

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Health Authority - Public Health Division

333

Agency and Division

Administrative Rules Chapter Number

Standards for State and Local Public Health Authorities

Rule Caption

In the Matter of: Amending OAR chapter 333, division 14, relating to transfers of local public health authority.

Statutory Authority: ORS 413.042, 431.382

Other Authority:

Stats. Implemented: ORS 431.382

Need for the Rule(s):

In this rulemaking the Oregon Health Authority (Authority) is updating OAR 333-014-0590 to comply with statutory changes from the passage of Senate Bill 253 (Oregon Laws, 2019, chapter 321), to update rules for requests to transfer local public health authority to the Authority and to update and establish rules and procedures for a jurisdiction to request transfer back of local public health authority from the Authority.

The proposed rulemaking

1. Amends the rules to include adoption of a resolution by a governing body of a local public health authority as a means for requesting transfer of local public health authority responsibilities to the Authority.
2. Specifies the process for how the governing body of a jurisdiction that has previously transferred its local public health authority responsibilities to the Authority may request a transfer of local public health authority responsibilities back to the local jurisdiction.

Documents Relied Upon, and where they are available:

Oregon Revised Statute 431.482: https://www.oregonlegislature.gov/bills_laws/ors/ors431.html

Oregon Administrative Rules 333-014-0590: <https://secure.sos.state.or.us/oard/viewSingleRule.action?ruleVrsnRsn=239291>

Senate Bill 253: <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/SB253/Enrolled>

Fiscal and Economic Impact:

Only one governing body of a local public health authority has transferred its local public health authority responsibilities to the Authority under the current ORS 431.382. Wallowa County Board of Commissioners transferred their local public health authority responsibilities in May 2018. When a transfer occurs, the Authority is responsible for monitoring communicable diseases and controlling outbreaks; enforcing the Indoor Clean Air Act; ensuring access to safe drinking water; ensuring access to WIC services; and licensing and inspecting food, pool and lodging facilities. The Authority may at its discretion provide additional public health services depending on needs and available resources. The Authority's experience with the transfer of local public health authority responsibilities from Wallowa County is that the costs to the Authority for providing these services in the event of a transfer exceeds the resources available. When a local jurisdiction transfers its responsibilities, the jurisdiction may experience savings by no longer having to provide public health infrastructure in the form of office space, utilities, staff and supplies. The jurisdiction may experience other long-term health-related costs as a result of the absence of public health programs such as tobacco prevention, communicable disease prevention, and maternal and child health programs.

When a transfer back of local public health responsibilities occurs from the Authority to a local jurisdiction presumably the local jurisdiction will experience initial set-up costs to re-establish public health infrastructure and programs within its jurisdictions. While the Authority provides public health funding through an Intergovernmental Agreement, that funding likely will not cover all costs of providing public health services in the local jurisdiction.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

The compliance costs related to a transfer of authority include: personnel expenses such as salaries and fringe benefits, training costs, travel expenditures (dependent on the proximity of a local public health authority to the Authority), legal fees, and communication initiatives to residents in the local public health authority that would be impacted by change in service delivery such as outreach and notification. Duties such as enforcing public health laws (e.g. restaurant inspections) are especially labor intensive and have a fiscal impact on the Authority. There likely will be similar costs to the Authority to effectuate a transfer of local public health authority responsibilities back to a local jurisdiction, but those costs would not be ongoing.

When a local jurisdiction receives its local public health authority responsibilities back from the Authority, the jurisdiction will incur costs to re-establish public health infrastructure as noted above. There are ongoing costs to fulfilling local public health authority responsibilities and a local jurisdiction will need to be able to plan for these costs and develop multiple funding sources (including local, state and federal funds) to cover these costs. If the local jurisdiction accepts the delegation of environmental health licensing and inspection services, the jurisdiction will have the ability to set and collect fees for the services. To the extent that the local public health authority provides direct clinical services, some of those services may be eligible for Medicaid or private insurance reimbursement.

2. Cost of compliance effect on small business (ORS 183.336): **ORS 183.310(10) defines small business as "a corporation, partnership, sole proprietorship or other legal entity formed for the purpose of making a profit, which is independently owned and operated from all other businesses and which has 50 or fewer employees."**

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:

The rule applies to all 33 local public health authorities in Oregon. No local public health authorities meet the definition of a small business. Therefore, none of Oregon's small businesses are subject to the rules.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

No additional reporting, recordkeeping or other administrative activities by private businesses are projected.

c. Equipment, supplies, labor and increased administration required for compliance:

No additional equipment, supplies, labor or increased administration are expected.

How were small businesses involved in the development of this rule?

Public meeting notices were issued for both Rules Advisory Committee meetings and a public comment period was available at both meetings. A public hearing will be held and written and oral testimony will be accepted during a formal public comment period prior to the rules becoming effective.

Administrative Rule Advisory Committee consulted?: Yes

Rules Advisory Committee membership included the following:

- Conference of Local Health Officials staff
- Local public health administrators
- Elected officials (County commissioners)
- County counsels
- Health care provider
- Coordinated Care Organization
- Public Health Advisory Board members
- Association of Oregon Counties
- Department of Justice

If not, why?:

Signature

Printed name

Date