

**Enrolled**  
**Senate Bill 646**

Sponsored by Senator MORRISETTE

CHAPTER .....

AN ACT

Relating to budget levels for type B area agencies; creating new provisions; and amending ORS 410.070 and 410.072.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 410.070 is amended to read:

410.070. (1) The Department of Human Services shall:

(a) Serve as the central state agency with primary responsibility for the planning, coordination, development and evaluation of policy, programs and services for elderly persons and persons with disabilities in Oregon.

(b) Function as the designated state unit on aging, as defined in the Older Americans Act of 1965.

(c) With the advice of the Governor’s Commission on Senior Services and the Oregon Disabilities Commission, develop long-range state plans for programs, services and activities for elderly persons and persons with disabilities. State plans should be revised biennially and should be based on area agency plans, statewide priorities and state and federal requirements.

(d) Have the authority to transfer state and federal funds, except Title III of the Older Americans Act funds, from one area agency to another area agency or from one program or service to another program or service after consultation with the area agencies involved in the transfer. However, no area agency shall suffer a reduction in state or federal funds due to increased local funds.

(e) Receive and disburse all federal and state funds allocated to the department and solicit, accept and administer grants, including federal grants or gifts made to the department or to the state and enter into contracts with private entities for the purpose of providing or contracting for case management services for long term care insurance for the benefit of elderly persons and persons with disabilities in this state.

(f) Provide technical, training and program assistance to area agencies and assist them to provide such assistance to public and private agencies and organizations.

(g) Assist area agencies to stimulate more effective use of existing resources and services for elderly persons and develop programs, opportunities and services which are not otherwise provided for elderly persons, with the aim of developing a comprehensive and coordinated system for the delivery of social services to elderly persons.

(h) Assist local department offices and area agencies which have assumed responsibility for disabled services to stimulate more effective use of existing resources and to develop programs, opportunities and services which are not otherwise provided for persons with disabilities, with the aim

of developing a comprehensive and coordinated system for the delivery of social services to persons with disabilities.

(i) Serve within government and in the state at large as an advocate for elderly persons and persons with disabilities by holding hearings and conducting studies or investigations concerning matters affecting the health, safety and welfare of elderly persons and persons with disabilities and by assisting elderly persons and persons with disabilities to assure their rights to apply for and receive services and to be given fair hearings when such services are denied.

(j) Process fiscal and client data for all area agencies.

(k) Conduct regulatory functions with regard to program operation, by adopting rules for providing social services, including protective services, to elderly persons and persons with disabilities who need services that the department or area agencies are authorized to provide and rules for standard rate setting and quality assurance.

(L) Provide information and technical assistance to the Governor's Commission on Senior Services, the Oregon Disabilities Commission and the Medicaid Long Term Care Quality and Reimbursement Advisory Council and keep the commissions and the council continually informed of the activities of the department.

(m) Make recommendations for legislative action to the Governor and to the Legislative Assembly, after consultation with the Governor's Commission on Senior Services, the Oregon Disabilities Commission and the Medicaid Long Term Care Quality and Reimbursement Advisory Council.

(n) Conduct research and other appropriate activities to determine the needs of elderly persons and persons with disabilities in this state, including, but not limited to, their needs for social and health services, and to determine what existing services and facilities, private and public, are available to elderly persons and persons with disabilities to meet those needs.

(o) Maintain a clearinghouse for information related to the needs and interests of elderly persons and persons with disabilities.

(p) Provide area agencies with assistance in applying for federal, state and private grants and identifying new funding sources.

(2) In addition to the requirements of subsection (1) of this section, the department shall:

(a) Determine type A and type B area agencies annual budget levels for Oregon Project Independence and Title III of the Older Americans Act expenditures.

(b) *[For type B area agencies:]*

*[(A) Determine annual budget levels for planning Title XIX reimbursed services.]* **Determine annual budget levels for planning and administering programs relating to social, health, independent living and protective services for persons with disabilities for the local department office serving elderly persons and persons with disabilities and type B area agencies that have assumed local responsibility for the programs and clients transferred under section 2 (2), chapter 787, Oregon Laws 1989.** In determining the budget levels, the department shall:

**(A) Apply the methodology required by ORS 410.072;**

**(B) Retain contingency reserves against overruns and transfers in use of Title XIX funds[.]; and**

*[(B)]* **(C) Provide timely management information so the area agencies and the department's disability services units can manage Title XIX reimbursements within budgeted levels.**

*[(C) Determine annual budget levels for planning and administering programs relating to social, health, independent living and protective services for persons with disabilities for the department's disability services units and type B area agencies which have assumed local responsibility for the programs and clients transferred under section 2 (2), chapter 787, Oregon Laws 1989.]*

(c) Make payments for services within a central processing system for:

(A) A type A area agency, at the request of the agency, for Oregon Project Independence or Title III of the Older Americans Act expenditures, or both.

(B) A type B area agency, for Title XIX and Oregon Project Independence expenditures, and at the request of the agency, for Title III of the Older Americans Act expenditures.

(d) Assume program responsibility for Title XIX programs in areas served by type A area agencies and in areas where no area agency is designated.

(e) Assume planning and program responsibilities for persons with disabilities in areas served by type A area agencies, in areas served by type B agencies that serve only elderly persons and in areas where no area agency exists.

(3) When developing programs affecting elderly persons, the department shall consult with the Governor's Commission on Senior Services.

(4) When developing programs affecting persons with disabilities, the department shall consult with the Oregon Disabilities Commission.

**SECTION 2.** ORS 410.072 is amended to read:

410.072. The Department of Human Services shall:

(1) Adopt by rule a methodology for determining [*annual*] **biennial** budget levels for type B area agencies for planning and administering programs for elderly persons and persons with disabilities that:

(a) Includes both direct and indirect costs; and

(b) Results in a budget level for [*a*] **each** type B area agency that is not less than 95 percent of the amount that would otherwise be budgeted for a local department office serving elderly persons and persons with disabilities;

(2) Determine [*annual*] **biennial** budget levels for planning and administering programs for elderly persons and persons with disabilities for type B area agencies using the methodology adopted under subsection (1) of this section; and

(3) [*Consider the budget levels determined under subsection (2) of this section when making recommendations to the Governor on the level of funding for type B area agencies each biennium.*] **Submit a budget request based on budget levels determined under this section to the Oregon Department of Administrative Services in accordance with ORS 291.201 to 291.222.**

**SECTION 3.** The amendments to ORS 410.070 and 410.072 by sections 1 and 2 of this 2009 Act apply to biennia beginning on or after July 1, 2011.

Passed by Senate May 5, 2009

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Secretary of Senate

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President of Senate

Passed by House June 2, 2009

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Speaker of House

Received by Governor:

.....M.,....., 2009

Approved:

.....M.,....., 2009

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Governor

Filed in Office of Secretary of State:

.....M.,....., 2009

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Secretary of State