

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 91 - A12**

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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 compensate parents for providing attendant care services to the parents' children who have been assessed by the department as having very high medical or behavioral health needs.

Government Unit(s) Affected:

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

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	\$164,412	\$116,023
Services and Supplies	\$65,861	\$22,419
Special Payments	\$3,184,848	\$6,369,696
Total General Fund	\$3,415,121	\$6,508,138
Other Funds		
Personal Services	\$201,145	\$201,145
Services and Supplies	\$16,056	\$16,056
Special Payments	\$9,898	\$9,898
Total Other Funds	\$227,099	\$227,099
Federal Funds		
Personal Services	\$164,412	\$116,023
Services and Supplies	\$61,525	\$18,082
Special Payments	\$4,154,063	\$8,308,126
Total Federal Funds	\$4,380,000	\$8,442,231
Total Fiscal Impact	\$8,022,220	\$15,177,468
<i>Total Positions</i>	5	4
<i>Total FTE</i>	2.50	2.00

Analysis:

SB 91 -A12 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 by the department to have very high medical or behavioral needs, subject to the availability of funding.
- Requires the agency employing the parent provider to pay parent providers overtime at the same rate as direct support professionals.
- Appropriates \$3.4 million General Fund to fund the requirements of the measure.
- 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.
- Grants DHS the authority to apply for short-term programs by January 1, 2024, to obtain federal matching funds to continue payments to provider parents already receiving payment as of March 1, 2023.
- Declares an emergency and is effective on passage.

The estimated fiscal impact of the measure in 2023-25 is \$8 million total funds, of which \$7.1 million represents estimated available funds for parent provider payments, which are limited based on the \$3.4 million General Fund appropriated by the measure and federal match assumed to be approved by CMS. The fiscal impact assumes CMS approval of the department's waiver request with an effective date of July 1, 2024. The fiscal impact includes \$889,558 total funds for five positions (2.50 FTE) to implement and maintain the expanded program. The positions in 2023-25 include:

- One permanent full-time Operations and Policy Analyst 3 position (0.75 FTE) to develop the waiver application and manage the waiver process, support rulemaking, and serve as the subject matter expert providing ongoing internal and external support.
- One permanent part-time Administrative Specialist 2 (0.25 FTE) position to conduct background checks.
- One limited duration full-time Training and Development Specialist 2 position (0.75 FTE) to develop and administer training.
- 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 retroactive corrections, and research potential taxability issues for parent providers.

The estimated fiscal impact in 2025-27 is \$15.2 million total funds and four positions (2.00 FTE), which recognizes the phase-out of the limited duration Training and Development Specialist 2 position. The increased cost in 2025-27 represents the 12-month program roll-up cost, not including inflation, based on funding provider payments for the same number of participants funded in 2023-25.

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