

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 274**80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Kim To
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Date: March 21, 2019**Measure Description:**

Expands eligibility for support service brokerage services to individuals who are 14 to 17 years of age.

Government Unit(s) Affected:

Department of Human Services (DHS), Oregon Health Authority (OHA)

Summary of Fiscal Impact:

Quantifiable costs related to the measure will require budgetary action. In addition, the bill contains costs that are indeterminate at this time - See explanatory analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
Brokerage Operations		
Personal Services	414,426	163,764
Services and Supplies	48,472	12,490
Special Payments	73,290	26,506
Total Brokerage Operations	\$536,188	\$202,760
IT Systems		
Personal Services	15,454	
Services and Supplies	11,265,000	
Total IT Systems	\$11,280,454	
TOTAL FUNDS	\$11,816,642	\$202,760
Positions	3	1
FTE	2.64	1.00

Analysis:

SB 274 expands eligibility for support service by a brokerage to individuals with developmental disabilities from 18 years of age and older to 14 years of age and older.

DHS estimates the fiscal impact of this bill to be \$11,816,642 Total Funds and 3 positions (2.64 FTE) for the 2019-21 biennium; and \$202,760 Total Funds and 1 position (1.00 FTE) for the 2019-21 biennium. Assuming approval of federal waivers funding split for the 2019-21 biennium would be \$5,908,741 General Fund and \$5,907,901 Federal Funds and \$101,539 General Fund and \$101,221 Federal Funds for the 2021-23 biennium.

Passage of this bill will require Centers for Medicare and Medicaid Services (CMS) approval of changes to current Medicaid approved waivers including adult waiver, kids waiver, B4 waivers, and K Plan. DHS cannot predict the number of individuals that may move to brokerages. However, DHS anticipates no additional case management costs assuming costs would shift from Community Developmental Disabilities Program (CDDP) case management to brokerage case management. To communicate and facilitate this expansion, DHS anticipates the following staffing costs:

- Two limited duration Compliance Specialist 2 positions to train brokerage staff on aspects of case management that are necessary for serving children.
- One permanent full-time Compliance Specialist 2 position to serve as a Quality Assurance Specialist.

This expansion may also have an impact on the Background Check Unit depending on the staffing and background requirements for brokerage employees. At this time, DHS cannot quantify this impact.

In addition to staffing related costs, DHS and its information technology services partner/provider, the Oregon Health Authority, will need to make validations and edits to the Express Payment and Reporting System (eXPRS) pertaining to client eligibility and service billing based on age. Systems updates will impact the Integrated Eligibility (IE) systems. The total cost for this work is estimated at \$11,280,454 General Fund; the bulk of these costs are for an estimated 6-week delay in the IE system project.

This measure requires budgetary action for the allocation of General Fund resources and position establishment.