

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 157 **STATUS:** B-Engrossed
SUBJECT: Home Care Commission contracting, interagency agreements, and budgeting
GOVERNMENT UNIT AFFECTED: Department of Human Services
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REVIEWED BY: John C. Britton
DATE: June 20, 2007

	<u>2007-2009</u>	<u>2009-2011</u>
EXPENDITURES:		
Department of Human Services		
Personal Services – General Fund	\$ 54,448	\$ 62,225
Personal Services – Federal Fund	\$ 54,446	\$ 62,224
Personal Services - Sub Total	\$ 108,894	\$ 124,449
Services and Supplies – General Fund	\$ 215,797	\$ 212,261
Services and Supplies – Federal Fund	\$ 15,551	\$ 12,018
Services and Supplies – Sub Total	\$ 231,348	\$ 224,279
Total General Fund	\$ 270,245	\$ 274,486
Total Federal Funds	\$ 69,997	\$ 74,242
All Funds Total	\$ 340,242	\$ 348,728
POSITIONS / FTE:	7/6.88	7/7.00

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure allows the Home Care Commission (HCC) to: (a) enter into interagency agreements or contracts with any state agency; (b) provide nonemployee compensation to home care workers who attend appropriate training; (c) elect workers' compensation coverage or arrange for health insurance coverage for a home health care worker; and (d) as prescribed by HCC administrative rule, charge and collect fees from persons who attend trainings and are not home care workers. The Department of Human Services (DHS) is to budget for the HCC. The HCC is to enter into an interagency contract with DHS for a DHS employee to serve as the HCC's executive director and for staff support.

According to DHS, the Department currently has a budget for the HCC of approximately \$4.1 million General Fund. These funds are for administrative costs (\$400,000) and training (\$3.7 million). DHS uses approximately \$947,151 of the training funds to fund six DHS employees that support the HCC.

The expenditure impact of this measure is \$340,242 for 18-months of the 2007-09 biennium. Of this amount, \$270,245 would be General Fund and \$69,997 would be Federal Funds. For 24-months of the 2009-11 biennium, the total cost would be \$348,728, with \$274,486 of which is General Fund and \$74,242 Federal Funds. The personal service expenditures detailed in the above table are for one new Accountant 3 position (0.88 FTE).

What is not reflected in the DHS fiscal impact is a shift of \$947,151 of services and supplies related to training funds to personal services (\$802,917) and other non-training services and supplies (\$144,234). DHS would make this adjustment in order to accurately budget for its six existing HCC positions (6.00 FTE). These expenditures would remain 100% General Fund.

DHS and the HCC would enter into an interagency contract for DHS' six existing and one new position to provide the HCC with the services of an executive director and staff support, all of whom would be DHS employees.

DHS states that the revenue collected from persons who attend trainings and are not home care workers is estimated to be \$1,000.