

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 584 - A

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: March 31, 2021

Measure Description:

Requires Oregon Health Authority to provide medical assistance to employed individuals with disabilities without regard to individuals' income or resources.

Government Unit(s) Affected:

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

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Health Care to the Joint Committee on Ways and Means.

This measure directs the Department of Human Services (DHS) to administer a program to provide medical assistance to employed individuals with disabilities who qualify for Medicaid under 42 U.S.C. 1396a(a)(10)(ii)(XVI). DHS may not use an individual’s income or resources to determine eligibility for this program, and may not establish an age limit to qualify for the program. DHS may consider a person’s income when determining premium or other cost-sharing requirements, if these are necessary in order to administer the program within available funds. DHS must coordinate program benefits with an individual’s employer-sponsored health insurance, and must seek any federal approval necessary to exclude from consideration any earnings accumulated in a separate account while an individual participates in this new program, when determining an individual’s eligibility for medical assistance. This measure takes effect on the 91st day after the 2021 regular session of the Legislative Assembly adjourns sine die.

Under the Employed Persons with Disability Program (EPD) an individual with a disability may be employed and access Medicaid coverage through the Oregon Health Plan as long as their adjusted earned income is less than 250 percent of the federal poverty level, and they do not exceed the \$5,000 asset limit. Enrollees are charged a monthly fee of up to \$150 based on their income. EPD currently serves 2,307 people.

DHS anticipates that the exclusion of income and resources as qualifying factors for EPD would increase the number of eligible enrollees by around 1,000 people. This is based on the current number of Ticket to Work cases (3,164); Ticket to Work serves disabled working individuals similar to the population covered by this measure. However, the total possible number of enrollees is unknown, and could vary from the projections included here.

For 2021-23, initial estimates from DHS are that this measure will cost a total of \$17.9 million General Fund and \$33.9 million Federal Funds to implement, and will require seven new positions. The Oregon Health Authority anticipates additional costs of \$11.0 million General Fund and \$16.7 million Federal Funds, to cover expenses for medical assistance to expanded populations. However, these estimates have not been fully reviewed and further analysis of these numbers is required.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.