

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	9 - 0 - 0
Yeas:	Boone, Cowan, Dembrow, Freeman, Huffman, Maurer, Olson, VanOrman, Tomei
Nays:	0
Exc.:	0
Prepared By:	Keely West, Administrator
Meeting Dates:	5/18

WHAT THE MEASURE DOES: Requires Department of Human Services (DHS) to calculate, adopt and submit to the Department of Administrative Services (DAS), a methodology consisting of direct and indirect costs for planning and administering programs related to social, health, independent living and protective services for persons with disabilities calculated at 95 percent of the costs to DHS if clients were served by the department rather than type B area agencies on aging. Requires DAS to include the budget level in the Governor's budget request to the Legislative Assembly.

ISSUES DISCUSSED:

- Cost to agencies of providing services
- Equity
- Process changes based on legislative changes to current statute

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Area Agencies on Aging provide integrated services at a county level in 17 state districts. Type A agencies are primarily located in the eastern portion of the state and administer primarily federal funds and Oregon Project Independence funds. Type B agencies, located largely in the Interstate 5 corridor, administer Medicaid, food stamps and protective services. The agencies are designed to do the work of the state at the country level in order to leverage county and private matching funds. The Department of Human Services (DHS) assumes planning and program responsibilities for persons with disabilities in areas served by type B agencies that serve only elderly persons and in areas where no area agency exists. DHS has responsibility for making payments for services within a central processing system for services provided by the Area Agencies on Aging. DHS payments currently equate to approximately 90 percent of actual program costs.

SB 646A strengthens statutory requirements to ensure that each year DHS submits to Department of Administrative Services (DAS) the cost of funding the programs at a 95 percent level and that DAS submits that number in the Governor's budget for consideration by the Legislative Assembly.