%	10.1%	7.1%	15.1%
Net change from 2023-25 Adj Current Service Level	-	-	562,494	-	-	-	562,494	2	2.15
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	16.4%	0.0%	0.0%	0.0%	16.4%	15.4%	24.2%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 090 Analyst Adjustments

Package Description This package adds an additional \$3,616 in Personal Services for the Board Member Stipend that was not included in Essential Package 010, increases expenditures in Services and Supplies by \$153,051 and Personal Services by \$134,743 to account for the requested cost reallocation between the two boards, and decreases revenue to reflect the requested fee decrease.

LFO Recommendation LFO recommends approval of the package

LFO Recommended	-	-	291,410	-	-	-	291,410	-	0.65
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Administrative Specialist

Package Description This package establishes one permanent Administrative Specialist 1 to assist in accounting and program support functions for the agency. This package has been modified to reflect the new cost allocation model between the boards that was approved in Package 090.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	136,787	-	-	-	136,787	1	0.75
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Investigator

Package Description This package makes the Limited Duration Investigator 2 position permanent. This package has been modified to reflect the new cost allocation model between the boards that was approved in Package 090.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	134,297	-	-	-	134,297	1	0.75
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Licensing

Package Description This package includes \$156,500 in revenue that is expected to be collected on the passage of House Bill 3300 that grants the Board of Licensed Professional Counselors and Therapists authority to establish a new limited permit fee of \$100.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	-	-	-	-	-	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2021-23 Agy. Leg. Adopted	-	-	1,826,338	-	-	-	1,826,338	-	4.40
2021-23 Ebds, SS & Admin Act	-	-	40,990	-	-	-	40,990	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2021-23 Leg Approved Budget	-	-	1,867,328	-	-	-	1,867,328	-	4.40
2021-23 Leg Approved Budget (Base)	-	-	1,867,328	-	-	-	1,867,328	-	4.40
Summary of Base Adjustments	-	-	(17,754)	-	-	-	(17,754)	-	(0.30)
2023-25 Base Budget	-	-	1,849,574	-	-	-	1,849,574	-	4.10
010: Non-PICS Pers Svc/Vacancy Factor	-	-	38,758	-	-	-	38,758	-	-
030: Inflation & Price List Adjustments	-	-	89,531	-	-	-	89,531	-	-
2023-25 Current Service Level	-	-	1,977,863	-	-	-	1,977,863	-	4.10
Adjusted 2023-25 Current Service Level	-	-	1,977,863	-	-	-	1,977,863	-	4.10
Total LFO Recommended Packages	-	-	(189,261)	-	-	-	(189,261)	-	(0.15)
2023-25 Legislative Actions	-	-	1,788,602	-	-	-	1,788,602	-	3.95
Net change from 2021-23 Leg Approved Budget	-	-	(78,726)	-	-	-	(78,726)	-	(0.45)
Percent change from 2021-23 Leg Approved Budget	0.0%	0.0%	(4.2%)	0.0%	0.0%	0.0%	(4.2%)	0.0%	(10.2%)
Net change from 2023-25 Adj Current Service Level	-	-	(189,261)	-	-	-	(189,261)	-	(0.15)
Percent change from 2023-25 Adj Current Service Level	0.0%	0.0%	(9.6%)	0.0%	0.0%	0.0%	(9.6%)	0.0%	(3.7%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 090 Analyst Adjustments

Package Description This package adds an additional \$8,136 in Personal Services for the Board Member Stipend that was not included in Essential Package 010, decreases expenditures in Services and Supplies by \$153,051 and Personal Supplies by \$134,743 to account for the requested cost reallocation between the two boards, and decreases revenue to reflect the requested fee decrease.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	(279,658)	-	-	-	(279,658)	-	(0.65)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 100 Administrative Specialist

Package Description This package establishes one permanent Administrative Specialist 1 to assist in accounting and program support functions for the agency. This package has been modified to reflect the new cost allocation model between the boards that was approved in Package 090.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	45,632	-	-	-	45,632	-	0.25
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Investigator

Package Description This package makes the Limited Duration Investigator 2 position permanent. This package has been modified to reflect the new cost allocation model between the boards that was approved in Package 090.

LFO Recommendation LFO recommends approval of the package.

LFO Recommended	-	-	44,765	-	-	-	44,765	-	0.25
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Legislatively Proposed 2023 - 2025 Key Performance Measures

Published: 5/16/2023 9:06:48 AM

Agency: Board of Licensed Professional Counselors and Therapists

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 Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
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	65%	75%	75%
	Overall		68%	75%	75%
	Availability of Information		58%	75%	75%
	Timeliness		59%	75%	75%
	Helpfulness		61%	75%	75%
	Accuracy		61%	75%	75%
2. Board Best Practices - Percent of total best practices met by the Board.		Approved	92%	95%	95%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt of complaint.		Approved	46%	75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	2	5	5

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets, which includes increasing the target for KPM #2 from 85 percent to 95 percent and decreasing the target for KPM #4 from 15 days to 5 days.

SubCommittee Action:

Legislatively Proposed 2023 - 2025 Key Performance Measures

Published: 5/16/2023 9:06:48 AM

Agency: Board of Licensed Professional Counselors and Therapists

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 Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
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	65%	75%	75%
	Overall		68%	75%	75%
	Availability of Information		58%	75%	75%
	Timeliness		59%	75%	75%
	Helpfulness		61%	75%	75%
	Accuracy		61%	75%	75%
2. Board Best Practices - Percent of total best practices met by the Board.		Approved	92%	95%	95%
3. Timely Investigations - Percent of complaints presented to the Board within 180 days of receipt of complaint.		Approved	46%	75%	75%
4. Efficient Application Processing - Average number of calendar days from completed license application file to application approval.		Approved	2	5	5

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed Key Performance Measures and targets, which includes increasing the target for KPM #2 from 85 percent to 95 percent and decreasing the target for KPM #4 from 15 days to 5 days.

SubCommittee Action: