

2008 Special Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 1089 **STATUS:** A-Engrossed
SUBJECT: Community Mental Health Report
GOVERNMENT UNIT AFFECTED: Department of Human Services
PREPARED BY: John F. Borden
REVIEWED BY: John C. Britton
DATE: February 12, 2008

	<u>2007-2009</u>		<u>2009-2011</u>
EXPENDITURES:			
Services and Supplies – General Fund	\$ 150,000	\$	--

REVENUES: See Analysis

EFFECTIVE DATE: On passage

INTERIM JOINT COMMITTEE ON WAYS AND MEANS: The budgetary impact of this bill was not reviewed nor approved by the Interim Joint Committee on Ways and Means Committee and is not included in the omnibus budget bill to be introduced by the committee.

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.

ANALYSIS: This measure directs the Department of Human Services (DHS) to contract with a private entity or individual to conduct an assessment and evaluation of the community mental health care component of the mental health care delivery system in Oregon. This measure appropriates \$150,000 General Fund to DHS to contract for this assessment and evaluation. In addition, DHS must provide the Senate Interim Committee on Health and Human Services and the House Interim Committee on Health Care with a written report by October 1, 2008 summarizing the contractor's findings regarding the assessment and evaluation as well as the Department's study of children's wrap-around services and the results of an analysis it is conducting with the Department of Corrections regarding alcohol and drug treatment services. The measure repeals on January 2, 2009.

DHS reports that the total \$150,000 General Fund appropriation would be used to pay for private contract services. The Department has stated that its other costs associated with this measure are minimal (e.g., contract administration, providing information to the contractor, reporting to the legislature, etc.).

Furthermore, DHS will investigate the availability of federal matching funds for a portion of the assessment and evaluation. Such matching funds must relate directly to the expansion of services to Medicaid-eligible clients. The Legislative Fiscal Office assumes that any Federal Funds would also be passed-through to a contractor and not retained by the Department.

This measure currently has a subsequent referral to the Joint Committee on Ways and Means. This is appropriate at this time given the General Fund appropriation in the measure.