2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2391 STATUS: A Engrossed

SUBJECT: Establishes Aging and Disability Resource Center program in the Department of Human

Services.

GOVERNMENT UNIT AFFECTED: Department of Human Services

PREPARED BY: Kim To

REVIEWED BY: Sheila Baker, John Britton

DATE: April 8, 2009

	2009-2011	2011-2013
EXPENDITURES:		
Special Payments – General Fund		
Central Information Center	\$ 3,900,000	
Local Assistance Centers	\$ 11,800,000	
Oregon Project Independence	\$ 10,500,000	
Family Caregiver Support	\$ 2,100,000	
Chronic Disease Management & Healthy Living Programs	\$ 1,700,000	
Total – General Fund	\$ 30,000,000	

EFFECTIVE DATE: On Passage

GOVERNOR'S BUDGET: This bill is not 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.

ANALYSIS: House Bill 2391 appropriates \$30 million General Fund to the Department of Human Services (DHS), for the 2009-11 biennium, to deposit in the Oregon Project Independence Fund for the purposes of establishing and implementing the Aging and Disability Resource Center (ADRC) program.

The ADRC program is to provide comprehensive information, education and assistance regarding long term support and services to seniors, people with physical disabilities, their volunteer caregivers and individuals approaching the need for late life care. The program must consist of three components: (1) a central information center to provide information and referral on a range of counseling, assistance, prevention and early intervention resources; (2) local assistance centers; and (3) direct services including in-home services, caregiver support, financial planning resources, as well as chronic disease management and healthy living options. DHS anticipates contracting with existing aging network partners and other qualified community organizations to implement the components of this measure.

The program is to be available statewide and aimed at individuals who are at risk of becoming impoverished and dependent on public assistance. Under current federal Medicaid program rules, these activities would not qualify for matching federal Medicaid funds.

DHS anticipates contracting with local Area Agencies on Aging, and the Alliance of Information and Referral Systems (AIRS) to staff the Central Information Center and statewide local assistance centers. The \$3.9 million and \$11.8 million allocated to the Central Information Center and statewide Local Assistance Centers respectively includes the costs of contract staff (29 FTEs for the Central Information

Center and 98 FTEs for statewide local assistance centers), facilities expenses, AIRS training and certification, equipment, technology and software licensing.

Through the Central Information Centers, contract AIRS Certified Resource Specialists will provide comprehensive counseling, information and referral services on public benefits including Social Security, Supplemental Security Income (SSI), Medicare, Medicaid, Supplemental Nutrition Assistance Program (SNAP) and Low Income Energy Assistance Program (LIEAP). The Center will also be responsible for public education and outreach as well as identifying risk factors and opportunities for prevention and early intervention.

Statewide local assistance centers will provide in-depth direct services, including face-to-face assessments in the office or the client's home. The services will include connecting clients to appropriate resources and services, hands-on assistance and advocacy, and follow-up to assured that problems are identified and resolved. Contract AIRS Certified Resource Specialists will also staff these local assistance centers.

Oregon Project Independence (OPI) serves individuals who are age 60 and older or individuals who have been diagnosed with Alzheimer's disease or a related disorder. It provides in-home services to seniors who require assistance with activities of daily living, but who do not qualify for Medicaid or choose not to enter the Medicaid long-term care system. Services are provided at no cost for those with incomes at or below 100% of the Federal Poverty Level (FPL). Individuals with net incomes between 100% and 200% of FPL are expected to pay a sliding scale fee. Families with income above 200% of FPL are expected to pay the full hourly rate of service provided. Beginning in the 2007-2009 biennium, OPI was positioned to be supported with transfers of excess funds in the Senior Property Tax Deferral Revolving Account. However, recent projections from the Department of Revenue indicate there will be no excess funds to transfer to the OPI Fund until the 2012-13 fiscal year. The \$10.5 million allocated to OPI in this measure will help maintain these services.

The \$2.1 million allocated to Family Care Support will be distributed to Area Agencies on Aging for the support of volunteer caregivers as directed by the federal Older Americans Act (OAA), Title III-E. Title III-E of the OAA ensures that volunteer caregivers of older Americans providing in-home care receive supportive services. Funding will be used to provide caregivers with information and assistance about available services for older Americans. Individual counseling and training to assist caregivers in decision making, respite care to provide temporary relief to caregivers of their responsibilities, and supplemental services to augment the caregiver's activities will also be provided.

The \$1.7 million allocated to Chronic Disease Management & Healthy Living Programs will also be distributed to Area Agencies on Aging and other qualified organizations. \$1.2 million of the funds will be used to support evidence-based chronic disease self-management programs throughout Oregon. \$0.5 million of the funds will be used to support evidence-based programs related to nutrition, physical activity, falls prevention, medication management and other healthy living programs.

The bill directs DHS to appoint a rule advisory committee for the adoption of rules regarding the program. Also, DHS is required to report on the progress in planning and implementing the ADRC program to the appropriate interim committees of the Legislative Assembly; this reporting requirement sunsets on January 2, 2012. These functions would be absorbed by the Department's existing staff and resources.

This bill requires budgetary action for the appropriation of the \$30 million General Fund for the 2009-11 biennium. The bill does not address ongoing funding for the Aging and Disability Resource Center program.