

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 233

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Requires Department of Human Services and Oregon Health Authority to suspend, instead of terminate, medical assistance for person who is expected to remain in correctional facility for more than 12 months.

Government Unit(s) Affected:

Department of Corrections, Department of Human Services (DHS), Oregon Health Authority (OHA), Oregon Youth Authority (OYA), local correctional facilities

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 233 requires the Department of Human Services (DHS) and the Oregon Health Authority (OHA) to suspend, not terminate, medical assistance for a person who is expected to remain in a correctional facility for any duration of time. House Bill 2087 (2013) required OHA and DHS to suspend incarcerated individuals' benefits through the Medical Assistance Programs (MAP) instead of terminating them, with the intention of providing the Department of Correction, the Oregon Youth Authority and local correctional facilities with a mechanism to eliminate the need for incarcerated individuals to go through the entire process of reapplying for medical assistance for each encounter. However, HB 2087 included language that only allowed the suspension option for individuals expected to be incarcerated for 12 months or less. This reference to a length of sentence precludes the Department of Corrections inmates. SB 233 removes reference to the length of sentence, allowing the suspension mechanism to apply to DOC inmates.

Department of Correction (DOC)

Since the passage of HB 2087 (2013), assuming that HB 2087 included DOC inmates, the department has collaborated with OHA and DHS in suspending medical benefits for DOC inmates on a temporary basis. Because of this, passage of SB 233 will only codify current practice, and will not have a fiscal impact on DOC.

However, if this bill does not pass, DOC will be forced to reapply for Medicaid benefits on behalf of an inmate each time that inmate goes offsite for inpatient care and returns to the facility. To be able to continue to participate in the use of Medicaid for its inmate offsite in-patient medical encounters, DOC will need additional staffing [one Administrative Specialist position (1.00 FTE)] to handle the increased workload. DOC estimates this cost to be \$144,238 per biennium.

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

Passage of this bill will have minimal impact on OHA and DHS. The bill codifies the process currently followed by Medical Assistance Programs (MAP).

Oregon Youth Authority (OYS) and local correctional facilities

Passage of this bill is anticipated to have minimal impact to the Oregon Youth Authority and local correctional facilities.