

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 104 - A**

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 evaluate implementation of certification of agency with choice service providers and to submit findings from evaluation to interim committees of Legislative Assembly related to health not later than September 15, 2024.

**Government Unit(s) Affected:**

Department of Human Services

**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    |
|-------------------------------------|--------------------|---------------------|
| <b>Department of Human Services</b> |                    |                     |
| <b>General Fund</b>                 |                    |                     |
| Personal Services                   | \$164,412          | \$219,217           |
| Services and Supplies               | \$18,055           | \$21,963            |
| Special Payments                    | \$3,433,986        | \$6,867,972         |
| <b>Total General Fund</b>           | <b>\$3,616,453</b> | <b>\$7,109,152</b>  |
| <b>Federal Funds</b>                |                    |                     |
| Personal Services                   | \$164,412          | \$219,217           |
| Services and Supplies               | \$18,055           | \$21,961            |
| Special Payments                    | \$3,433,986        | \$6,867,972         |
| <b>Total Federal Funds</b>          | <b>\$3,616,453</b> | <b>\$7,109,150</b>  |
| <b>Total Fiscal Impact</b>          | <b>\$7,232,906</b> | <b>\$14,218,302</b> |
| <i>Total Positions</i>              | 2                  | 2                   |
| <i>Total FTE</i>                    | 1.50               | 2.00                |

**Analysis:**

SB 104-A directs the Department of Human Services (DHS) to contract with at least one organization to provide agency with choice services to individuals who receive in-home services and support as needed. The measure prescribes service requirements for these organizations. DHS must contract with a qualified organization by July 1, 2024. The measure declares an emergency and is effective upon passage.

Currently DHS offers agency with choice services to individuals with intellectual and developmental disabilities. This measure modifies the current role of the provider of agency with choice services to provide more training to individuals to enable them to make decisions and manage staff from the current role that has the provider carrying out these activities on behalf of the individual.

The fiscal impact of the measure on DHS is \$7,232,906 total funds and three positions (2.76 FTE) for the 2023-25 biennium and \$14,218,302 total funds and three positions (3.00 FTE) for the 2025-27 biennium. The majority of costs are associated with payments to the organizations providing agency with choice services.

Per DHS, there are currently 7,998 individuals with personal support workers who are eligible for this service. Assuming 50% of eligible individuals receive this service starting July 1, 2024, 2023-25 costs are projected to be \$3,433,986 General Fund and \$3,433,986 Federal Funds. For the 2025-27 biennium, costs increase to \$6,867,972 General Fund and \$6,867,972 Federal Fund to cover costs for the full biennium.

Two full-time permanent positions are anticipated for the 2023-25 and 2025-27 bienniums. One Operations and Policy Analyst 3 position (0.92 FTE) will create waiver and K plan language and validate CMS reporting, and one Fiscal Analyst 2 position (0.92 FTE) will create reports and conduct data analysis to validate compliance. The personal services and associated services and supplies costs for these positions are estimated to be \$182,467 General Fund and \$182,467 Federal Funds for 18 months in the 2023-25 biennium. For the 2025-27 biennium, costs increase to reflect 24 months of employment and are projected to be \$241,180 General Fund and \$241,178 Federal Funds.