

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on Ways and Means by prior reference
Vote:	4 - 0 - 1
Yeas:	Kruse, Monnes Anderson, Verger, Morrisette
Nays:	0
Exc.:	Telfer
Prepared By:	Jennifer Kellar, Administrator
Meeting Dates:	2/25, 4/1, 4/6

WHAT THE MEASURE DOES: Provides 12.6 million from the General Fund to Oregon Association of Area Agencies on Aging and Disabilities through Department of Human Services for Oregon Project Independence. Declares an emergency and takes effect July 1, 2009.

ISSUES DISCUSSED:

- 2009-11 Governor's Recommended Budget does not include General Funds for Oregon Project Independence
- Oregon Project Independence recipients avoid more costly Medicaid funded long-term services
- 2005 Legislative Assembly authorized the addition of adults with physical disabilities for services
- Lack of program funding by 2005 Legislative Assembly
- Senior and Disabled Property Tax Deferral Fund exhausted after June 2009
- In excess of 3,000 clients left without services upon depletion of program

EFFECT OF COMMITTEE AMENDMENT: Increases amount of funding from \$5 million to \$12.6 million.

BACKGROUND: Oregon Project Independence (OPI) is a General Fund program that, unlike Medicaid services, receives no federal matching money. It provides in-home services to seniors who require the same level of care as people in nursing homes, but who typically do not qualify for Medicaid. Services include meal preparation, shopping, home health care, housekeeping and similar services. Services are provided at no cost for those with incomes at or below 100 percent of the Federal Poverty Level (FPL). Individuals with net incomes between 100 percent and 200 percent of FPL are expected to pay a sliding scale fee. Families with incomes above 200 percent of the FPL are expected to pay the full hourly rate of service provided.

Historically, OPI has been funded by General Fund appropriations. The Oregon Project Independence Fund (OPI Fund) in the State Treasury was established with the passage of Senate Bill 870 (2005) to assist eligible clients of any age in their home when they can no longer care for themselves without assistance, provide public information and education on long-term care planning, and offer long term care case management for a fee who are not otherwise eligible for services. The 2005 legislation required that appropriated funds for OPI include crisis services, respite, special need allowances, education on long-term care and planning, long term care case management and case planning and information and assistance. The measure also made individuals with disabilities eligible for OPI and directed the Department of Human Services to pay \$12 million General Fund dollars into the OPI Fund and required \$250,000 to be transferred from the Senior Property Tax Deferral Revolving Account to the OPI Fund. This seeded the OPI Fund with the intent that OPI would be supported with transfers of excess funds in the Senior Property Tax Deferral Revolving Account, beginning in the 2007-09 biennium. Excess is defined as the greater of 35 percent of the prior tax year payments to counties or \$5 million. If an excess exists as of November 30 of the year, the Department of Revenue must transfer the excess by February 1 of the following year. The OPI Fund can earn interest and funds are retained and do not revert back to the General Fund.

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This summary has not been adopted or officially endorsed by action of the committee.