

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 641**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:

Prohibits denial of medical assistance on basis that individual under 19 years of age is in detention pending adjudication.

Government Unit(s) Affected:

Counties, Department of Corrections (DOC), Department of Human Services (DHS), Oregon Health Authority (OHA), Oregon Youth Authority (OYA)

Summary of Fiscal Impact:

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

Analysis:

SB 641 requires that an individual under the age of 19 who is held in a juvenile detention facility pending adjudication, and who is otherwise eligible for medical assistance through the Health Care for All Oregon Children program, may not be denied medical assistance. The Oregon Health Authority (OHA) is directed to request approval from the Centers for Medicare and Medicaid Services (CMS) for federal financial participation in providing medical assistance to this population no later than July 1, 2025. OHA is directed to conduct a study of the need to provide medical assistance to youth being held in juvenile detention facilities prior to adjudication, and to submit a report on findings and any recommendations for legislative changes to the interim committees of the Legislative Assembly related to the judiciary no later than September 15, 2023.

The fiscal impact of this measure on OHA is indeterminate depending on the number of youths that would be covered, the medical assistance costs, and whether CMS approval is obtained. At this time, OHA cannot accurately quantify the number of youths. However, OHA offers the following high-level projections as a frame of reference based on data reported by the Oregon Youth Authority (OYA): in 2021-23, approximately 2,915 youth would be admitted to pre-adjudication at an average length of stay of 15.9 days. Based on these numbers, OHA estimates that a per member, per day rate of \$22.50 could result in a \$1,772,831 impact for the 2021-23 biennium, and a \$2,363,774 impact for the 2023-25 biennium. Until federal approval, this amount is assumed to be General Fund.

In addition, passage of this measure will require changes to the Department of Human Services (DHS)/OHA ONE system to handle changed eligibility for medical programs, as well as updates to the Medicaid Management Information System. Costs of various system updates are estimated at \$320,000 General Fund and \$480,000 Federal Funds for DHS; and \$93,402 General Fund, \$215,256 Other Funds, and \$161,442 Federal Funds for OHA. As executive branch agencies, OHA and DHS must comply with office of the State Chief Information Officer information technology investment oversight and independent quality management services policies and related statutes. Although undetermined at this time, additional costs related to IT project management and independent quality management services may be incurred.

Costs of conducting a study of the need to provide medical assistance to youth being held in juvenile detention facilities prior to adjudication are indeterminate at this time.

There is no fiscal impact for Counties, Department of Corrections, or OYA.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State's General Fund.