

This report covers the period from July 8, 2020 through September 30, 2020.

**ADMINISTRATIVE**

**2019-2021 Biennium Budget (July 1, 2019 through June 30, 2021)**

**Budget Summary through August 2020**

Revenue	August 2020	Biennium to Date	% of Budget Received	2019-21 Biennium Total Budget
All sources (including cash reserves & reimbursements)	50,937.70	1,786,012.93	47%	3,833,953

Expenditures	August 2020	Biennium to Date	% of Budget Spent	2019-21 Biennium Total Budget
Personal Services	61,097.43	752,762.32	53%	1,431,917
Services & Supplies	20,618.62	520,785.96	22%	2,343,995
<b>Total</b>	<b>81,716.05</b>	<b>1,273,548.28</b>	<b>34%</b>	<b>3,775,912</b>

**Note on Coverage and Anticipated Revenue Distribution Cycle.** Revenue from licensing fees is billed once a year, for facilities in one year and individuals in the alternate year. This concentrates revenue around the end of the calendar year and is part of why the Board must maintain a higher than average ending balance at the end of each fiscal year and each biennium (typically 8-10 months). The Board also self-insures against unknown expenses such as costs associated with hearings. Please also note that there is a difference between limitation (authorization to spend) and cash on hand. If we anticipate exceeding our limitation total for any expense line items, we must seek that additional limitation authority from the Oregon Legislature via Emergency Board (Ways & Means) proceedings even if we have sufficient ending balance to cover those expenses.

**Background on Revenue Sources**

The revenue budgeted for the biennium included monies from multiple sources, including ones that pass through the agency. The total for the biennium includes a beginning cash balance of \$1,350,827 (cash reserves carrying over from prior biennium), the total amount collected for death filing fees, which support both the Board programs and the Indigent Disposition Fund, licensing fees, estimates for miscellaneous revenue such as from civil penalties or interest, and a transfer-in reimbursement amount of \$151,377 from the other 833 boards.

The death filing fee is projected to collect approximately \$1,260,000 in total revenue for the 19-21 biennium. The actual amount received will depend upon the number of actual deaths registered and billed within the biennium. The revenue projection is based upon the Office of Vital Statistics and population data from the State Economist's Office, or an anticipated 63,000 deaths within the biennium. In accordance with ORS 692.415, at least \$6 of every \$20 death filing fee is earmarked for the Indigent Disposition Program, which represents a projected total of \$378,000 (before administrative expenses). Administrative expenditures are limited to 5% of the moneys collected (\$18,900), leaving an estimated \$359,100 available for 19-21 biennium indigent claims (enough for approximately 718 claims @ \$500/reimbursement).

### Licensing Transactions Executed Pursuant to Delegated Authority

1. **Permanently Lapsed Individual Licenses:** None
2. **Permanently Lapsed Facility Licenses:** None
3. **Individual or Facility Licenses Suspended:** None
4. **Licenses Revoked:** None

**AD:** Alternative Disposition Facility; **AE:** Apprentice Embalmer; **AF:** Apprentice FSP; **CE:** Cemetery; **CM:** City owned Cemetery; **CO:** Combination Embalmer and FSP; **CR:** Crematory; **CS:** Special Tax District owned Cemetery; **CY:** County owned Cemetery; **DC:** Death Care Consultant; **EM:** Embalmer; **FE:** Funeral Establishment; **FS:** Funeral Service Practitioner; **IP:** Intern Permit; **PN:** Preneed Salesperson; **RR:** Removal Registration.

### Operational Summary Statistics: Licensing

Type of License	July 14 2020	Oct 6 2020	Change from July - Oct	Trend
Death Care Consultants	0	0	0	—
EM Apprentices *	54	53	1	▼
FSP Apprentices *	64	73	9	▲
Interns	14	1	13	▼
Embalmer Only *	14	14	0	—
FSP Only	173	176	3	▼
Combination License: EM *	373	384	11	▲
Combination License: FSP *	373	384	11	▲
Military Combination License: EM	0	0	0	—
Military Combination License: FSP	0	0	0	—
Preneed Salespeople **	228	131	97	▼
Funeral Establishments	193	193	0	—
Immediate Disposition Companies	9	9	0	—
Crematoriums	66	66	0	—
Cemeteries, Operating	299	300	1	▲
Cemeteries, Operating, Municipal	36	36	0	—
Cemeteries, Operating, County	7	7	0	—
Cemeteries, Operating, Special District	128	128	0	—
Cemeteries, Registered Non-Operating	49	49	0	—
Removal Registrations	31	32	1	▲
Alternative Disposition Facilities	2	2	0	—
Combined Total of all Licenses, Registrations:	2113	2038	75	▼

## License Examinations

During the pandemic, we have made a dedicated effort to be able to continue administering the FSP law examination. The last exam was held on August 25th at Mt. Hood Community College. The next exam is scheduled for December 1st and will also be held at Mt. Hood Community College.

We are extremely grateful to Doug Ferrin and Terri Makinson with the Funeral Service Education Program and the MHCC testing center staff for their willingness to accommodate our agency in making this possible. Moving forward, we intend on having exam dates scheduled on a quarterly basis for 2021.

Funeral Service Practitioner Law Exam					
Exam Date	Pass Rate			Score Range	
	Passed	Failed	Pass Percentage	Highest Score	Lowest Score
August 25, 2020	5	0	100%	97%	78%
June 23, 2020	8	1	88.8%	96%	70%
April 7, 2020	3	0	100%	93.3%	76.6%
March 23, 2020	6	0	100%	96.6%	80%
December 30, 2019	2	0	100%	90%	80%
December 20, 2019	2	0	100%	98.3%	95%
November 25, 2019	5	0	100%	98.3%	76.6%
August 21, 2019	2	0	100%	98%	86%

Death Care Consultant Law Exam					
Exam Date	Pass Rate			Score Range	
	Passed	Failed	Pass Percentage	Highest Score	Lowest Score
July 11, 2019	0	1	0%	68%	68%
June 18, 2019	0	1	0%	65%	65%
September 25, 2015	0	1	0%	60%	60%
September 15, 2014	0	2	0%	67%	57%
October 18, 2013	0	1	0%	53%	53%
January 25, 2013	0	1	0%	63%	63%
July 23, 2012	0	2	0%	54.5%	52%
*October 20, 2010	1	0	100%	76%	76%

\*First Death Care Consultant Exam offered.

## COMPLIANCE

### *Inspections (Completed in FY 2020)*

During our July 2020 Board Meeting, I was pleased to present a significant increase in facility inspections compared to previous years. This was the result of additional staff, enhanced training and protocols, and diligent work by our Inspectors. In January of 2020, OMCB's Compliance Division implemented measures to rapidly enhance the quantity, quality and efficiency of our facility inspections. From January to March, our Inspectors greatly improved our statistics in all these areas. Unfortunately, I also reported that in March of 2020, inspections were essentially suspended due to the statewide restrictions due to the COVID-19 pandemic. These restrictions were recently exacerbated by wildfires and COVID spikes. Despite this, OMCB Inspectors were permitted to safely conduct physical inspections of stand-alone cemeteries in the Portland metro area, which has continued. Furthermore, we have developed a protocol to conduct expanded "virtual" inspections, which will allow us to recommence virtual inspections of all facilities and license types.

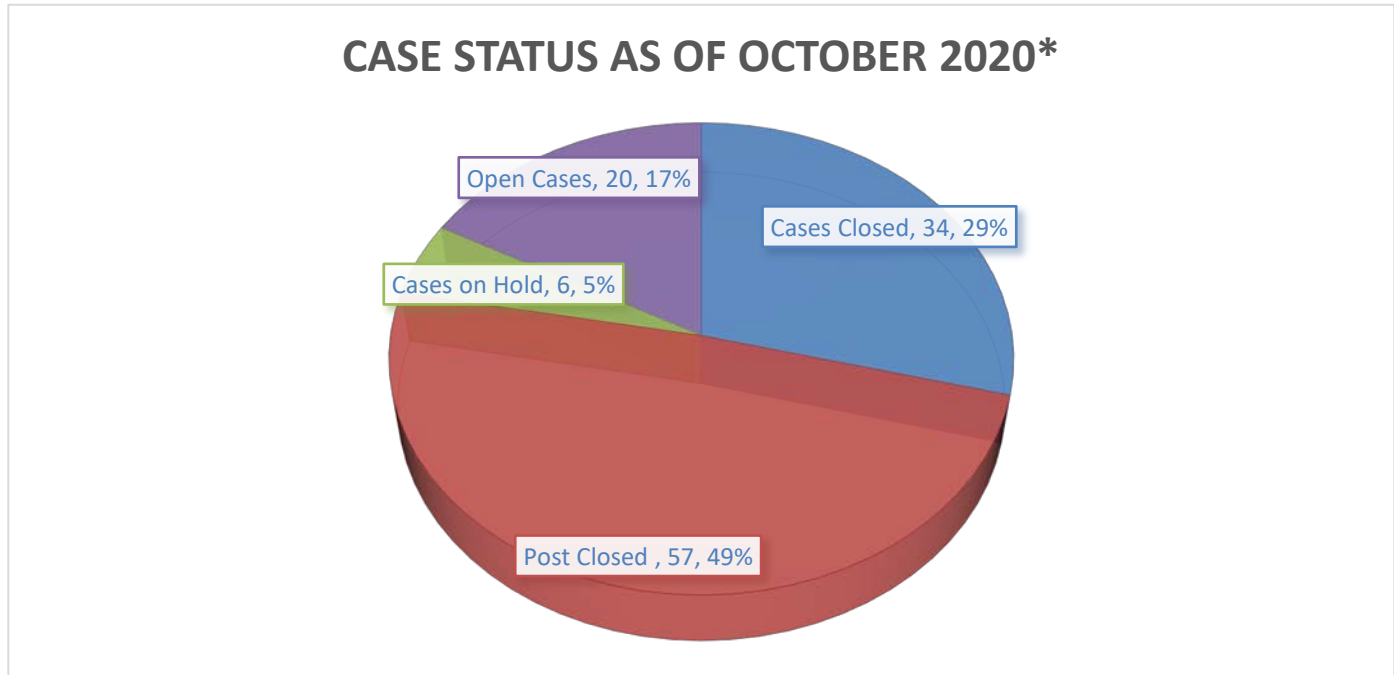
The table below reflects the significant downshift in inspection numbers compared to those the previous quarter. However, with the implementation of this enhanced virtual process, I am confident we can once again conduct inspections at a rate to meet our statutory mandate of inspecting all licensed facilities within every biennium, despite ongoing statewide restrictions. Moreover, when restrictions are lifted, we anticipate continuing to utilize the virtual inspection process to supplement our physical inspections and enhance operational efficiency.

Inspections Completed During 2020		
Facility Type	Presented During July Board Meeting	From July – October 2020
Funeral Establishment	36	6
Cemetery Authority	44	33
Crematory Authority	13	3
Alternative Disposition Company	1	0
Immediate Disposition Company	0	0
<b>Total Facility Inspections</b>	<b>94</b>	<b>42</b>

A continuing major development and challenge will be managing inspections through Thentia – our new online licensing management system. During the July Board Meeting, I reported the challenge of bringing this new system online. Our entire agency has been working closely with State IT staff and the vendor to design, analyze and test this system to meet our specific needs. Currently, licensees are being managed through the new system. Facilities will be brought online in the next phase of this roll out. Inspections and Investigations will be added in the final stages. We anticipate this will be a valuable step toward modernizing and enhancing the efficiency of our operations.

### Investigations

The following chart shows the total number of cases by phase, including cases **closed** within the 2020 calendar year. Cases that were opened in prior years but did not close during the prior calendar year are included until closed. We are currently reviewing all post-closed status cases and prioritizing them so they can be closed. We currently have 10 that have been reviewed, updated, drafted and are ready to be sent. The remainder are being reviewed or in some state of appeal and/or negotiation by licensee, staff and/or DOJ. This is a priority for the Compliance Division this quarter.



\* Total Cases: 117

#### Case Phases:

**“Open”** cases are all cases not yet reported to the Board, and are in various stages of review or investigation. This includes Intake, Investigation, Writing Investigative Report, and Presenting to Board.

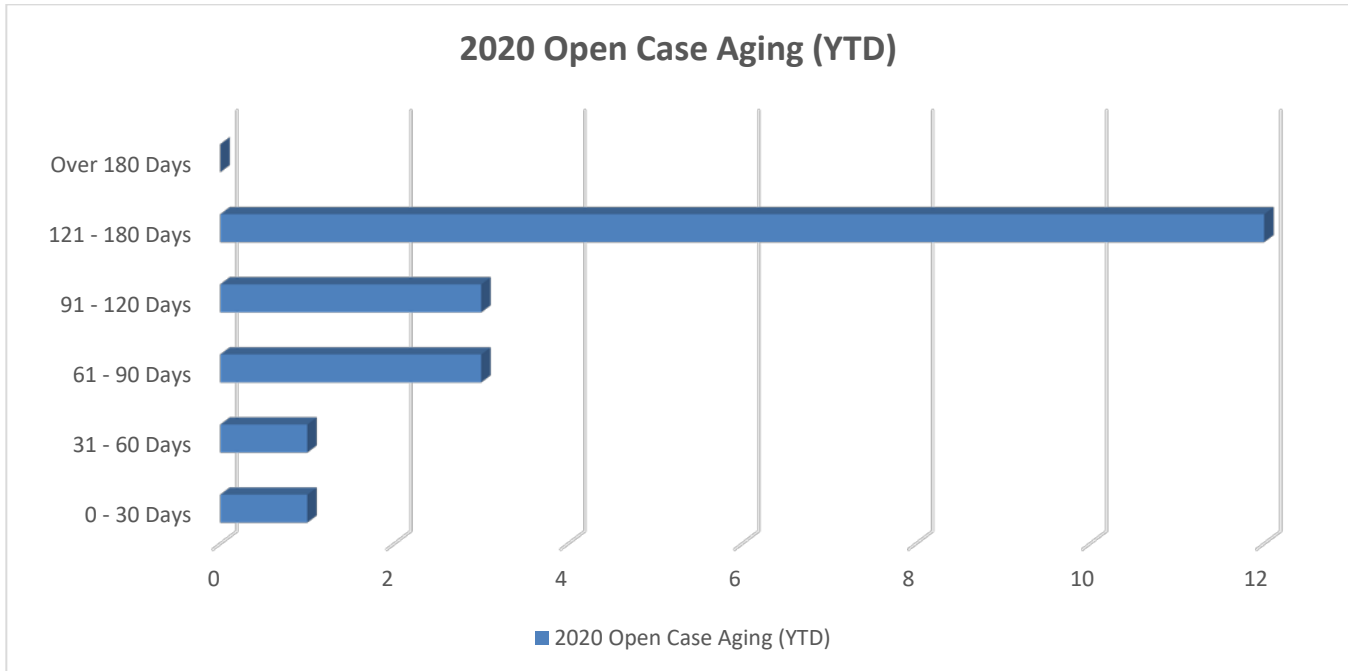
**“Hold”** cases are ones that have been presented to the Board, but which require some other activity or action by another entity before the Board completes deliberation on a case. This may include cases awaiting determination by another agency, or findings in civil or criminal proceedings. In some cases, it can also mean additional investigation is required for clarification before returning to the Board for deliberation.

**“Post”** cases are ones that have been presented, but where there is post-meeting activity still required before closure. This includes closing out cases resulting in no action, as well as all activity relating to cases where action is being taken, through the course of all appeals, and related activity. This process can take years before being completed, and before a case can be closed.

**“Closed”** cases are ones that have been moved completely through the Post phase and have been closed out. This may include closed cases requiring some form of monitoring or follow-up for a period of time, such as in the case of a probationary period, or where there are relevant consent order terms to be monitored.

### Case Aging

The following chart identifies the specific aging for all open cases. The chart below shows the totals by age period, **including** the cases before the Board at the current meeting. Note that total case number reflects related cases A, B, C, etc. as separate cases. Whereas we often review them as linked or a single case.



**NOTE:** Approval of the Executive Director’s Report will also authorize up to an additional 60 days for case reporting to the Board under ORS 676.165 to cover any cases where aging will exceed the aging limits based on the date of the next available scheduled meeting. All aging will continue to accrue and any case reports exceeding aging limits will be reported both here as well as on legislative key performance measures.

### Indigent Disposition Program (IDP) Fund

The Indigent Disposition Fund is funded by a portion of the death record filing fee. The death record filing fee is \$20 per death record filed, billed to funeral homes monthly. This fee is only based on the initial filing of a death and is not assessed on certified copies of a record of death (formerly called death certificates). \$6 from each \$20 fee goes to support the fund and its administration. Because of this, the amount available in the Indigent Disposition Fund directly correlates to the death rate.

In January of 2016, management of both death record filing fees and the IDF program transferred from the Public Health Division to OMCB via legislative action. Additionally, changes to ORS 97.170 took effect, adding additional requirements to the process that a funeral establishment must complete prior to burying or cremating an indigent person or applying for reimbursement for that disposition.

During the four years prior to OMCB taking over management of the IDF program, the fund paid indigent claims for 0.9% to 1.3% of deaths in the state, depending on the year. Although the maximum reimbursement rate was set at \$650, the fund was rarely able to pay the maximum amount. Over the five years prior to the transfer of the fund’s management, the average amount paid was \$492, with monthly averages varying widely – while the fund was able to reimburse nearly the maximum during some months, reimbursements averaged only \$262 during others.

When OMCB took over management, the law changed to provide funeral homes with a more predictable, fixed rate – the initial amount was \$461. The reimbursement rate was set in mid-2015 as a calculation of the maximum amount that the fund could provide given a 100% payment rate by funeral establishments for death record filing fees and the anticipated death rate for 2015 and 2016.

In July of 2018, the Board voted to increase the reimbursement rate from \$461 to \$500, based upon death rate projections and IDF solvency.

During the April 9, 2019 meeting, the Board voted to keep the reimbursement amount at \$500.

### ***IDP Fund Advisory Committee***

An advisory committee has been established to review the Indigent Disposition Program. The committee's goals include:

- Reviewing all rules and policies related to IDP from top to bottom
- Reviewing fiscal and budgetary data
- Developing necessary legislation
- Defining how the program will be used going forward
- Recommending changes to rules related to IDP

The committee is co-chaired by Brain Norris and Wally Ordeman. Members include Kevin Loveland, Mark Musgrove, Dwight Terry, and Lyn Stanger. Angela McKenzie-Tucker and Nancy Felton act in an advisory capacity. Chad Dresselhaus, Pete Burns, and Kate Robertson act as facilitators and OMCB liaisons.

Current discussions include making revisions to ORS 97.170; mainly, the definition of an indigent person versus an abandoned person. There is also an interest in reducing the ten day waiting period to five days, and adding domestic partners to the list of those with a right to control disposition in ORS 97.130. We are also moving toward facilitating communication with hospice organizations and the Oregon Health Authority, defining what is a reasonable attempt to contact NOK, and creating a standardized method for reaching out to the Department of State Lands and Veterans Affairs.

The committee has met a total of seven times since July 24th and is scheduled to meet every Thursday via Zoom until the identified goals have been addressed.