



# Oregon

Theodore R. Kulongoski, Governor

## *Health Licensing Agency*

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Web Site: [www.Oregon.gov/OHLA](http://www.Oregon.gov/OHLA)

June 23, 2008

Licensees and Stakeholders of the:  
Board of Direct Entry Midwifery

Attached is information related to proposed fee changes among all professions overseen by the Oregon Health Licensing Agency (OHLA).

In short, OHLA is proposing to **reduce fees for authorizations to practice** (licenses, registrations, certifications) while **raising fees for certain services** (such as application processing and examinations) to address agency resources (staff time, complexity of the qualification process, for example) that must be allocated to provide these services.

**A key point:** these proposed fee amounts are based on a **two-year renewal cycle** for authorizations to practice rather than the current one-year cycle. The fee impact below demonstrates how the fees affect you for a one year vs. a two-year renewal and the percentage of savings per program.

**Fee impact:**

Currently licensing fees are \$1500 annually, or \$3000 every two-years; the proposed two-year fee to practice is \$1900, a savings of \$1100 or a **40% decrease for a two-year license**.

As noted on the enclosed rule summary and statements, OHLA established this proposed new fee structure after developing a new cost-allocation model that describes how fees are established and after extensive outreach to licensees and stakeholders to explain the new fee structure.

Proposed rules are posted on our website at <http://www.oregon.gov/OHLA> for your reference.

We encourage your written comments and suggestions prior to the end of the public comment period on July 22, 2008 at the close of business or 5 p.m. Please send comments by email, fax, or general mail to OHLA Operations & Policy Lead Dixie Bryant at [dixie.l.bryant@state.or.us](mailto:dixie.l.bryant@state.or.us).

Sincerely,

Dixie Bryant  
Policy Analyst Lead  
503-373-1911

Secretary of State  
**NOTICE OF PROPOSED RULEMAKING HEARING\***

A Statement of Need and Fiscal Impact accompanies this form.

Oregon Health Licensing Agency / Board of Direct Entry Midwifery      OAR chapter 332, division 020  
**Agency and Division**      **Administrative Rules Chapter Number**

Patricia C. Allbritton, Rules Manager      700 Summer St. NE, Suite 320, Salem, Oregon 97301-1287      503-373-2088  
**Rules Coordinator**      **Address**      **Telephone**

**RULE CAPTION**

Amend fee schedules based on revised agency cost allocation methodology; and other technical adjustments.

**Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.**

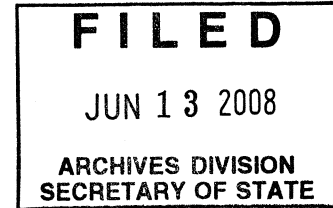
Wednesday, July 23, 2008      9 am to end of testimony      Rhoades Conference  
or by 12 noon      700 Summer St. NE, Suite 320  
Salem, Oregon 97301-1287      Bert Krages  
**Hearing Date**      **Time**      **Location**      **Hearings Officer**

*Auxiliary aids for persons with disabilities are available upon advance request.*

**RULEMAKING ACTION**

Secure approval of new rule numbers (Adopted or Renumbered rules) with the Administrative Rules Unit prior to filing.

**ADOPT:**  
**AMEND:** 332-020-0000, 332-020-0020  
**REPEAL:**  
**RENUMBER:**  
**AMEND & RENUMBER:**



**Stat. Auth. :** ORS 687.425, 687.435, 687.485

**Other Auth.:** ORS 676.615, 676.625

**Stats. Implemented:** ORS 687.425, 687.435, 687.485

**RULE SUMMARY**

**Fee reductions proposed, increased service adjustments for application and standardization of administrative fees implemented.**

The Oregon Health Licensing Agency completed a comprehensive cost allocation analysis, evaluating expenditures, revenues, number of payers, direct and indirect costs, level of complexity in delivering services and growth/attrition ratios for each program, and overall agency operational costs, state agency assessments and inflation factors.

A new cost allocation methodology is being implemented and all fees adjusted agency wide based on the results of the analysis. The new structure simplifies the agency's accounting systems, streamlines business processes, and standardizes specific administrative fees, such as a monthly delinquency renewal fee in lieu of a variable annual flat rate, replacement fees, and official affidavits. All practitioner and business licenses have been extended from one-year to a two-year period as a cost saving and streamlining measure.

The Board of Direct Entry Midwifery's 54 licensees support approximately 1.63% of the overall agency budget.

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Oregon Health Licensing Agency

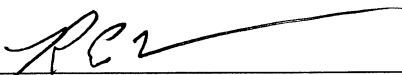
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The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

July 22, 2008 at close of business – 5pm

**Last Day for Public Comment** (Last day to submit written comments to the Rules Coordinator)

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Signature  Printed name Richard McNew, ASD Manager Date 06-13-08

\*Hearing Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. ARC 920-2005

Secretary of State  
**STATEMENT OF NEED AND FISCAL IMPACT**

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

Oregon Health Licensing Agency / Board of Direct Entry Midwifery

OAR chapter 332, division 020

**Agency and Division  
Number**

**Administrative Rules Chapter**

Amend fee schedule based on revised agency cost allocation methodology; and other technical adjustments.

**Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)**

**In the Matter of amendment of the following rules:** 332-020-0000, 332-020-0020

**Statutory Authority:** ORS 687.425, 687.435, 687.440, 687.475, 687.485

**Other Authority:** ORS 676.615, 676.625

**Stats. Implemented:** ORS 687.425, 687.435, 687.440, 687.475, 687.485

**Need for the Rule(s):** 332-020-0000, 332-020-0020.

A new fee allocation model is being implemented based both on standard operating costs among all OHLA regulated professions and specific "fee for service" costs associated with each profession; some administrative fees have been standardized such as delinquent renewal, replacement and affidavit of licensure across all agency programs, including this program. The license cycle has been expanded from one to two years for the original issuance and renewal period. A monthly delinquency renewal fee is being implemented in lieu of an annual flat fee which may increase or decrease the cost to the licensee depending upon the number of months a licensee remains in an expired status before being renewed.

**Documents relied upon, and where they are available:**

Agency and program fiscal reports, analysis findings/documentation and allocation methodology criteria provided to board/council members and Department of Administrative Services, Budget & Management/Budget Analyst. Board meeting minutes from April 16, 2007 and September 10, 2007 and April 21, 2008. Special outreach events handouts and related materials "Change is the Solution, Today's Vision, and Tomorrow's Reality" held on April 18, 2008 (board/council members) and June 4, 2008 (stakeholders) in addition to the OHLA Customer Connection Committee held on February 11, 2008 (agency advisors).

**Documents are located at:** Oregon Health Licensing Agency, 700 Summer St. N.E., Suite 320, Salem, Oregon 97301. Some documents may be obtained from the Oregon Health Licensing Agency website at <http://egov.oregon.gov/OHLA/AT/meetings.shtml>.

To obtain information or copies please contact Cerynthia Murphy, Agency Board & Rule Analyst, at 503-373-1816, during normal business hours Monday through Friday between 8:30am and 4:30pm. Email: [Cerynthia.murphy@state.or.us](mailto:Cerynthia.murphy@state.or.us).

## **Fiscal and Economic Impact:**

Application, license and renewal fees have been reduced.

- New application and issuance of a license amended to \$2400 for a two-year license; previously \$1500 for a one-year license, resulting in a \$700 savings during the two-year period.
- License renewal fee amended to \$1900 for a two-year license; previously \$1500 for a one-year license, resulting in a \$1100 savings during the two-year period.
- The new delinquent renewal fee is \$25 per month in expired status, in lieu of a \$50 per year delinquent fee. A licensee may only be in an expired status for up to one year. The new delinquency fee may range from \$25 to \$300 depending upon the number of months the license remains in an expired status before being renewed.
- License by reciprocity is newly separated fee category from regular application and original issuance for tracking purposes, with slightly high application review fee; however, the applicant will pay \$2650 for a two-year license period that previously would have cost \$3500 during the same period, resulting in a \$850 savings.
- Oregon laws and rules examination is a new fee. New applicants for licensure will pay \$50.

## **Statement of Cost of Compliance:**

**1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):** Licensure is currently voluntary – with reduced fees there may be a slight increase – 5 or less -- in the number of midwives who obtain licensure; licensed midwives are eligible for third party reimbursement under the Oregon Medical Assistance Plan.

### **2. Cost of compliance effect on small business (ORS 183.336):**

**a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:** Approximately 54 professional licensed direct entry midwives provide care in the home, in birthing center, clinics, and as teachers at midwifery schools. License is voluntary. Impact is indeterminate, but as fees are being reduced – should result in positive business affect.

**b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:** None anticipated. Streamlines accounting systems, IT management and reduces the number of transaction records the agency and the registrant must maintain or deal with per biennium.

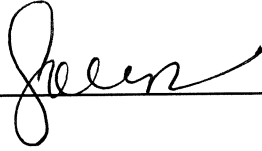
**c. Equipment, supplies, labor and increased administration required for compliance:** Expanding the licensing renewal cycle to a two-year period reduces the number of transactions for renewal per biennium.

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

This industry does not typically work in a small business setting but as self-employed professional practitioners in the client's home. Outreach was provided to licensees and stakeholders including the Oregon Midwifery Council (OMC) and other stakeholders. Midwives are traditionally self employed practitioners or practitioners working in small birthing centers. Additionally, the agency posted information on the Board's Web site and through agency electronic newsletter (Licensing Line). Board meeting minutes and reports are posted on the agency's Web site for review. Board members represented their diverse constituencies' perspectives. Fiscal reports are posted on the agency's Web site for review.

**Administrative Rule Advisory Committee consulted?** Yes. The agency and Board has been conducting outreach and fact-finding since 2004 on the high cost of licensure, and during 2007 and 2008 regarding the proposed fee schedule, sending notification to individuals and stakeholders on the official mailing list, agency electronic newsletters (Licensing Line), and posted on the agency / board Web site. Meetings were held on April 16, and September 10, 2007 and March 5, 2008. Special outreach meetings were conducted on April 18, 2008 and June 4, 2008 with all board members, stakeholders and licensees. All meetings were open to the public

**If not, why?** Not applicable



Patricia Allbritton, PSPD Manager

06-13-08

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Signature

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summers Street NE, Salem, Oregon  
97310. ARC 925-2007

**DIRECT ENTRY MIDWIFERY BOARD  
DIVISION 20  
LICENSURE**

**332-020-0000**

**License Issuance and Renewal; Reactivation**

(1) **LICENSING:** Licensees are subject to the provisions of OAR 331-030-0010 regarding the issuance and renewal of a license, and to the provisions of OAR 331-030-0000 and 331-030-0020 regarding authorization to practice, identification, and requirements for issuance of a duplicate authorization.

(2) **RENEWAL:** License renewal must be made in advance of the license expiration date by submitting the following:

(a) Renewal application form;

(b) Payment of ~~\$1,500~~ **required** license renewal fee;

(c) Evidence of continuing education and peer review as required in subsection 3 of this rule, OAR 332-020-0010 and 332-025-0020(2);

(d) Evidence of current certification in cardiopulmonary resuscitation for adults and newborns, which includes newborn bag and mask ventilation; and

(e) Evidence of required education in approved legend drugs and devices as prescribed in OAR 332-015-0070 and subsection 3 of this rule.

(3) **CONTINUING EDUCATION ATTESTATION:** Applicants for license renewal must submit the completed renewal form, with their signature affixed as attestation to completion of required continuing education hours. Documentation of continuing education hours earned must be provided to the agency only when selected for audit. Refer to OAR 332-020-0015.

(4) Any license that is not renewed prior to the license expiration date will automatically revert to inactive status.

(5) **REACTIVATION:** Direct entry midwives may reactivate a license within three years from date of expiration by submitting the following:

(a) Re-activation application form;

(b) Payment of required **application, reactivation and license** fees **pursuant to OAR 332-020-0020** : ~~\$100 application, \$300 reactivation and \$1,500 license~~ ;

(c) Continuing education and peer review as required in OAR 332-020-0010 and 332-025-0020(2);

(d) Evidence of required education in approved legend drugs and devices as provided in OAR 332-015-0070;

(e) Evidence of current certification in cardiopulmonary resuscitation for adults and newborns, which includes newborn bag and mask ventilation;

(f) Failure to meet requirements set forth in subsections (c) through (e) within three years from the date of license expiration will require passage of a Board approved national examination within one year preceding the date of application for reactivation of license. Verification of successful passage of the examination must be sent directly to the agency from the originating authority.

(6) Direct entry midwives who have not reactivated their license within three years of the expiration date, and who have not engaged in active practice, may be granted a reactivated license after submission of the following:

(a) Re-activation application form;

(b) Payment of required **application, reactivation and license** fees **pursuant to OAR 332-020-0020** : ~~\$100 application, \$500 reactivation and \$1,500 license~~ ;

- (c) Evidence of current certification in cardiopulmonary resuscitation for adults and newborns, which includes newborn bag and mask ventilation;
  - (d) Evidence of required education in approved legend drugs and devices, the basic course that is 40 hours if three years have passed, as provided in OAR 332-015-0070;
  - (e) Evidence of successful passage of a Board approved examination within one year preceding the date of application for reactivation of license. Verification of successful passage of the examination must be sent directly to the agency from the originating authority.
- (7) An applicant who was previously licensed in Oregon and who has been engaged in the active practice of direct entry midwifery during the last three years preceding reapplication for Oregon licensure will not be required to pass the written examination for reactivation according to ORS 687.425, if the following documentation and fees are submitted:
- (a) Re-activation application form and requirements listed in OAR 331-030-0000;
  - (b) Payment of required **application, reactivation and license fees pursuant to OAR 332-020-0020** ~~-\$100 application, \$500 reactivation and \$1,500 license~~;
  - (c) Verification of active practice of direct entry midwifery through submission of tax records, client letters, or participation in peer review. Documentation must substantiate practice with an average of five clients per year with a minimum of 15 clients in a three-year period;
  - (d) Evidence of continuing education and peer review as required in OAR 332-020-0010 and 332-025-0020(2);
  - (e) Evidence of current certification in cardiopulmonary resuscitation for adults and newborns, which includes newborn bag and mask ventilation;
  - (f) Evidence of required education in approved legend drugs and devices as provided in OAR 332-015-0070;
  - (g) Failure to meet requirements set forth in subsections (7)(c) through (f) of this rule will require passage of a Board approved national examination within one year preceding the date of application for reactivation of license. Verification of successful passage of the examination must be sent directly to the agency from the originating authority.

Stat. Auth.: ORS 676.605, 676.615, 687.420, 687.425, 687.430, 687.485, 687.493  
 Stats. Implemented: ORS 676.605, 676.615, 687.420, 687.425, 687.430, 687.485, 687.493  
 Hist.: DEM 1-1993(Temp), f. & cert. ef. 12-22-93; DEM 1-1994, f. & cert. ef. 6-15-94; DEM 1-2001(Temp), f. & cert. ef. 10-1-01 thru 3-29-02; DEM 1-2002, f. 2-25-02 cert. ef. 3-1-02; DEM 1-2004, f. 6-29-04, cert. ef. 7-1-04

### **332-020-0020**

#### **Fees**

- (1) Applicants and licensees are subject to the provisions of OAR 331-010-0010 and 331-010-0020 regarding payment of fees, penalties and charges.
- (2) Fees established by the **Oregon Health Licensing Office Agency**, in consultation with the Board, are as follows:
  - ~~(a) Application fee: \$100;~~
  - ~~(b) Issuance of initial or renewal license: \$1,500;~~
  - ~~(c) Issuance of reactivated license: \$1,500;~~
  - ~~(d) Duplicate license: \$25;~~
  - ~~(e) Late renewal fee: \$50;~~
  - ~~(f) Reactivation fee (within three years from date of expiration): \$300;~~
  - ~~(g) Reactivation fee (expired over three years): \$500.~~
  - (a) Application:**
  - (A) License: \$500.**
  - (B) License by reciprocity: \$750.**



- (b) Examination - Oregon laws & rules: \$50.**
  - (c) Original issuance of license (including by reciprocity): \$1900.**
  - (d) Renewal of license: \$1900.**
  - (e) Delinquent (late) renewal of license: \$50.**
  - (f) Reactivation (expired over one year but less than three years): \$300.**
  - (g) Reactivation (expired over three years): \$500.**
  - (h) Replacement (duplicate) of license, including name change: \$25.**
  - (i) Affidavit of licensure: \$50.**
  - (j) An additional \$25 administrative processing fee will be assessed if a NSF or non-negotiable instrument is received for payment of fees, penalties and charges.**
- Refer to OAR 331-010-0010.**

Stat. Auth.: ORS 676.605, 676.615, 687.435, 687.485

Stats. Implemented: ORS 676.605, 676.615, 687.435, 687.485

Hist.: DEM 1-1993(Temp), f. & cert. ef. 12-22-93; DEM 1-1994, f. & cert. ef. 6-15-94; DEM 1-1997(Temp), f. 7-22-97, cert. ef. 7-23-97; DEM 1-1999(Temp), f. 9-1-99, cert. ef. 9-9-99 thru 2-29-00; DEM 2-1999, f. 12-17-99, cert. ef. 12-20-99; DEM 1-2004, f. 6-29-04, cert. ef. 7-1-04