

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 91 - 4**

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 Department of Human Services to request from Centers for Medicare and Medicaid Services approval of waiver to obtain federal financial participation in costs of program to pay parents of minor children with disabilities to provide attendant care services to children.

Government Unit(s) Affected:

Commission on Indian Services, Department of Human Services, Department of Early Learning and Care, Confederated Tribes of Grand Ronde, Confederated Tribes of Siletz, Confederated Tribes of Warm Springs, Burns Paiute Tribe, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Confederated Tribes of Umatilla Indian Reservation, Coquille Indian Tribe, Cow Creek Band of Umpqua Indians, Klamath Tribes

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Department of Human Services		
General Fund		
Personal Services	\$379,665	\$433,906
Services and Supplies	\$87,807	\$55,311
Special Payments	\$32,722,314	\$84,098,692
Total General Fund	\$33,189,786	\$84,587,909
Other Funds*		
Personal Services	\$201,145	\$201,145
Services and Supplies	\$16,056	\$16,056
Special Payments	\$9,898	\$9,898
Total Other Funds	\$227,099	\$227,099
Federal Funds		
Personal Services	\$379,665	\$433,906
Services and Supplies	\$83,471	\$50,971
Special Payments	\$42,936,373	\$110,206,475
Total Federal Funds	\$43,399,509	\$110,691,352
Total Fiscal Impact	\$76,816,394	\$195,506,360
<i>Total Positions</i>	7	7
<i>Total FTE</i>	4.52	5.00

*Represents General Fund expended as Other Funds

Analysis:

SB 91-4 has the following major provisions:

- Requires the Department of Human Services (DHS) to establish a program to compensate parents for providing attendant care to their children who (a) have been assessed by the department to have very high support needs, or (b) are receiving developmental disability services under the state plan.
- Requires DHS to compensate parents for providing attendant care to their children who do not have very high support needs, but whose medical provider has determined the child needs a parent provider due to the child's extraordinary physical mental or emotional needs.
- Places a 50-hour per week per child limit on the number of hours a parent provider can be paid by an agency to provide attendant care.
- Requires the agency employing parent providers to pay parent providers the same wages and benefits, and overtime, as direct support professionals.
- Grants DHS the authority to apply for short-term programs by January 1, 2024, to obtain federal matching funds to continue payments to provider parents already receiving payment as of March 1, 2023.
- Authorizes DHS to limit the number of children served by the program to no less than 440 children based on criteria to be adopted in rule.
- Prohibits DHS from implementing the program unless it obtains a waiver or equivalent agreement with the Centers for Medicare and Medicaid Services (CMS) to receive federal financial participation.
- Prohibits DHS from using General Fund to administer the program without a federal match.
Declares an emergency and is effective on passage.

The estimated fiscal impact of the measure in 2023-25 is \$76,816,394 total funds, most of which represents caseload costs of 863 individuals, as forecasted by DHS. This assumes an effective date of July 2024 to align with the expected timing of CMS approval. The fiscal impact also includes an estimated \$718,039 for seven positions (4.52 FTE) to implement and maintain the expanded program. The estimated fiscal impact in 2025-27 is \$195,506,360 total funds. The positions in 2023-25 include:

- One Operations and Policy Analyst 3 position (0.88 FTE) to develop the waiver application and manage the waiver process, support rulemaking, and serve as the subject matter expert providing ongoing internal and external support.
- One full-time Training and Development Specialist 2 position (0.88 FTE) to develop and administer training.
- One Operations and Policy Analyst 2 position (0.88 FTE) to serve as the data analyst for the program and to develop reports.
- One Program Analyst 3 position (0.88 FTE) for the Case Management Supports and Services Unit to manage exceptions and hearing requests.
- One permanent part-time Operations and Policy Analyst 3 position (0.25 FTE) to establish the new accounting structure of the program and work with internal stakeholders on potential system configurations.
- One permanent part-time Accountant 2 position (0.50 FTE) to make, monitor and reconcile payments, perform retro corrections, and research potential taxability issues for parent providers.
- One permanent part-time Administrative Specialist 2 position (0.25 FTE) to conduct background checks.

The fiscal impact also reflects approximately six months of work for the Office of Information Services to modify the program's payment system (eXprs) at a projected cost of \$36,399 General Fund and \$36,399 Federal Fund.

The measure permits DHS to cap the program's caseload at 440. At this caseload level, the fiscal impact would be \$33.9 million total funds for 2023-25 and \$74.9 million total funds for 2025-27.