

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3536 - A

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

Prepared by: Kim To
Reviewed by: Linda Ames, Sheila Baker, Doug Wilson
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Measure Description:

Requires Oregon Health Authority to suspend, instead of terminate, medical assistance of recipient of medical assistance who becomes inmate of public institution.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Human Services (DHS), Department of Corrections, Counties

Summary of 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 3536 requires the Department of Human Services (DHS) or Oregon Health Authority (OHA) to suspend, instead of terminate, the medical assistance of individuals who become an inmate of a county or city jail or prison for no more than 12 months. DHS or OHA is required to reinstate an otherwise eligible person's medical assistance upon notification that the individual is no longer an inmate residing in a local correctional facility. The bill contains an emergency clause and takes effect on passage.

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

HB 3536 is anticipated to have minimal fiscal impact on OHA and DHS. Under current law, medical assistance clients have their assistance terminated upon becoming an inmate in a county or city jail. Upon release, these individuals would need to reapply. Under this bill, they would be re-enrolled automatically upon release. Medical assistance programs administered by OHA include Oregon Health Plan (OHP) Standard, the Family Health Insurance Assistance Program (FHIAP), and Healthy KidsConnect (HKC). These programs would require system and process modifications to track and re-enroll eligible clients. OHA and DHS anticipate that these modifications can be carried out with existing resources. Because spending on OHP Standard and FHIAP are currently capped, there can be no change in the cost of the program. Enrollment in these programs is determined by the funds available to the program. OHA anticipates the impact on the Healthy KidsConnect program to be minimal.

The bill directs DHS and OHA to report to the Legislative Assembly no later than May 31, 2013 on the feasibility of requiring the suspension, instead of termination, of medical assistance to persons who become inmates of DOC institutions. OHA and DHS anticipate using existing staff and resources to perform this requirement.

Department of Corrections (DOC)

HB 3536 will have no fiscal impact on the Department of Corrections. Although the bill requires that DHS and OHA report on the feasibility of requiring the suspension, instead of termination, of medical assistance to persons who become inmates of DOC institutions, at this time the bill only pertains to inmates of local correctional facilities.

Counties

HB 3536 has no fiscal impact on counties.