

SUBCOMMITTEE RECOMMENDATION

HB 5026

Department of Human Services

To: Ways and Means Full Committee
From: Human Services Subcommittee
Carrier: Representative Valderrama

HB 5026 is the budget bill for the Department of Human Services. DHS delivers a range of supports and services for children, families, seniors, and people with disabilities through a system of field offices and community partners.

The Human Services Subcommittee approved a budget of \$5.6 billion General Fund, \$18.5 billion totals funds, and 10,999 positions; the total funds budget is less than one percent over the legislatively approved budget; the General Fund budget is a \$794.5 million, or 16.4% increase. The budget continues core programs, fully funds the Healthier Oregon Program, adjusts for caseload changes, and adds funding to permanently build-in provider rate increases that had been set to expire, as well as increases rates for other providers.

Key elements and significant budget actions include:

- In Self Sufficiency, the budget provides \$10 million total funds on a one-time basis for emergency food assistance.
- In Child Welfare, the budget provides \$27 million total funds to increase foster care reimbursement rates by an average of \$241 per month. The rates have not been increased since 2018. The budget also prioritizes child safety with \$9.2 million and

200 permanent full-time positions devoted to child protective services.

- In Aging and People with Disabilities, the budget invests \$195 million total funds in the long-term care system and workforce; making permanent what had been temporary rate increases to support higher wages of direct care staff; and providing a 5% COLA effective July 1, 2024, for community-based care providers.
- In the Intellectual/Developmental Disabilities program, the budget includes over \$200 million total funds in roll-up costs related to full funding of the new rate model that took effect in the current biennium. It also includes \$79 million to make permanent a 5% provider rate increase that was set to expire next month.
- Finally, the bill provides \$52 million total funds and 300 permanent full-time positions to address an historic eligibility workload, and \$39 million total funds for maintenance and operation of the ONE eligibility system.

The budget report for this bill contains three budget notes requiring reports back to the Legislature. The agency's request for performance measure changes was also approved.

The Human Services Subcommittee recommends HB 5026 be amended by the -2 amendment and reported out do pass, as amended.