

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2543 - A**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: MaryMichelle Sosne

Reviewed by: Steve Robbins

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Measure Description:

Requires Oregon Health Authority to conduct study every four years of funding needed by community mental health programs in complying with statutory requirements and post report of findings to authority's website.

Government Unit(s) Affected:

Oregon Health Authority

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
Oregon Health Authority		
General Fund		
Personal Services	\$173,757	\$231,678
Services and Supplies	\$1,018,097	\$1,022,019
Total General Fund	\$1,191,854	\$1,253,697
Total Fiscal Impact	\$1,191,854	\$1,253,697
<i>Total Positions</i>	1	1
<i>Total FTE</i>	0.75	1.00

Analysis:

HB 2543-A requires the Oregon Health Authority (OHA) to conduct a study every four years to determine the funding requirements for community mental health programs to provide their statutorily required services and post the findings on the agency's website. The first report is due no later than January 1, 2024, with respect to services required for individuals who receive mental health treatment through the civil commitment process, those accused of a crime who require treatment to aid and assist in their own defense, and individuals found by the courts to be guilty of a crime except for insanity. The first report encompassing all findings is due by January 1, 2025. The measure declares an emergency and is effective on passage.

The estimated fiscal impact of the measure is based on the assumption that professional actuarial consulting services will be needed to sufficiently evaluate the financial requirements for the array of statutory services and distinct patient groups covered by the study. The estimated cost for this work in both the 2023-25 and the 2025-27 biennium is \$1 million General Fund based on the January 1, 2024, and January 1, 2025, deadlines stated in the measure.

OHA is estimated to need one permanent full-time Operations and Policy Analyst 3 position (0.75 FTE) to manage the study and serve as a subject matter expert. The position cost for the 2023-25 biennium is \$173,757 General Fund with \$18,097 General Fund in position-related services and supplies costs. For the 2025-27 biennium, this position will scale up to 1.00 FTE total and the position cost is estimated to be \$231,678 General Fund with \$22,019 General Fund in position-related services and supplies costs.

The estimated fiscal impact outlined above could potentially be reduced depending on the scope of work undertaken to meet the requirements of the study. For instance, the agency may be able to use existing staff to guide the work of the actuarial contract.