

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2300 - A7**79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Kim To
Reviewed by: Linda Ames
Date: 6/28/2017**Measure Description:**

Establishes the Mental Health Clinical Advisory Group within the Oregon Health Authority.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

Summary of Expenditure Impact:

	2017-19 Biennium	2019-21 Biennium
General Fund		
Personal Services	54,596	0
Services & Supplies	89,292	0
Total General Fund	\$143,888	\$0
Federal Funds		
Personal Services	54,596	0
Services & Supplies	89,083	0
Total Federal Funds	\$143,679	\$0
Personal Services	109,191	0
Services & Supplies	178,375	0
Total Funds	\$287,566	\$0
Positions	1	0
FTE	0.75	0.00

Analysis:

House Bill 2300 with the -A7 amendment establishes the 15-member Mental Health Clinical Advisory Group within the Oregon Health Authority (OHA). The Advisory Group is charged with developing evidence-based algorithms for the for health treatment with mental health drugs. The bill defines the membership and duties of the Advisory Group. The Advisory Group is required to report to the Legislature by December 31, 2017 on its progress, and again by December 31, 2018 with its final recommendations. Members of the Advisory Group are entitled to reimbursement of expenses. The Advisory Group sunsets on December 31, 2018. In addition, the bill requires OHA to reimburse the cost of a mental health drug prescribed for a medical assistance recipient if federal financial participation in the costs is available.

The fiscal impact of this bill on OHA is estimated to be \$287,566 Total Funds, 1 position, and 0.75 FTE for the 18 months of the 2017-19 biennium. These expenses are funded at 50% Medicaid match. The fiscal amount reflects personal services and related services and supplies for one Operations and Policy Analyst 1 position to provide administrative support to the Advisory Group, and the cost of adding a pharmacist to the current contract with Oregon State University College of Pharmacy to assist the advisory group in completing medical and pharmaceutical research. The contract costs for a half time pharmacist is \$144,742 per biennium.