

**SB 558 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Kruse

**Joint Committee On Ways and Means**

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**Action Date:** 06/29/17

**Action:** Do pass with amendments. (Printed A-Eng.)

**Senate Vote**

**Yeas:** 8 - Devlin, Frederick, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Winters

**Nays:** 4 - DeBoer, Girod, Hansell, Thomsen

**House Vote**

**Yeas:** 7 - Gomberg, Holvey, Huffman, Nathanson, Rayfield, Smith Warner, Williamson

**Nays:** 4 - McLane, Smith G, Stark, Whisnant

**Prepared By:** Tom MacDonald, Department of Administrative Services

**Reviewed By:** Linda Ames, Legislative Fiscal Office

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**Oregon Health Authority  
2017-19**

**Budget Summary**

	2015-17 Legislatively Approved Budget	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 36,113,214	\$ 36,113,214	100.0%
Total	\$ -	\$ -	\$ 36,113,214	\$ 36,113,214	100.0%

**Position Summary**

Authorized Positions	0	0	6	6	
Full-time Equivalent (FTE) positions	0.00	0.00	3.50	3.50	

**Summary of Revenue Changes**

Senate Bill 558 appropriates \$36,113,214 General Fund to the Oregon Health Authority (OHA) to expand eligibility for medical assistance under the Health Care for all Oregon Children program.

**Summary of Human Services Subcommittee Action**

Senate Bill 558 modifies current law regarding the eligibility of children who receive medical assistance under the Health Care for All Oregon Children to include those children who reside in Oregon as opposed to the current requirement for eligible children to be “lawfully present” in the state. The bill maintains the existing family income threshold of 300 percent of the federal poverty level for children to be eligible for medical assistance. The bill makes the eligibility changes effective January 1, 2018.

The total fiscal impact of the bill is \$36.1 million General Fund. OHA estimates an additional 14,174 children will be found eligible for medical assistance during the 2017-19 biennium, over the 18-month period starting January 1, 2018 as a result of the eligibility change. The fiscal includes Personal Services and related Services and Supplies for six permanent positions: four Operations and Policy Analysts responsible for outreach and marketing activities and two Human Service Specialists to handle the increased caseload. The majority of the costs represent special payments for the medical assistance coverage of the additional children at the estimated 2017-19 rate Medicaid is expected to pay for Oregon Health Plan children on a per member per month basis. Contrary to the coverage currently provided to children who receive Health Care for all Oregon Children medical benefits, which is eligible for federal match at either the traditional Medicaid or Children’s Health Insurance Program rate, depending on the family income level, the additional caseload cost under Senate Bill 558 will not be eligible for Federal Funds because of federal citizenship and immigration status requirements.

In addition to the change in eligibility, the bill:

1. Requires OHA to institute a streamlined re-enrollment process for children eligible for medical assistance;
2. Directs OHA to convene a workgroup charged with helping the agency implement outreach and marketing strategies for the Health Care for All Oregon Children program;
3. Allows OHA and the Department of Human Services to require the child or child's caretaker to provide information to determine eligibility;
4. Authorizes OHA to collaborate with the Department of Consumer and Business Services to seek federal approval or waivers to obtain funding to carry out the provisions of this bill.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Health Authority  
Tom MacDonald -- 503-586-6689

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
<b>SCR 030-01 - Health Systems Division</b>									
Personal Services	\$ 622,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 622,502	6	3.50
Services and Supplies	\$ 137,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,998		
Special Payments	\$ 35,352,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,352,714		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 36,113,214</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,113,214</b>	<b>6</b>	<b>3.50</b>
<b>SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ 36,113,214</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,113,214</b>	<b>6</b>	<b>3.50</b>