

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2822

81st Oregon Legislative Assembly – 2021 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 and Oregon Health Authority to ensure that individual receiving mental health services under 1915(i) state plan amendment does not lose any mental health services when individual begins receiving services under 1915(k) state plan amendment.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Human Services (DHS)

Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

HB 2822 requires that an individual who receives mental health services funded under a 42 U.S.C. 1396n(i) Medicaid state plan amendment, and who later begins receiving community services under a 42 U.S.C. 1396n(k) Medicaid state plan amendment, not lose any mental health services based on the change in statutory authority for the funding. The Department of Human Services (DHS) and the Oregon Health Authority (OHA) must notify the individual in writing that they have the right to continue to receive mental health services previously funded under the 42 U.S.C. 1396n(i) state plan amendment. This measure declares an emergency and takes effect on passage.

This measure has an indeterminate impact, as there may be additional costs to the state to provide both (i) and (k) plan services to an individual. It is not clear at this time what those costs will be, since it is unknown how many members would use both sets of services if available. Any additional costs for providing both services would be paid for with General Fund and Federal Funds derived from Medicaid match.

Quantifiable costs of this measure include two positions in DHS. An Operations and Policy Analyst 3 (1.00 FTE in 2021-23 and 2023-25) would develop policy and provide technical assistance to case managers for the Aging and People with Disabilities (APD) section. DHS would also establish one Training and Development Specialist 2 position (1.00 FTE in 2021-23 and 2023-25) to develop and administer a training program on mental health, accessing services and ensuring that individuals receive both sets of services. The total costs of these positions, included position-related Services and Supplies, is estimated at \$481,146 total funds. Position costs are split nearly equally between the General Fund and Federal Funds. Federal Funds are derived from eligible Medicaid match.

This measure warrants referral to the Joint Committee on Ways and Means for consideration of its budgetary impact.