

FISCAL IMPACT OF PROPOSED LEGISLATION79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office**Measure: SB 111 - A9*****Only Impacts on Original or Engrossed Versions are Considered Official***Prepared by: Krista Dauenhauer
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Date: 6/29/2017**Measure Description:**

Establishes pilot program to assist school districts and education service districts in increasing use of Medicaid billing.

Government Unit(s) Affected:

Department of Education, Oregon Health Authority (OHA)

Summary of Expenditure Impact:

	2017-19 Biennium	2019-21 Biennium
General Fund	\$529,935	\$594,862
Federal Funds	\$108,776	\$113,646
Total Funds	\$638,711	\$708,508
Positions	3	3
FTE	2.67	3.00

Analysis:

The bill directs the Oregon Department of Education (ODE) to process applications, and select a minimum of nine school districts or education service districts, to receive services related to Medicaid billing assistance for school nursing services. School districts and education service districts that do not apply, or are denied application, for ODE Medicaid billing assistance for school nursing services are still permitted to receive services. ODE must facilitate the collaboration between school districts and entities that have experience with Medicaid billing as well as provide assistance in the creation and implementation of district plans to maximize Medicaid billing for nursing services. ODE must collaborate with state agencies to seek rules or statutory changes to secure federal financial participation in the cost of providing school nursing services. No later than October 1, 2020 ODE must submit a report to the Legislative Assembly on the outcomes of the Medicaid billing assistance provided, as well as a cost benefits analysis to districts.

Coordinating between districts and Medicaid billing experts, providing technical assistance in the creation and implementation of district Medicaid plans, and report writing by ODE is estimated to require two permanent Education Program Specialists positions (1.71 FTE) at an estimated cost of \$420,785 General Fund in the 2017-19 and (2.00 FTE) an estimated cost of \$481,192 GF in the 2019-21 biennium. This fiscal estimate assumes that the workload associated with collecting and reporting information for the legislative report will be shifted to additional capacity for providing Medicaid billing services to the districts after the final report has been completed. To assist districts and partner with ODE on training and monitoring, Oregon Health Authority (OHA) anticipates the need for an Operations and Policy Analyst (0.96 FTE) at an estimated cost of \$109,150 GF and \$108,776 Federal Funds (FF) in the 2017-19 biennium, and (1.00 FTE) at an estimated cost of \$113,670 GF and \$113,282 FF in the 2019-21 biennium.

This fiscal impact makes no assumptions regarding the potential impact to Federal or General Funds related to the district outcomes of Medicaid billing. The potential increase in Federal Funds and the resulting decrease in General Fund from the successful outcomes of district Medicaid billing will vary

based on the number of districts which volunteer for such services and the volume of claims/successful reimbursements.