
**Health Care & Wellness
Committee**

HB 2907

Brief Description: Concerning operating agreements between the secretary of health and health care licensing and disciplinary boards and commissions.

Sponsors: Representatives Campbell, Schual-Berke, Hinkle, Green, Morrell, Simpson and Haler.

Brief Summary of Bill

- Specifies the contents of written operating agreements between the Secretary of Health and each health profession board or commission including provisions relating to personnel, budgets, rulemaking, performance measures, dispute resolution, and reviews of the agreements.

Hearing Date: 1/31/08

Staff: Chris Blake (786-7392).

Background:

The responsibility for regulating health care providers is divided between the Secretary of Health (Secretary) and 16 health professions boards and commissions. Each board and commission operates under unique membership requirements and different grants of authority related to licensing and the disciplinary process. The Secretary is generally responsible for providing administrative, legal, and investigative staff and support. Three boards and commissions have specific statutory authority to have their own executive directors. The Secretary has sole authority to establish fees for all professions based upon the cost of administering the program.

The Secretary and the health professions boards and commissions are required to enter into operating agreements to specify the administrative procedures necessary to allow the boards and commissions to function effectively. The agreements must specify the arrangements related to administrative support activities; the development and review of the agency budget as it pertains to the board or commission; and the personnel issues affecting each board or commission. The

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operating agreements must be reviewed annually. Fourteen of the 16 health professions boards and commissions have entered into operating agreements with the Secretary.

In August 2007 the State Auditor's Office released a performance audit of the Department of Health's (Department) health profession's regulatory system. The report included several recommendations for legislative action. One of the recommendations was to include negotiated performance-based provisions in the written operating agreements between the Department and the boards and commissions.

Summary of Bill:

Greater specificity is added to the contents of written operating agreements as they pertain to personnel, budget, rulemaking, performance measurements, dispute resolution, and the annual review of the agreements.

Personnel

Each health profession board and commission shall hire an independent executive director who serves at the will of the board or commission. The executive director is exempt from civil service laws and shall have his or her salary determined by the board or commission. The executive director is responsible for hiring and managing Department staff to perform the work of the board or commission. The executive director is responsible for all administrative duties, including preparing an annual budget.

Budget

Each board or commission shall propose its own biennial budget which the Secretary must submit to the Office of Financial Management. When adopting credentialing fees, the Secretary must work with the boards and commissions to determine the appropriate fee amount.

Rules and Guidelines

The Secretary must meet with a board or commission prior to adopting a uniform rule or guideline that might impact the board or commission's licensing or disciplinary authority. If the board or commission, in consultation with the Secretary, determines that the proposed rule or guideline will negatively impact its work, the board or commission may adopt separate rules or guidelines.

Performance Measures

Each board and commission, in consultation with the Secretary, must establish performance based goals on an annual basis.

Dispute Resolution

Disagreements between the Secretary and the boards and commissions must be mediated by an agreed upon third party.

Annual Review

Operating agreements must be reviewed every June. New agreements must be established by July 1. If an agreement cannot be reached, then a mediator shall be used to resolve the matter.

Appropriation: None.

Fiscal Note: Requested on January 24, 2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.