

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Human Services Subcommittee

From: Tom MacDonald, Legislative Fiscal Office

Date: February 23, 2022

Subject: HB 4095 – Relating to veterans
Work Session Recommendations

HB 4095 creates the Veterans Dental Program in the Oregon Health Authority (OHA) to provide oral health care to veterans who do not qualify for Medicaid and have income at or below 400 percent of the federal poverty level. OHA must contract with dental care organizations and individual dental providers (when necessary) to provide these services, which must be equivalent to the oral health care benefits covered by Medicaid and without copays, cost-sharing, or deductibles. OHA must begin accepting applications for the program by November 1, 2022 and provide services as of January 1, 2023.

The fiscal impact is currently indeterminate and will largely be driven by the number of program enrollees, which is currently unknown. One-time costs will also be incurred for required system updates to manage program enrollment, claims, and payments. Because enrollees are ineligible for Medicaid, costs are expected to be paid from Lottery Funds constitutionally dedicated to the Veteran's Services Fund (VSF) or General Fund.

There are two proposed amendments. The -A2 clarifies the definition of "veteran" for program eligibility purposes, deletes eligibility verification requirements related to waivers granted by county or tribal veteran's services officers, and authorizes the use of documentation demonstrating an applicant's income eligibility

The -A3 amendment removes references stating OHA must fund the program with money from the VSF, which is not administered by OHA, or General Fund. It also establishes \$1 million in Lottery Funds expenditure limitation in OHA from the VSF for program implementation. This amount assumes up to half will be needed for the system updates and the remaining half to pay for benefits over the six-month period beginning January 1, 2023. Additional funding may be needed through budget rebalancing actions once implementation costs are better understood.

Recommended Changes

1. The Legislative Fiscal Office (LFO) recommends adoption of the -A2 amendment.

2. LFO recommends adoption of the -A3 amendment.

Final Subcommittee Action

LFO recommends that HB 4095, as amended by the -A2 and -A3 amendments, be moved to the Ways and Means Full Committee.

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____