

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 902**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:

Revives section 1, chapter 598, Oregon Laws 2013.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Education

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 902 reinstates statutes relating to requirements for community health improvement plans adopted by coordinated care organizations (CCOs) and their community advisory council which sunset on the convening of the 2015 Legislative Assembly. These adopted community health improvement plans must include research-based strategies and plans for working with the Early Learning Council, Early Learning Hubs, 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 resources including school-based health centers (SBHC) and school nurses to meet the specific pediatric and adolescent health care needs in the community. The bill contains an emergency clause and takes effect on passage.

Oregon Health Authority (OHA)

The bill requires each coordinated care organization to report to OHA on the progress of the integration strategies. The Oregon Health Authority is directed to compile the information and report to the legislature biennially to the Legislature by December 31 of each even-numbered year. 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 OHA to provide incentive grants. However, the bill does not address a funding source for these incentive grants. Also, the bill does not specify any specific funding level for the incentive grants, nor does this the bill 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 is funding for incentive grants, OHA will need additional staffing to administer and manage the grant process.

Oregon Department of Education (ODE)

The fiscal impact of this bill on ODE is minimal. The bill requires CCOs and their community advisory council to include strategies and plans for working with programs developed by the Early Learning Council, as well as Early Learning Hubs in the region. CCOs are required to include individuals representing programs developed by the Early Learning Council and Early Learning Hubs, as well as Healthy Families support and relief nurseries in the region. ODE will use existing staff and resources to collaborate with CCOs and their community advisory council.