

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 91 - 5**

82nd Oregon Legislative Assembly – 2023 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 to request from Centers for Medicare and Medicaid Services approval of waiver to obtain federal financial participation in costs of program to pay parents of minor children with disabilities to provide attendant care services to children.

Government Unit(s) Affected:

Department of Early Learning and Care, Commission on Indian Services, Department of Human Services, Confederated Tribes of Warm Springs, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Coquille Indian Tribe, Klamath Tribes, Confederated Tribes of Grand Ronde, Burns Paiute Tribe, Confederated Tribes of Umatilla Indian Reservation, Cow Creek Band of Umpqua Indians, Confederated Tribes of Siletz

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Department of Human Services		
General Fund		
Personal Services	\$583,061	\$705,106
Services and Supplies	\$106,454	\$78,656
Special Payments	\$91,677,985	\$241,436,870
Total General Fund	\$92,367,500	\$242,220,632
Other Funds*		
Personal Services	\$161,203	\$161,203
Services and Supplies	\$11,439	\$11,439
Special Payments	\$4,924	\$4,924
Total Other Funds	\$177,566	\$177,566
Federal Funds		
Personal Services	\$515,266	\$614,706
Services and Supplies	\$95,424	\$66,056
Special Payments	\$123,689,231	\$324,760,752
Total Federal Funds	\$124,299,921	\$325,441,514
Total Fiscal Impact	\$216,844,987	\$567,839,712
<i>Total Positions</i>	8	8
<i>Total FTE</i>	5.77	6.75

*Represents General Fund expended as Other Funds

Analysis:

SB 91-5 has the following major provisions:

- Requires the Department of Human Services (DHS) to establish a program to compensate parents for providing attendant care to their children who have been assessed as having high or very high needs for assistance with the activities of daily living.
 - Places a 60-hour per week per child limit on the number of hours a parent provider can be paid by an agency to provide attendant care.
 - Requires the agency employing parent providers to pay parent providers the same wages and benefits, and overtime, as direct support professionals.
 - Requires DHS to apply for federal funds to continue to compensate individuals who were parent providers as of May 10, 2023.
 - Authorizes DHS to limit the number of parents eligible to be compensated under the program to no less than the number in the temporary parent provider program in effect on May 10, 2023.
 - Prohibits DHS from implementing the program unless it obtains a waiver or equivalent agreement with the Centers for Medicare and Medicaid Services (CMS) to receive federal financial participation.
 - Prohibits DHS from using General Fund to administer the program without a federal match.
- Declares an emergency and is effective on passage.

The estimated fiscal impact in 2023-25 is \$216,844,987 total funds, most of which represents caseload costs of 2,285 individuals, as forecasted by DHS. This assumes an effective date of July 2024 to align with the expected timing of CMS approval. The fiscal impact also includes an estimated \$1,400,050 total funds for eight permanent full-time positions (5.77 FTE) and two permanent part-time positions (0.75 FTE) to implement and maintain the expanded program. The estimated fiscal impact in 2025-27 is \$567,839,712 total funds. The increase reflects higher projected participants, and full biennial costs for benefits and positions. The positions in 2023-25 include:

- One Operations and Policy Analyst 3 position (0.88 FTE) to develop the waiver application and manage the waiver process, for rulemaking and serve as the subject matter expert providing ongoing internal and external support.
- One full-time Training and Development Specialist 2 position (0.88 FTE) to develop and administer training.
- One Operations and Policy Analyst 2 position (0.88 FTE) to serve as the data analyst for the program and to develop reports.
- One Program Analyst 3 position (0.88 FTE) for the Case Management Supports and Services Unit to manage exceptions and hearing requests.
- One Human Resource Analyst 3 position (0.75 FTE) to lead conflict of interest reviews, and to review and provide litigation and grievance support.
- One Human Resource Analyst 2 (0.75 FTE) to provide direct staff support and complete human resource-related tasks for increased staffing.
- One permanent part-time Operations and Policy Analyst 3 position (0.25 FTE) to establish the new accounting structure of the program and work with internal stakeholders on potential system configurations.
- One permanent part-time Accountant 2 position (0.50 FTE) to make, monitor and reconcile payments, perform retro corrections, and research potential taxability issues for parent providers.

The fiscal impact also reflects approximately six months of work for the Office of Information Services to modify the program's payment system (eXprs) at a projected cost of \$36,399 General Fund and \$36,399 Federal Fund.

The Legislative Fiscal Office (LFO) notes the measure requires parent providers whose children no longer meet the level of need prescribed by the measure to continue to receive payments for 12 calendar months, as these parents no longer meet requirements their compensation would not be matched with Federal Funds and would be solely General Fund. However, the measure expressly prohibits DHS from using unmatched General Fund to compensate parent providers. The 2023-25 projected fiscal impact for affected parent providers is \$4,31,220 General Fund and \$22,555,348 General Fund for the 2025-27 biennium. LFO has included these amounts in the

table above but the measure would need to be amended to permit DHS to use these funds.

The measure has no fiscal impact to the Department of Early Learning and Care or to the Commission on Indian Services, the Confederated Tribes of Warm Springs, the Confederated Tribes of Coos, the Lower Umpqua and Siuslaw Indians, the Coquille Indian Tribe, the Klamath Tribes, the Confederated Tribes of Grand Ronde, the Burns Paiute Tribe, the Confederated Tribes of Umatilla Indian Reservation, the Cow Creek Band of Umpqua Indians, or the Confederated Tribes of Siletz.