

SUBCOMMITTEE RECOMMENDATION

HB 5043

Department of Human Services and Oregon Health Authority 2019-21 Rebalance

To: Ways and Means Full Committee
From: Human Services Subcommittee
Carrier: Senator Lieber

HB 5043 rebalances the 2019-21 budgets for the Department of Human Services and Oregon Health Authority. The bill accounts for updated caseload forecasts, revised program cost and savings estimates, revenue changes, and technical adjustments. These actions result in General Fund savings across both agencies totaling \$198 million, which the bill dis-appropriates.

In DHS, General Fund savings result from changes in Child Welfare, Aging and People with Disabilities, and Self-Sufficiency program caseload levels. These savings are offset by forecasted caseload increases and cost per case changes in Intellectual and Developmental Disabilities programs. Also included is an increase of \$6.8 million General Fund for the projected cost of housing and feeding Oregonians displaced by the September 2020 wildfires through the end of the biennium. The overall change for DHS is a net decrease of \$21 million General Fund, \$5.3 million Other Funds, and \$14.8 million Federal Funds.

The bill reduces General Fund in OHA by a net \$177 million, which is largely from a temporary increase in the federal Medicaid match and lower utilization of medical services. Cost increases result from changes in Oregon Health Plan caseload levels compared to the prior forecast and staffing costs related to the Oregon State Hospital's response to the COVID-19 pandemic. Additional adjustments in OHA include a \$5.8 million decrease in Other Funds, \$167 million increase in Federal Funds, and the phase-out of one position.

The Human Services Subcommittee recommends HB 5043 be amended by the -2 amendment and be reported out do pass, as amended.