

SB 296 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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Department of Human Services

2025-27

Oregon Health Authority

2025-27

PRELIMINARY

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Oregon Department of Human Services					
General Fund	\$ -	\$ -	\$ 2,135,440	\$ 2,135,440	100.0%
Federal Funds Limited	\$ -	\$ -	\$ 2,135,440	\$ 2,135,440	100.0%
Oregon Health Authority					
General Fund	\$ -	\$ -	\$ 1,870,452	\$ 1,870,452	100.0%
Federal Funds Limited	\$ -	\$ -	\$ 2,474,207	\$ 2,474,207	100.0%
Total	\$ -	\$ -	\$ 8,615,539	\$ 8,615,539	100.0%

Position Summary

Oregon Department of Human Services

Authorized Positions	0	0	6	6
Full-time Equivalent (FTE) positions	0.00	0.00	5.28	5.28

Oregon Health Authority

Authorized Positions	0	0	3	3
Full-time Equivalent (FTE) positions	0.00	0.00	1.88	1.88

* Excludes Capital Construction expenditures

Summary of Revenue Changes

Senate Bill 296 appropriates \$2,135,440 General Fund and increases Federal Funds expenditure limitation by \$2,135,440 for the Department of Human Services (DHS). The measure also appropriates \$1,870,452 General Fund and increases Federal Funds expenditure limitation by \$2,474,207 for the Oregon Health Authority (OHA) for both agencies to coordinate long term care services and supports.

Summary of Human Services Subcommittee Action

Senate Bill 296 requires DHS, OHA, and the Housing and Community Services Department (HCSD) to improve hospital discharges and specifies actions to be taken by each of the agencies. The bill requires DHS and OHA to coordinate to:

- Create a dashboard that measures processing times for eligibility determinations made by DHS, OHA, and the area agencies on aging for long term care services and supports provided through the medical assistance program.
- Conduct an operational review of eligibility determinations for long term care services and supports and submit a report to the legislature by August 15, 2026.
- Study the regulatory governance for facilities serving individuals with complex medical or behavioral conditions and submit a report to the legislature by August 15, 2026.
- Study options to expand medical respite programs and submit a report to the legislature by August 15, 2026.

Additionally, OHA must provide a post-hospital extended care benefit to Medicaid recipients and include this benefit in new contracts with coordinated care organizations (CCOs) and seek federal approval by September 1, 2025.

Finally, DHS and HCSD shall coordinate to study how building codes may affect adult foster homes and community-based care settings and submit a report to the legislature by August 15, 2026.

For DHS, Senate Bill 296 appropriates \$2,135,440 General Fund, increases Federal Funds expenditure limitation by \$2,135,440, and establishes six full-time, limited duration positions (5.28 FTE). Within these amounts, this includes \$1,429,431 in one-time General Fund to support services and supplies costs related to the additional positions and various contracts outlined below. The associated Federal Funds expenditure limitation related to services and supplies is also one-time. The new positions include:

- One Project Manager 2 (0.88 FTE) to manage the deliverables of the bill and provide interagency coordination.
- One Information Security Specialist 6 (0.88 FTE) to support the dashboard creation.
- Four Operations and Policy Analyst 3 positions (3.52 FTE) to assist contractors, conduct research and analysis, and develop the required reports.

The additional services and supplies funding is to support contracts to research and report on the following:

- The operational review on eligibility determinations for long term care services and supports.
- Options to waive or streamline asset testing for long term care services.
- The regulatory governance for adult foster homes and residential care facilities.
- The impact separate licensing requirements have on adult foster homes and residential care facilities.
- The impact of civil penalties assessed against adult foster homes and residential care facilities.

- Opportunities to offset the cost of creating new adult foster homes and other community-based care settings.

For OHA, the bill appropriates \$1,870,452 General Fund, increases Federal Funds expenditure limitation by \$2,474,207, and establishes three positions as follows:

- One full-time, permanent Operations and Policy Analyst 3 (0.75 FTE) to implement the post-hospital extended care benefit and serve as the subject matter expert for CCOs and the agency.
- One full-time, limited duration Operations and Policy Analyst 3 (0.50 FTE) to research and report on the regulatory governance of adult foster homes and residential care facilities.
- One full-time, limited duration Research Analyst 3 (0.63 FTE) to collect and analyze data for the medical respite study.

The estimated cost for increasing the post-hospital extended care benefit from 20 days to 100 days is \$3,834,201 total funds, starting January 1, 2026. Currently, there are 194 individuals in a post-hospital extended stay either through the Healthier Oregon Program or the Oregon Health Plan - this projection assumes a utilization increase of 30% in 2025-27. The projection does not include a factor for earlier hospital discharges, nor does it include potential savings for reducing re-admissions to hospitals or emergency rooms.

PRELIMINARY

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Human Services and Oregon Health Authority
 Mike Streepey -- (971) 283-1198 and Stacey Chase -- (503) 689-4308

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
SUBCOMMITTEE ADJUSTMENTS (from CSL)										
Oregon Department of Human Services										
SCR 010-40 - Central Services										
Personal Services	\$ 706,009	\$ -	\$ -	\$ -	\$ -	\$ 706,009	\$ -	1,412,018	6	5.28
Services and Supplies	\$ 1,429,431	\$ -	\$ -	\$ -	\$ -	\$ 1,429,431	\$ -	2,858,862		
Oregon Health Authority										
SCR 030-02 - Health Policy and Analytics										
Personal Services	\$ 120,767	\$ -	\$ -	\$ -	\$ -	\$ 21,313	\$ -	142,080	1	0.63
Services and Supplies	\$ 7,361	\$ -	\$ -	\$ -	\$ -	\$ 1,299	\$ -	8,660		
SCR 030-07 - Medicaid										
Personal Services	\$ 99,664	\$ -	\$ -	\$ -	\$ -	\$ 99,664	\$ -	199,328	1	0.75
Services and Supplies	\$ 4,624	\$ -	\$ -	\$ -	\$ -	\$ 4,624	\$ -	9,248		
Special Payments	\$ 1,562,465	\$ -	\$ -	\$ -	\$ -	\$ 2,271,736	\$ -	3,834,201		
SCR 030-08 - Behavioral Health										
Personal Services	\$ 71,533	\$ -	\$ -	\$ -	\$ -	\$ 71,533	\$ -	143,065	1	0.50
Services and Supplies	\$ 4,039	\$ -	\$ -	\$ -	\$ -	\$ 4,039	\$ -	8,077		
TOTAL ADJUSTMENTS	\$ 4,005,892	\$ -	\$ -	\$ -	\$ -	\$ 4,609,647	\$ -	8,615,539	9	7.16
SUBCOMMITTEE RECOMMENDATION *	\$ 4,005,892	\$ -	\$ -	\$ -	\$ -	\$ 4,609,647	\$ -	8,615,539	9	7.16

*Excludes Capital Construction Expenditures