

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

MEASURE NUMBER: SB 891

STATUS: Original

SUBJECT: Expands eligibility for medical assistance for low income and uninsured women diagnosed with breast or cervical cancer.

GOVERNMENT UNIT AFFECTED: Department of Human Services

PREPARED BY: Kim To

REVIEWED BY: John Britton, Sheila Baker

DATE: May 5, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
Department of Human Services – General Fund		
Personal Services	\$ 42,657	95,733
Services and Supplies	\$ 29,319	36,078
Special Payments	\$ 1,364,955	4,276,035
Total General Fund	\$ 1,436,931	4,407,846
Department of Human Services – Federal Funds		
Personal Services	\$ 42,330	95,013
Services and Supplies	\$ 29,313	36,074
Special Payments	\$ 3,864,757	12,107,240
Federal Funds	\$ 3,936,400	12,238,327
Department of Human Services – Total Funds		
Personal Services	\$ 84,987	190,746
Services and Supplies	\$ 58,632	72,152
Special Payments	\$ 5,229,712	16,383,275
Total Funds	\$ 5,373,331	16,646,173
POSITIONS / FTE:		
Human Services Specialist III	1/0.44	1/1.00
Human Services Specialist I	1/0.43	1/1.00
Total	2/0.87	2/2.00

EFFECTIVE DATE: January 1, 2010

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: Senate Bill 891 requires the Department of Human Services (DHS) to provide medical assistance to women who meet the eligibility criteria from the Oregon Breast and Cervical Cancer Program (BCCP).

Under current law, a low-income woman who is diagnosed with breast or cervical cancer can only qualify for the Oregon Breast and Cervical Cancer Program if she received a screening service through the Program. In addition, only a limited number of medical providers that are part of the Family

Planning Expansion Program (FPEP) are authorized to diagnose and refer breast and cervical cancer patients to the Department of Human Services. Passage of this bill would expand entry into the BCCP for any eligible, low-income women with breast or cervical cancer, regardless of whether or not she received screening services through the BCCP. Furthermore, any medical provider who diagnoses a woman in need of treatment for breast and cervical cancer may make a presumptive eligibility determination and referral to DHS. The Department estimates that complying with the provisions of this bill could result in an increase of clients at a rate of 22 per month.

To manage the increase in caseload, DHS would add two permanent full-time positions (0.87 FTE and \$84,987 Total Funds in the 2009-11 biennium) in the Children, Adults and Families Division (CAF) to support eligibility determination and caseload management activities. The estimated \$58,632 Total Funds (\$29,319 General Fund and \$29,313 Federal Funds) Services and Supplies for the 2009-11 biennium include facilities rent, computer, travel, training and human resources expenses for the positions. It also includes \$12,000 Total Funds (\$6,000 General Fund and \$6,000 Federal Funds) to compensate providers for the paperwork and case management associated with transferring a client from the Breast and Cervical Cancer Program to the Breast and Cervical Cancer Treatment Program. These costs are calculated at 50 percent General Fund and 50 percent Federal Funds.

Using the 2007-09 pricing model, the Division of Medical Assistance Programs (DMAP) estimates assistance benefits (Special Payments) to be \$5,229,711 Total Funds for the 2009-11 biennium (\$1,364,955 General Fund and \$3,864,757 Federal Funds). These Special Payments costs qualify for Title XXI enhanced federal match rate. Note that using the 2007-09 pricing model underestimates Special Payments. For example, using the Governor's Recommended Budget pricing model would add \$856,203 Total Funds to Special Payments in 2009-11 because the monthly cost per eligible increases due to medical inflation.

This bill requires budgetary action for allocation of General Fund resources and position establishment.