

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 436 – A**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Requires coordinated care organizations to include in community health improvement plan strategy for use of school-based health centers.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

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 436 specifies the requirements for community health improvement plans adopted by coordinated care organizations (CCOs), and their community advisory council. These adopted community health improvement plans must include research-based strategies and plans for working with the Early Learning Council, the Youth Development Council, and school health providers to coordinate effective and efficient delivery of health care to children and adolescents in the community. The plans must also evaluate the adequacy of the existing school-based health centers (SBHC) network to meet the specific pediatric and adolescent health care needs in the community. The bill sunsets on the convening of the 2015 Legislative Assembly. The bill contains an emergency clause and takes effect on passage.

The bill requires each coordinated care organization to report to OHA on the progress of the integration strategies. The Oregon Health Authority (OHA) is directed to compile the information and report to the legislature by December 31, 2014. This requirement of the bill would have minimal impact on OHA. The authority will use existing staff and resources to collect and compile reports on the progress of integration efforts, and report to the legislature.

In addition, the bill permits the Oregon Health Authority to provide incentive grants to CCOs for the purpose of contracting with individuals or organizations to help coordinate integration strategies identified in the community health improvement plans. This provision is anticipated to have a fiscal impact on the Oregon Health Authority. However, the full impact is indeterminate depending on the level of grant funding and the number of CCOs that apply for and receive incentive grants. The bill allows the Oregon Health Authority (OHA) to provide incentive grants. However, the bill does not specify any specific funding level for the incentive grants. Also, the bill does not stipulate how the funding amount for each incentive grant would be determined. As a point of reference, currently there are 15 coordinated care organizations. If, for example, the incentive grant funding level was established at \$100,000 per grant maximum, and all 15 CCOs applied and received the maximum, the fiscal impact would be \$1.5 million General Fund. Additionally, if there are incentive grants for OHA to administer and manage, the authority would need to establish one full-time limited duration Program Analyst 2 position to work with incentive grantees. OHA estimate the Personal Services, and related Services and Supplies for this position to be \$151,199 General Fund.