

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

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**MEASURE NUMBER:** SB 165

**STATUS:** Original

**SUBJECT:** Requires the Department of Human Services to operate or contract for a program to provide developmental disabilities services if a local mental health authority declines to offer or contract for developmental disabilities services.

**GOVERNMENT UNIT AFFECTED:** Department of Human Services

**PREPARED BY:** Kim To

**REVIEWED BY:** Sheila Baker, John Britton

**DATE:** February 2, 2009

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**2009-2011**

**2011-2013**

**EXPENDITURES:**

See Analysis

**EFFECTIVE DATE:** January 1, 2010

**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:** This bill requires the Department of Human Services (DHS) to operate or contract for a community developmental disabilities program (CDDP) as required by Oregon Revised Statute 430.630, if a local mental health authority (e.g., counties and tribal council) declines to provide or contract for developmental disabilities services.

Current state law allows for DHS to *temporarily* assume the operation or contract for a CDDP, in an emergency situation when no local developmental disabilities services exist. This bill would authorize DHS to assume the operation or contract for a CDDP on an on-going basis rather than temporarily, when no viable local provider is available. Services that would be provided by a CDDP include eligibility determination, case management and Medicaid service authorization for developmental disability services. Providers who are able to meet the criteria to qualify to be a CDDP are limited. With limited qualified entities, in many cases the state is the best or only option for a CDDP.

DHS reports that over the past seven years, four counties have declined to provide or contract for developmental disabilities services. From this experience, DHS states that no additional funding would be required with the passage of this bill. Currently, DHS provide resources to local authorities via special payments to operate or contract for a CDDP. If a local authority declines to operate or contract for a CDDP, special payment transfers to the local authority would revert back to the state and be used by DHS to develop and support a local field structure to operate or provide contracting oversight for a CDDP.

The Legislative Fiscal Office notes that if DHS does not contract for the CDDP services, it would likely need to add state staff for the local field structure even if no funding is needed.