

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2099

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Requires the Department of Revenue to provide a place on personal income tax return forms for voluntary information about a taxpayer's uninsured child and referral for health insurance coverage.

Government Unit(s) Affected:

Department of Revenue (DOR), Oregon Health Authority (OHA), Department of Human Services

Expenditure Impact:

See Analysis

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:

HB 2099 requires the Department of Revenue (DOR), beginning on or after January 1, 2011, to provide a place on resident personal income tax return forms for voluntary information about a taxpayer's uninsured child and referral for health insurance coverage. In addition, DOR, the Oregon Health Authority (OHA) and the Department of Human Services (DHS) are instructed to work together to develop procedures for the collection and transmission of information in preparation for implementation of the Patient Protection and Affordable Care Act. The bill directs these three agencies to enter into a data sharing agreement that complies with state and federal data security and privacy regulations. This bill contains an emergency clause and takes effect on passage.

Department of Revenue (DOR)

The proposed legislation has been determined to have a minimal fiscal impact on the Department of Revenue. DOR's costs associated with carrying out the provisions of this bill include: (1) programming the agency's tax return processing system; (2) staff time to work with DHS and OHA on a data sharing agreement, as well as to modify forms and instructions; and (3) Attorney General fees. Assuming the changes to the tax return form mandated by this bill will not occur until the 2012 tax year, DOR estimates these to be one-time startup costs of approximately \$10,000 General Fund for the 2011-13 biennium.

Oregon Health Authority (OHA) and Department of Human Services (DHS)

The proposed legislation has been determined to have an indeterminate impact on OHA and DHS.

The data sharing component of the bill has minimal impact on OHA and DHS. These two agencies will use existing staff and resources to work with DOR and to process the data collected.

However, this collaboration to share data will likely help identify more children who are eligible for the Oregon Healthy Kids program, and eventually to identify adults eligible for the Oregon Health Plan under the Patient Protection and Affordable Care Act. At this time, the number of eligible individuals identified who will enroll in these programs is indeterminate. The agency is currently in the process of doing outreach to increase the number of children enrolled in the Healthy Kids program, and both OHA caseload forecasts and budget do assume that the enrollment in this program continues to grow. How

much the total enrollment will grow, and how much of that growth would be due to this specific outreach tool, is uncertain. Therefore, the impact on OHA caseload and budget is indeterminate.