

**Oregon Health Licensing Agency
Board of Cosmetology
Minutes of November 5, 2007**

MEMBERS PRESENT

Mike Snook, Chairperson
Debora Masten, Practitioner
Patricia Hall, Practitioner
Linda Bergmann, Practitioner

STAFF PRESENT

Susan Wilson, Director
Tracy C. Nelson, Administrative Liaison
Samantha Patnode, Program Coordinator

MEMBER ABSENT

George Robb, Public Member
Deely Klarr, Vice-Chairperson
Judith Petersen, Practitioner

GUESTS

Heidi Zuniga-School Owner
Diana Nott – Oregon Board of Massage Therapy
Leonardo Parra – Barbershop Owner
Rachel Nolin – Department of Administrative Services
Michelle Meierotto – Public Citizen
Mike Ewert – Department of Consumer Business
Services,
Jim Markee – Markee & Associates

CALL TO ORDER

Michael Snook, Chair, called the meeting of the Board of Cosmetology to order on November 5, 2007, at 9:12 a.m. at the Department of Agriculture, Basement Hearing Room, 635 Capitol St NE, Salem, Oregon.

APPROVAL OF AGENDA

MOTION

Ms. Bergmann made a motion to approve the agenda for November 5, 2007. Ms. Masten seconded the motion. The motion passed with Mr. Snook, Ms. Masten, Ms. Hall, and Ms. Bergmann, voting aye.

APPROVAL OF MINUTES

MOTION

Ms. Masten made a motion to approve the meeting minutes of September 17, 2007. The motion passed with Mr. Snook, Ms. Masten, Ms. Hall, and Ms. Bergmann voting aye.

DIRECTOR'S REPORT

Ms. Wilson stated the Oregon Health Licensing Agency (OHLA) is undergoing internal reorganization to lay a foundation to provide boards, customers and regulated professionals with the best regulatory services and resources. As OHLA's strategic plan develops, the first shift will occur in agency divisions and staff roles. The Business Administration Division is headed by Richard McNew who oversees agency-wide licensing responsibilities, fiscal management, budget and contract management, economic forecasting, human resources and payroll, information technology and systems management, and facility and property control. Trish Allbritton is the Manager for the Policy and Strategic Planning Division and Larry Peck for the Regulatory Services Division both of whom are part of the executive team and report to Mr. McNew.

Ms. Wilson added the result of reorganization and review will position the agency to maximize existing benefits of economies of scale and to make adjustments smoothly and effectively. The agency will carry forward, to the 2009 Legislature, proposed refinements and promote the value of streamlining and standardizing services and fees.

REVENUES AND EXPENDITURES

Richard McNew, Business Administration Division Manager, introduced himself to members and addressed the agency budget, revenues, standardization and fees. He reported that OHLA has a budget of \$6,131,235. Mr. McNew explained OHLA's objective in reorganization is geared toward efficiencies -- eliminating unnecessary or redundant processes and improving completed staff work and centralizing work around function to best serve the needs of OHLA customers. He stated that the more efficiencies the agency implements the less staff is required, which will have a beneficial affect on license fees. He noted the agency is reviewing every process and position for the agency's new cost allocation plan.

Mr. McNew provided an overview of the internal review that draws on outside resources and other agencies expertise and assistance to recommend efficiencies in restructuring OHLA accounting models, human resources and information technology. He explained that restructuring is an important step in preparing for future growth and expansion without having to increase fees and add staff when a new program is added to the central agency's administrative oversight.

Mr. McNew reported that when the cost allocation model is completed, he will re-project the budget and revenues and provide OHLA's Director, Susan Wilson, with his best assumptions for fees. He addressed changes to the Customer Service area of the agency and plans to add an express lane and on-site service kiosks to provide customers with additional service options.

Focusing on revenues, Mr. McNew reported that the 2007-09 current agency-wide revenue was \$1,410,646. He pointed out the new reporting tools for agency-wide expenditures and revenues based on actual figures. He noted that the members will be provided information on an on-going basis.

ONLINE RENEWALS

Ms. Patnode, Program Coordinator, explained the percentage of renewals completed online for January through September, 2007 and pointed out the increase for the months of February and June. She explained the agency is working on ways to encourage licensees to renew online and is considering providing incentives for future use of the online renewal system.

LICENSING

Ms. Patnode provided the Board with statistics from January 1, 2007 through September 30, 2007, which included the following;

January 1, 2007 to September 30, 2007

Practitioner Certification:

- Original Certificates Issued – 1524
- Reciprocity - 635
- Certificates Renewed – 18,502
- Late Renewals – 1,805
- Certificates of Identification – 97

Ms. Patnode presented a four-year comparison report detailing the increase and decrease in licensing transactions from 2003 to 2006.

EXAMINATIONS

Ms. Patnode provided an overview of the examination results for January 1, 2007 to September 30, 2007:

- | | |
|----------------------------------------|---------------------------------------------------|
| • Oregon Laws and Rules - | Number Conducted – 1,382 Percent Passing – 89% |
| • Hairdresser Exam - | Number Conducted – 797 Percent Passing – 76% |
| • Barber Exam - | Number Conducted – 20 Percent Passing – 80% |
| • Esthetics Exam - | Number Conducted – 1,312 Percent Passing – 53% |
| • Nail Technology Exam - | Number Conducted – 826 Percent Passing – 87% |
| • Certificate of Identification Exam - | Number Conducted – 86 Percent Passing – 72% |

Ms. Patnode presented a four-year comparison report detailing the increase and decrease in pass/fail rates including the number of examinations administered and the percent passing from 2003-2006.

EXAMINATIONS

Effective November 1, 2007, a new policy was established for applicants retaking the Board of Cosmetology written examination, which entails a waiting period of 7 to 30 days after a failed examination attempt. Mr. Snook clarified the policy was established to disallow applicants from taking the examination multiple times in quick succession which will reduce the potential of answering questions based on the process of elimination. Mr. Snook noted future plans to include providing applicants with information on the failed examination questions to study for future exam attempts.

ENFORCEMENT

The Oregon Health Licensing Agency's ***Complaints and Enforcement Section*** conducts statewide, onsite inspections for licensed facilities and responds to and investigates complaints. Onsite facility inspections include surveillance and monitoring businesses, independent contractors and practitioners. Special Investigations are based on the result of citizen complaints or cases involving critical issues – both civil and criminal, such as bacterial/viral infection outbreaks, unlicensed or illegal practice, prohibited acts, fraud or trade practice violations, incompetence or violations of practice standards and other critical issues involving the health and safety of consumers. The ***Complaints and Enforcement Section*** is responsible for taking disciplinary action against licensees who are found in violation / non-compliance of state law.

Tim Molloy, Enforcement and Investigations Supervisor introduced Tina. McCallister, Compliance Specialist, and explained key enforcement staff will occasionally be providing enforcement reports to the Board. Ms. Mccallister reported the Board of Cosmetology percentage of overall OHLA complaints received from January 1, 2007 through September 30, 2007.

January 1 through September 30, 2007:

- Total number of licenses – 68,875
- Total number of complaints – 150
- Overall percent of OHLA complaints – 100%

Ms. Mccallister presented statistical complaint information for January 1, 2007 through September 30, 2007.

January 1 through September 30, 2007

- Total Number of Inspections – 5,878
- Proposed Orders – 949
- Final Orders – 1011

Ms. Mccallister also presented the Board with a four-year comparison report detailing the increase and decrease of complaints received by the agency and number of orders written from 2003 to 2006.

ADMINISTRATIVE RULES

Ms. Patnode reported citation changes in ORS 690.165, required administrative rule revisions which became effective on November 1, 2007.

OUTREACH AND COMMUNICATION

Kraig Bohot, OHLA Communications Officer, presented an article from the Oregonian. The article refers to the Oregon Board of Nursing undergoing problems from a state investigation. They concluded the Board's action lacked a sense of urgency to protect the public. This investigation spurred the Department of Administrative Services (DAS) and the Governor's Office to review all state agencies that oversee boards. Ms. Wilson referred to a September 12, 2007 memo from the Governor's Office requesting all health-related licensing boards attend a special meeting to discuss regulatory performance, particularly as it relates to the disciplinary process. OHLA was represented at this meeting.

Mr. Bohot provided an overview of the OHLA Web site highlighting recent updates to the Board Web page. New features meet the American with disabilities Act (ADA) standards, such as adjustable type size. The new Oregon.gov 3.0 version offers more flexibility for presenting Web content. The short description of key online resources provides visitors with quick and easy access to what they need. Mr. Bohot pointed out that OHLA's Web Site is initiating the second phase of ongoing efforts to provide consumers with access to disciplinary action information of licensees.

Mr. Bohot reported that OHLA now oversees its ninth volunteer citizen board – the Sex Offender Treatment board (SOTB), and referred members to the agency's Web site for more information on the new regulatory program.

Kraig Bohot, reported OHLA is collaborating with the Oregon Department of Environmental Quality (DEQ) to address concerns with the quality of indoor air in nail salons. He explained the DEQ and the Environmental Protection Agency (EPA) Region X, Indoor Air Quality, will focus on best management practices, hazardous waste disposal, ventilation and air quality, worker health and safety, and other topics of concern.

Board member discussions centered on odor which is produced in salons from nail services, noting the odor is not usually harmful to people, but examples were given of persons who have experienced reactions.

Michael Ewert, Mechanical / Residential Code Specialist, Department of Consumer & Business Services, presented "2007 Building Codes for Nail Salons" that addressed ventilation requirements for new facilities. Concerns had been raised about the indoor air quality of Nail Salons and Mr. Ewert did some research to ensure ventilation and air quality was addressed in building codes for new or reconstruction of existing Nail Salons.

Public Comments

A facility owner spoke about concerns that after 5 pm unlicensed barbers or hair dressers are performing services and accepting fees. Mr. Molloy stated that different hours and days will be implemented for the Compliance/Enforcement Investigators to inspect facilities.

The meeting adjourned at 12:26 p.m.

I attest that the Board of Cosmetology minutes of November 5, 2007, are a true and accurate reflection of the matters discussed and the views of the participants.

(Signature on file)

Samantha Patnode, Program Coordinator