

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 820 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Requires Oregon Health Authority to provide community-based services and supports to individuals with complex mental or behavioral health needs who are under 21 years of age.

Government Unit(s) Affected:

Department of Human Services, Oregon Health Authority, Oregon Youth Authority

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

SB 820-1 requires the Oregon Health Authority (OHA) to provide the following services to individuals under the age of 21 that meet specific requirements:

- Skills training
- Home modifications
- Assistive technology
- Supervision
- Attendant care services
- Cueing
- Nonmedical transportation
- Case management services

Services are to be funded using the Community First Choice option under 42 U.S.C. 1396n(k). OHA is directed to create a unit to coordinate services for participating individuals. OHA is directed to create an assessment tool to determine need and support for program participants. OHA is permitted to contract for community-based entities to complete provisions of the measure. The Department of Human Services is required to validate that needs are being met for individuals receiving care. The measure declares an emergency and is effective on passage.

The Child and Family Behavioral Health division in OHA currently provides mental health and substance use treatment through outpatient acute care services as well as Early and Periodic Screening, Diagnostic and Treatment (EPSDT). However, these combined services do not provide for all the requirements of the measure. Full program costs are indeterminate, but estimated initial costs to develop the program are estimated to include the following full-time permanent positions for the 2023-25 biennium:

- One Behavioral Health Manager 2 position (0.75 FTE) to support program vision and support policy and program design.
- One Program Analyst 3 position (0.75 FTE) to coordinate and implement rules for the program, clinical tool design, service authorization and utilization review.
- Two Operations and Policy Analyst 3 positions (1.25 FTE) to coordinate the program, develop amendments to the Medicaid state plan, coordinate with internal and external stakeholders and develop eligibility requirements for Medicaid K-plan services.

The position cost to establish and support the new unit is \$358,641 General Fund and \$358,641 Federal Funds with position related services and supplies costs of \$36,304 General Fund and \$36,304 Federal Funds. In 2025-27, when FTE increases to five, total position costs will be \$1,044,710.

To create the assessment tool required by the measure, OHA anticipates needing the following:

- One Information Security Specialist 7 position (1.00 FTE) to develop, build, maintain and offer production support for the new tool.
- Four additional subscriptions to cloud-based software.

The cost for new and existing shared services staff as well as services, supplies and software required to create the assessment tool is \$1,229,665 total funds for the 2023-25 biennium. For 2025-27, the cost is \$1,074,911 total funds. In addition, Other Funds expenditure limitation is required to support the General Fund and Federal Funds costs under the OHA and DHS shared services budget structure. The Other Funds expenditure limitation is reflected in the table but does not represent a true cost for the shared service expenditures.

OHA notes that Section 1(4) of the measure may risk federal funding for services as it requires OHA to incorporate a 1915(c) waiver to exempt parental income from eligibility requirements which is not currently approved by federal authorities. If the measure were to pass and OHA did not receive a waiver for parental income, OHA would use General Fund to cover services to children when their parents' income exceeds current eligibility requirements for Medicaid services.

There is no fiscal impact to the Department of Human Services or the Oregon Youth Authority.