

# Senate Bill 646

Sponsored by Senator MORRISETTE

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Human Services to determine and submit to Oregon Department of Administrative Services budget level for type B area agencies calculated at 95 percent of costs to Department of Human Services if clients were served by Department of Human Services. Requires Oregon Department of Administrative Services to include budget level in Governor's budget request to Legislative Assembly.

## A BILL FOR AN ACT

1  
2 Relating to budget levels for type B area agencies; creating new provisions; and amending ORS  
3 410.070 and 410.072.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 410.070 is amended to read:

6 410.070. (1) The Department of Human Services shall:

7 (a) Serve as the central state agency with primary responsibility for the planning, coordination,  
8 development and evaluation of policy, programs and services for elderly persons and persons with  
9 disabilities in Oregon.

10 (b) Function as the designated state unit on aging, as defined in the Older Americans Act of  
11 1965.

12 (c) With the advice of the Governor's Commission on Senior Services and the Oregon Disabilities  
13 Commission, develop long-range state plans for programs, services and activities for elderly persons  
14 and persons with disabilities. State plans should be revised biennially and should be based on area  
15 agency plans, statewide priorities and state and federal requirements.

16 (d) Have the authority to transfer state and federal funds, except Title III of the Older Ameri-  
17 cans Act funds, from one area agency to another area agency or from one program or service to  
18 another program or service after consultation with the area agencies involved in the transfer.  
19 However, no area agency shall suffer a reduction in state or federal funds due to increased local  
20 funds.

21 (e) Receive and disburse all federal and state funds allocated to the department and solicit, ac-  
22 cept and administer grants, including federal grants or gifts made to the department or to the state  
23 and enter into contracts with private entities for the purpose of providing or contracting for case  
24 management services for long term care insurance for the benefit of elderly persons and persons  
25 with disabilities in this state.

26 (f) Provide technical, training and program assistance to area agencies and assist them to pro-  
27 vide such assistance to public and private agencies and organizations.

28 (g) Assist area agencies to stimulate more effective use of existing resources and services for  
29 elderly persons and develop programs, opportunities and services which are not otherwise provided  
30 for elderly persons, with the aim of developing a comprehensive and coordinated system for the de-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 livery of social services to elderly persons.

2 (h) Assist local department offices and area agencies which have assumed responsibility for  
3 disabled services to stimulate more effective use of existing resources and to develop programs, op-  
4 portunities and services which are not otherwise provided for persons with disabilities, with the aim  
5 of developing a comprehensive and coordinated system for the delivery of social services to persons  
6 with disabilities.

7 (i) Serve within government and in the state at large as an advocate for elderly persons and  
8 persons with disabilities by holding hearings and conducting studies or investigations concerning  
9 matters affecting the health, safety and welfare of elderly persons and persons with disabilities and  
10 by assisting elderly persons and persons with disabilities to assure their rights to apply for and re-  
11 ceive services and to be given fair hearings when such services are denied.

12 (j) Process fiscal and client data for all area agencies.

13 (k) Conduct regulatory functions with regard to program operation, by adopting rules for pro-  
14 viding social services, including protective services, to elderly persons and persons with disabilities  
15 who need services that the department or area agencies are authorized to provide and rules for  
16 standard rate setting and quality assurance.

17 (L) Provide information and technical assistance to the Governor's Commission on Senior Ser-  
18 vices, the Oregon Disabilities Commission and the Medicaid Long Term Care Quality and Re-  
19 imbursement Advisory Council and keep the commissions and the council continually informed of the  
20 activities of the department.

21 (m) Make recommendations for legislative action to the Governor and to the Legislative As-  
22 sembly, after consultation with the Governor's Commission on Senior Services, the Oregon Disabil-  
23 ities Commission and the Medicaid Long Term Care Quality and Reimbursement Advisory Council.

24 (n) Conduct research and other appropriate activities to determine the needs of elderly persons  
25 and persons with disabilities in this state, including, but not limited to, their needs for social and  
26 health services, and to determine what existing services and facilities, private and public, are  
27 available to elderly persons and persons with disabilities to meet those needs.

28 (o) Maintain a clearinghouse for information related to the needs and interests of elderly per-  
29 sons and persons with disabilities.

30 (p) Provide area agencies with assistance in applying for federal, state and private grants and  
31 identifying new funding sources.

32 (2) In addition to the requirements of subsection (1) of this section, the department shall:

33 (a) Determine type A and type B area agencies annual budget levels for Oregon Project Inde-  
34 pendence and Title III of the Older Americans Act expenditures.

35 (b) *[For type B area agencies:]*

36 *[(A) Determine annual budget levels for planning Title XIX reimbursed services.]* **Determine an-**  
37 **annual budget levels for planning and administering programs relating to social, health, inde-**  
38 **pendent living and protective services for persons with disabilities for the department's**  
39 **disability services units and type B area agencies that have assumed local responsibility for**  
40 **the programs and clients transferred under section 2 (2), chapter 787, Oregon Laws 1989.** In  
41 determining the budget levels, the department shall:

42 **(A) Apply the methodology required by ORS 410.072;**

43 **(B) Retain contingency reserves against overruns and transfers in use of Title XIX funds[.]; and**

44 *[(B)]* **(C) Provide timely management information so the area agencies and the department's**  
45 **disability services units can manage Title XIX reimbursements within budgeted levels.**

1        [(C) Determine annual budget levels for planning and administering programs relating to social,  
 2 health, independent living and protective services for persons with disabilities for the department's  
 3 disability services units and type B area agencies which have assumed local responsibility for the  
 4 programs and clients transferred under section 2 (2), chapter 787, Oregon Laws 1989.]

5        (c) Make payments for services within a central processing system for:

6        (A) A type A area agency, at the request of the agency, for Oregon Project Independence or  
 7 Title III of the Older Americans Act expenditures, or both.

8        (B) A type B area agency, for Title XIX and Oregon Project Independence expenditures, and at  
 9 the request of the agency, for Title III of the Older Americans Act expenditures.

10        (d) Assume program responsibility for Title XIX programs in areas served by type A area  
 11 agencies and in areas where no area agency is designated.

12        (e) Assume planning and program responsibilities for persons with disabilities in areas served  
 13 by type A area agencies, in areas served by type B agencies that serve only elderly persons and in  
 14 areas where no area agency exists.

15        (3) When developing programs affecting elderly persons, the department shall consult with the  
 16 Governor's Commission on Senior Services.

17        (4) When developing programs affecting persons with disabilities, the department shall consult  
 18 with the Oregon Disabilities Commission.

19        **SECTION 2.** ORS 410.072 is amended to read:

20        410.072. (1) The Department of Human Services shall:

21        [(1)] (a) Adopt by rule a methodology for determining [*annual*] **biennial** budget levels for type  
 22 B area agencies for planning and administering programs for elderly persons and persons with dis-  
 23 abilities that:

24        [(a)] (A) Includes both direct and indirect costs; and

25        [(b)] (B) Results in a budget level for [a] **each** type B area agency that is not less than 95 per-  
 26 cent of the amount that would otherwise be budgeted for a [*local department office serving elderly*  
 27 *persons and persons with disabilities*] **department disability services unit serving the type B area**  
 28 **agency's planning and service area;**

29        [(2)] (b) Determine [*annual*] **biennial** budget levels for planning and administering programs for  
 30 elderly persons and persons with disabilities for type B area agencies using the methodology adopted  
 31 under subsection (1) of this section; and

32        [(3)] (c) [*Consider the budget levels determined under subsection (2) of this section when making*  
 33 *recommendations to the Governor on the level of funding for type B area agencies each biennium.*]  
 34 **Submit a budget request based on budget levels determined under subsection (1) of this sec-**  
 35 **tion to the Oregon Department of Administrative Services in accordance with ORS 291.201**  
 36 **to 291.222.**

37        (2) Notwithstanding ORS 291.214, the Oregon Department of Administrative Services shall  
 38 include and submit the budget request determined under this section to the Legislative As-  
 39 sembly as part of the Governor's budget report.

40        **SECTION 3.** The amendments to ORS 410.070 and 410.072 by sections 1 and 2 of this 2009  
 41 Act apply to biennia beginning July 1, 2011.