



MCB

OREGON MORTUARY & CEMETERY BOARD
Regulating Death Care Facilities & Practitioners in Oregon.

EXECUTIVE DIRECTOR'S REPORT for OCTOBER 9 2018

A majority of this report covers the period from July 3 2018 through September 27 2018.

Administrative

2017 - 2019 Biennium Budget (July 01 2017 through June 30 2019)

Budget Summary thru February 2018

Revenues	February 2018	Biennium to Date	% of Budget Received	Flat Line Budget Pace	2017-19 Biennium Total Budget
All sources, including cash reserves & reimbursements	30,599.92	689,105.75	22%	33%	3,076,287

Expenditures	February 2018	Biennium to Date	% of Budget Spent	Flat Line Budget Pace	2017-19 Biennium Total Budget
Personal Services	42,641.45	426,940.67	31%	33%	1,359,926
Supplies & Services	41,762.17	256,996.65	32%	33%	792,274
Total	84,403.62	683,937.32	32%	33%	2,152,200
Ending Balance					~ 10 months 924,087

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 \$951,900 (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 amount of \$130,924 from the other 833 boards, covering 5/6^{ths} of the cost of the shared accounting function, which is budgeted in the OMCB budget.

The death filing fee is projected to collect approximately \$1,376,107 in total revenue for the 17-19 biennium. The actual amount received will depend on the number of actual deaths registered and billed within the biennium. The revenue projection is based on Oregon death data provided by the Office of Vital Statistics and population data from the State Economist's Office, or an anticipated 68,805 deaths within the biennium. Six dollars of each \$20 death filing fee is earmarked for the Indigent Disposition Program, which represents a projected total of \$412,832, before administrative expenses. Expenses are legislatively limited to 5% of the total, leaving an estimated \$392,190 available for indigent claims this biennium.

Staffing

The HRLB accountant resigned to pursue other interests and OMCB Inspector Brenda Biggs resigned to work as an inspector for the Oregon Veterinary Medical Examining Board.

Licensing Transactions Executed Pursuant to Delegated Authority

- 1 **Permanently Lapsed Individual Licenses**, with effective date: **None.**
- 2 **Unqualified Applicants: None.**
- 3 **Individual Licenses Inactivated**, with effective date:
 - a **Atay**, Ronald G: AF-2392 under Kristina K Taylor, July 3 2018.
 - b **Green**, Kristin A: AF-2381 under Brian R LaFollette, July 24 2018.
 - c **Hoffman**, Clayton L J: AE-3464 and AF-2376 under Keith Mertes, June 29 2018.
 - d **Huddleston**, Kathryn R: AE-3457 and AF-2370 under Deon L Strommer, July 10 2018.
 - e **Maccari**, Miranda L L: AE-3470 and AF-2384 under Aaron J Adams, July 3 2018.
 - f **Selph**, Kristina Denise: AE-3453 and AF-2364 under Joel S Heinzen, July 9 2018.
 - g **Threadgill**, Kiera B: AF-2197 under Ron L Threadgill, December 6 2018 (maximum).
- 4 **Individual or Facility Licenses Suspended: None.**
- 5 **Facility License(s) Inactivated**, with effective date:
 - a James F Berry dba
Woodland Funeral Home / WA License # 193 / OR License RR-5509
828 Goerig Street
Woodland WA 98674

On July 16 2018, upon notification of a change of ownership, the above Certificate of Removal Registration was voided as of June 12 2018, pursuant to ORS 692.270(1).
- 6 **Licenses Revoked**, effective date: **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	Jul 2 2018	Sep 27 2018	Change from Jul - Sep	Trend
Death Care Consultants	0	0	0	—
EM Apprentices *	52	58	6	▲
FSP Apprentices *	62	68	6	▲
Interns	7	8	1	▲
Embalmer Only *	17	19	2	▲
FSP Only *	166	170	4	▲
Combination License: EM *	375	379	4	▲
Combination License: FSP *	375	379	4	▲
Military Combination License: EM	0	0	0	—
Military Combination License: FSP	0	0	0	—
Preneed Salespeople **	139	149	10	▲
Funeral Establishments	192	193	1	▲
Immediate Disposition Companies	7	7	0	—
Crematoriums	65	65	0	—
Cemeteries, Operating	304	304	0	—
Cemeteries, Operating, Municipal	37	37	0	—
Cemeteries, Operating, County	7	7	0	—
Cemeteries, Operating, Special District	133	133	0	—
Cemeteries, Registered Non-Operating	48	48	0	—
Removal Registrations	29	30	1	▲
Alternative Disposition Facilities	2	2	0	—
Combined Total of all Licenses, Registrations:	2017	2056	39	▲

Licensing Exam Update

As directed previously by the Board, The International Conference of Funeral Service Examining Boards Inc will be administering the Board's Funeral Service Practitioner and Embalmer examinations via a computer-based exam. This project is still in process, and Board staff is targeting turnover to the Conference by the end of the calendar year. Until that time, the exam is being offered to parties inquiring to take the test, on an as needed basis by the Board staff. While this creates potentially more work on an interim basis, it is necessary to make sure all exam applicants can sit for the exam when desired.

DCC Exam Date	DCC Pass Rate			Score Range	
	Passed	Failed		Highest Score	Lowest Score
Sep 25 2015	0	1	0%	60.0%	60.0%
Sep 15 2014	0	2	0%	67.0%	57.0%
Oct 18 2013	0	1	0%	53.0%	53.0%
Jan 25 2013	0	1	0%	63.0%	63.0%
Jul 23 2012	0	2	0%	54.5%	52.0%
*Oct 20 2010	1	0	100%	76.0%	76.0%

* First Death Care Consultant Exam offered.

FSP Exam Date	FSP Pass Rate			Score Range	
	Passed	Failed		Highest Score	Lowest Score
Sep 25 2018	2	0	100.0%	92.0%	90.0%
Aug 3 2018	14	1	93.0%	95.0%	73.0%
May 17 2018	1	0	100.0%	75.0%	75.0%
Mar 23 2018	8	3	73.0%	95.0%	63.0%
Feb 14 2018	1	0	100%	88.0%	88.0%
Dec 18 2017	2	0	100%	93.0%	83.0%
Dec 8 2017	1	0	100%	75.0%	75.0%
Aug 31 2017	1	0	100%	92.0%	92.0%
Aug 14 2017	1	0	100%	82.0%	82.0%
Aug 9 2017	1	0	100%	87.0%	87.0%

Investigations

The following pie shows the total number of cases by phase, including cases *closed* within calendar year 2018. Cases opened in prior years but that did not close in the prior calendar year for any reason carry forward on this report until closed. **NOTE: UPDATED INFORMATION TO BE PROVIDED AT THE JANUARY 8 2019 BOARD MEETING**

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 a 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. These are broken out as “Closed w/Follow up”.

Case Aging

The following charts identify the specific aging for all open cases. The first chart shows the totals by age period, *including* the cases before the Board at the current meeting. The second chart removes those cases being presented at the June meeting to show only the remaining cases. **NOTE: UPDATED INFORMATION TO BE PROVIDED AT THE JANUARY 8 2019 BOARD MEETING**

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.

Inspections-Completed Since Last Board Meeting

Regular inspections resumed in March, 2018. The review of the end-to-end inspection process and forms, last reviewed and updated in 2014, is nearing completion. A report will be provided at the January 8 2019 meeting.

Facility Type	Onsite	Records
Funeral Establishment	20	20
Cemeteries	35	23
Immediate Disposition Co	1	1
Alternative Disposition Co	1	1
Crematory	6	6
Total Facility Inspections	63	51

Indigent Disposition Fund (IDF) Program

Beginning at the January 8 2019 meeting, information will be provided relating to the IDF program.

Here is what was presented during the July 10, 2018 meeting, during which the Board voted to increase the reimbursement amount from \$461 to \$500:

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 the Indigent Disposition Program and Fund. 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 Indigent Disposition 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 the transfer of the fund's management, the fund paid indigent claims on between 0.9% to 1.3% of deaths in the state, depending on the year. The maximum reimbursement rate was set at \$650, but the fund was rarely able to pay the maximum rate. Over the five years prior to the transfer of the fund's management, the average amount paid was \$492, with monthly averages varying widely—some months the fund was able to reimburse nearly the maximum and others months reimbursements averaged only \$262.

When OMCB took over the program, the law changed to provide funeral homes with a more predictable, fixed rate. Currently, that rate is \$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.

RECOMMENDATION

At this point, Board Staff recommends increasing the maximum reimbursement rate from \$461 to \$500.

This recommendation is based on a linear model projecting what the total death rate will be for 2018, 2019, and 2020, and with the assumption that 1.2% of deaths each year will be paid for by the fund.

The Board took a conservative approach by projecting that the fund would cover 1.3% of deaths when the rate was previously set in 2015, because at the time, staff had limited data from the prior agency. Now, with seven and a half years of data, and several years of managing the program, a 1.2% projection appears to be more appropriate. While it is still conservative, it is more in line with the number of claims that Board staff have received.

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