

**HB 5043**

**Department of Human Services/Oregon Health Authority 2013-15 Rebalance**

HB 5043 implements 2013-15 budget rebalances for both the Department of Human Services and the Oregon Health Authority. The rebalance plans reflect updated caseload estimates based on the spring 2015 forecast, other program costs and savings, and non-General Fund revenues. After a transfer of \$0.9 million General Fund between the two agencies, DHS expects to finish the 2013-15 biennium within its current General Fund budget, while OHA has a surplus of \$39.7 million General Fund that is removed from the budget with this bill. For DHS, the bill adds \$13.8 million in Other Funds expenditure limitation and \$47.3 million Federal Funds expenditure limitation. The OHA budget is decreased by \$11.5 million Other Funds and increased by \$77.6 million Federal Funds.

The main cost drivers in DHS programs are caseload and cost increases in senior programs and services for people with intellectual and developmental disabilities. These costs are offset by savings in self sufficiency and child welfare caseloads, along with other program expenditures projected to come in under budget. Additional federal revenue is also factored into the rebalance.

The General Fund savings in OHA are primarily related to lower costs for caseload in the Oregon Health Plan. An increase in the forecast for the ACA expansion population results in additional Federal Funds. The Other Funds expenditure limitation is increased in the Public Employees' Benefit Board by \$84.8 million, allowing the agency to pay premiums and claims costs for the rest of the biennium. This increase is primarily due to more state employees covered under the program than originally estimated.

The Human Services Subcommittee recommends HB 5043 be amended by the –1 amendment and be reported out do pass, as amended.