

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3254 <REVISED>

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Kim To
Reviewed by: Laurie Byerly, Paul Siebert, Ken Rocco
Date: June 18, 2019

Bill Description:

Establishes Office of Oregon Ombudsmen to provide administrative services and support to Office of the Long Term Care Ombudsman, Office of the Residential Facilities Ombudsman, Office of the Foster Parent Ombudsman, Office of the Foster Child Ombudsman and Office of the Oregon Public Guardian and Conservator.

Government Unit(s) Affected:

Department of Human Services (DHS), Long Term Care Ombudsman (LTCO), Department of Administrative Services (DAS), Legislative Fiscal Office (LFO)

Summary of Fiscal Impact:

Costs related to the bill will require budgetary action - See analysis.

<Revised to re-calculate the cost of hotline to serve foster parents.>

Analysis:

Effective January 1, 2020, HB 3254 creates a new agency, the Office of Oregon Ombudsmen (OOO), establishes new programs, and reorganizes existing entities into separate programs under this new agency charged with providing administrative services and support to the:

1. Office of the Long Term Care Ombudsman (LTCO);
2. Office of the Residential Facilities Ombudsman (RFO);
3. Office of the Oregon Public Guardian and Conservator (OPGC);
4. Office of the Foster Parent Ombudsman (FPO); and
5. Office of the Foster Child Ombudsman (FCO).

LTCO is an existing state agency and the first three offices listed above all currently reside within LTCO. The Foster Parent Ombudsman and the Foster Child Ombudsman are new programs formally established by this bill. The bill establishes the Office of Oregon Ombudsmen Account with subaccounts for each of the five offices listed above. The administrator of new Office will be appointed by the Governor; the administrator is authorized to appoint subordinate officers and employees.

Office of Oregon Ombudsmen (OOO)

The net General Fund impact of complying with this bill is an estimated \$818,299 General Fund and five new positions (3.50 FTE) for the 2019-21 biennium. This net fiscal amount assumes the termination of duplicative efforts in the Department of Human Services (DHS), the reorganization of exiting positions and resources currently allocated to the Long Term Care Ombudsman agency, and the establishment of six new positions (4.50 FTE for the 18 months of the 2019-21 biennium) to meet estimated staffing requirements for a new agency with five separate programs:

- Three permanent full-time Principal Executive Manager D positions to serve as the Long Term Care Ombudsman, the Foster Child Ombudsman, and the Foster Parent Ombudsman.
- One Research Analyst 3 position to comply with the new requirement to gather and compile data for each of the five offices.
- One Administrative Specialist 2 position and One Office Specialist 1 position to provide clerical and administrative support for the Office of the Oregon Ombudsmen.

This fiscal impact assumes the current combined administrator/ombudsman position (a Principal Executive Manager F) in LTCO will be used for the administrator position in the new agency. Please note that all new position duties /descriptions are subject to review by the Chief Human Resources Office at the Department of Administrative Services; classification adjustments may be needed based up upon that review. The following is an outline of expenditure categories and the provisions of the bill requiring reorganization of program and duties.

Summary of Expenditure Impact:

| | 2019-21 Biennium | 2021-23 Biennium |
|---|----------------------|--------------------|
| Office of the Oregon Ombudsmen (OOO) | | |
| Other Funds | | |
| Personal Services | \$477,061 | \$705,461 |
| Services and Supplies | 238,559 | 302,993 |
| Special Payments | 0 | |
| Total Other Funds | \$715,620 | \$1,008,454 |
| General Fund | | |
| Personal Services | \$4,818,184 | \$5,042,943 |
| Services and Supplies | 1,456,656 | 1,506,194 |
| Hotline Contract | 2,400 | 2,400 |
| Special Payments | 164,004 | 0 |
| Total General Fund | \$6,441,244 | \$6,551,537 |
| TOTAL OFFICE OF THE OREGON OMBUDSMEN | \$7,156,864 | \$7,559,991 |
| Positions | 33 | 33 |
| FTE | 24.38 | 32.50 |
| Long Term Care Ombudsman (LTCO) | | |
| Other Funds | | |
| Personal Services | (477,061) | |
| Services and Supplies | (238,559) | |
| Special Payments | 0 | |
| Total Other Funds | (\$715,620) | |
| General Fund | | |
| Personal Services | (3,980,291) | |
| Services and Supplies | (1,306,384) | |
| Special Payments | (164,004) | |
| Total General Fund | (\$5,450,679) | |
| TOTAL LONG TERM CARE OMBUDSMAN | (\$6,166,299) | |
| Positions | (27) | |
| FTE | (19.88) | |
| Department of Human Services (DHS) | | |
| Federal Funds - Children's Ombudsman Grant | | |
| Personal Services | (109,135) | |
| Services and Supplies | (4,794) | |
| Hotline Contract | (960) | |
| Total Federal Funds | (\$114,889) | |
| General Fund | | |
| Personal Services | (163,704) | |
| Services and Supplies | (7,122) | |
| Hotline Contract | (1,440) | |
| Total Federal Funds | (\$172,266) | |
| TOTAL DEPARTMENT OF HUMAN SERVICES | (\$287,155) | |
| Positions | (1) | |
| FTE | (1.00) | |
| TOTAL GENERAL FUND IMPACT | \$818,299 | |
| Positions | 5 | |
| FTE | 3.50 | |

1. *Office of the Long Term Care Ombudsman (LTCO)*

The bill reorganizes the current Residential Ombudsman and Public Guardianship Advisory Board into the Long Term Care Ombudsman Advisory Committee. The bill specifies that all moneys from the Long Term Care Ombudsman Account must be transferred to the Office of Oregon Ombudsmen Account to be allocated to the Office of the Long Term Care Ombudsman subaccount or the Residential Facilities Ombudsman subaccount as appropriate. Other Funds in the table above includes grants from the Older Americans Act and the Senior Medicare Patrol program.

2. *Office of the Residential Facilities Ombudsman (RFO)*

The bill reorganizes the Residential Facilities Ombudsman as a separate program and creates a separate Residential Facilities Ombudsman Advisory Committee. The measure adds the Residential Facilities Ombudsman to the membership of the Medicaid Long Term Care Quality and Reimbursement Advisory Council.

3. *Office of the Oregon Public Guardian and Conservator (OPGC)*

The bill reorganizes the Office of the Oregon Public Guardian and Conservator as a separate program and establishes the Oregon Public Guardian and Conservator Advisory Committee.

4. *Office of the Foster Parent Ombudsman (FPO)*

The bill creates a new Office of the Foster Parent Ombudsman to protect and advocate for foster parents by ensuring that foster parents and individuals acting on their behalf know their rights and the services and assistance available to them. The ombudsman for this office will be appointed by the Governor in consultation with the Foster Parent Ombudsman Advisory Committee. The Foster Parent Ombudsman may appoint designees to serve as representatives of the ombudsman in local communities. The bill requires this office to maintain a telephone hotline and establish a complaint process for foster parents and individuals acting on their behalf. The bill authorizes the Foster Parent Ombudsman and designees to have access to certain records, including medical records, to investigate complaints. The bill requires the office to establish procedures to maintain the confidentiality of records. The bill directs the ombudsman and DHS to enter into a confidentiality agreement. The bill creates the Foster Parent Ombudsman Advisory Committee to monitor the Office of the Foster Parent Ombudsman, advise the Governor and the Legislature, and to nominate three candidates to fill the Foster Parent Ombudsman position.

5. *Office of the Foster Child Ombudsman (FCO)*

The bill creates a new Office of the Foster Child Ombudsman to protect and advocate for foster children by ensuring that foster children and individuals acting on their behalf know their rights and the services and assistance available to them. The ombudsman for this office will be appointed by the Governor in consultation with the Foster Child Ombudsman Advisory Committee. The Foster Child Ombudsman may appoint designees to serve as representatives of the ombudsman in local communities. The bill requires this office to maintain a telephone hotline and establish a complaint process for foster children and individuals acting on their behalf. The bill authorizes the Foster Child Ombudsman and designees to have access to certain records, including medical records, to investigate complaints. The bill requires the office to establish procedures to maintain the confidentiality of records. The bill directs the ombudsman and DHS to enter into a confidentiality agreement. The bill creates the Foster Child Ombudsman Advisory Committee to monitor the Office of the Foster Child Ombudsman, advise the Governor and the Legislature, and to nominate three candidates to fill the Foster Child Ombudsman position.

Each of the ombudsman offices are also required to collect and compile performance data. Please note the fiscal impact may not address all facility or other infrastructure costs needed to fully install the new agency; OOO may need to seek additional funding from the Legislature during the interim to comply with the measure.

Department of Human Services (DHS)

Although the bill does not mention the existing Office of the Foster Care Ombudsman within the DHS Governor's Advocacy Office (GOA), with passage of this bill and the establishment of the Office of the Foster Care Child Ombudsman and the Office of the Foster Parent Ombudsman, this fiscal analysis anticipates transferring the existing DHS Foster Care Ombudsman program into the new agency. This program was established in 2014 to support the Foster Children's Bill of Rights legislation. Currently, one Operations and Policy Analyst 3 position (1.00 FTE) current supports both foster children and foster parents. This position is currently funded with 50% federal funds from the Children's Ombudsman Grant. Note that the reallocation of this program along with funding from DHS to the new agency established by this bill will result in a loss of funding for DHS, which in addition to paying for the Operations and Policy Analyst 3 position and the hotline contract, also supports the DHS Governor's Advocacy Office (GOA) efforts to review concerns, and educate the public, regarding Child Protective Services.

Department of Administrative Services (DAS), Legislative Fiscal Office (LFO)

DAS and LFO will reprioritize work to modify budget and accounting structures and processes to accommodate the new agency as well as to facilitate the transfer of funds and duties among the existing entities.