

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 101 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal Office

---

Prepared by: Kim To  
Reviewed by: Linda Ames  
Date: 4/7/2011

---

### Measure Description:

Authorizes payment for dental services under Family Health Insurance Assistance Program and under private health option of Health Care for All Oregon Children program.

### Government Unit(s) Affected:

Oregon Health Authority (OHA)

### Summary of Fiscal Impact:

See Analysis

### Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

### Analysis:

Senate Bill 101 authorizes the Oregon Health Authority (OHA) to provide dental wraparound or dental premium coverage to underinsured or uninsured children enrolled in the Family Health Insurance Assistance Program (FHIAP) and the Healthy Kids Employer Sponsored Insurance (HK ESI) option of the Health Care for All Oregon Children program.

This bill will align Oregon statutes with federal requirements. The Children's Health Insurance Program Reauthorization Act (CHIPRA) requires states to provide comprehensive dental coverage for children. Under current statutes, FHIAP and HK ESI are not authorized to offer wraparound coverage, and FHIAP is authorized to cover dental plans only when an employer requires enrollment. This bill will allow OHA to create the "Health Smiles" program offering two options: [1] dental wraparound coverage; or [2] funding to subsidize standalone dental plans through the individual commercial market in FHIAP or employer sponsored insurance.

OHA estimates the fiscal impact of this bill to be \$799,476 Total Funds for the 2011-13 biennium (\$249,975 Other Funds Providers Tax and \$549,501 Federal Funds), and \$1,065,968 Total Funds for the 2013-15 biennium (\$333,300 Other Funds Providers Tax and \$732,668 Federal Funds).

Note that the 2011-13 Governor's budget contains \$1,622,814 million Total Funds for the 2011-13 biennium (\$512,566 million Other Funds Providers Tax and \$1,110,248 Federal Funds) in Policy Option Package #421 in anticipation of these changes in statutes. OHA reports that updated caseload forecast information revealed significantly lower enrollment than initially anticipated when developing the Governor's budget. The fiscal impact of this bill reflects the revised pricing for Policy Option Package #421, taking into account the updated caseload forecast.