



Legislative Fiscal Office
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Bill Title: Relating to public health.

Government Unit(s) Affected: District Attorneys, Board of Chiropractic Examiners, Board of Dentistry, Board of Licensed Professional Counselors and Therapists, Board of Licensed Social Workers, Board of Massage Therapists, Board of Optometry, Board of Pharmacy, Board of Physical Therapy, Criminal Justice Commission, Judicial Department, Oregon Health Authority, Oregon Medical Board, Public Defense Commission, Board of Nursing, Cities, Counties, Department of Consumer and Business Services, Department of Corrections, Department of Education, Department of Environmental Quality, Department of Human Services, Department of Justice, Department of State Police, Health Related Licensing Boards, Oregon Health and Science University, Oregon Youth Authority, School Districts

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 14,290,185	\$ -	\$ -	\$ 49,725,345	\$ 64,015,530	7	5.75
Department of Human Services	\$ 1,764,569	\$ -	\$ -	\$ 1,764,569	\$ 3,529,138	23	17.25
Department of Corrections	\$ 450,685	\$ -	\$ -	\$ -	\$ 450,685	1	1.00
Total Fiscal Impact	\$ 16,505,439	\$ -	\$ -	\$ 51,489,914	\$ 67,995,353	31	24.00

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 35,136,794	\$ -	\$ -	\$ 75,122,047	\$110,258,841	7	7.00
Department of Human Services	\$ 2,330,066	\$ -	\$ -	\$ 2,330,066	\$ 4,660,132	23	23.00
Department of Corrections	\$ 443,832	\$ -	\$ -	\$ -	\$ 443,832	1	1.00
Total Fiscal Impact	\$ 37,910,692	\$ -	\$ -	\$ 77,452,113	\$115,362,805	31	31.00

Measure Description

The measure updates provisions relating to Oregon Health Authority (OHA) opioid and opiate reporting, psilocybin investigations, environmental health and wastewater specialist and trainee eligibility requirements, and clinical laboratory requirements. The measure directs the OHA to provide medical assistance to individuals who are eligible for pre-release medical assistance benefits. Designees of a correctional facility may apply for medical assistance on behalf of a currently incarcerated individual to establish that individual's pre-release medical assistance benefits. The measure takes effect January 1, 2026.

Fiscal Analysis

The estimated fiscal impact of the measure is \$68 million total funds and 31 positions (24.00 FTE) in the 2025-27 biennium and \$115.4 million total funds and 31 positions (31.00 FTE) in the 2027-29 biennium.

Oregon Health Authority

Currently, when someone in Oregon is incarcerated, they lose Medicaid access due to current federal law. Upon release, these individuals may experience a gap in coverage which makes it difficult to access health care. Individuals incarcerated in state prisons, county jails, state youth correctional facilities and county facilities will be eligible for pre-release medical assistance. OHA is currently in the process of expanding this coverage and obtaining the federal waivers necessary to implement the expansion of coverage. The goal for complete carceral expansion of medical assistance is January 2027, with service delivery beginning for youth as early as July 2025 and for adults no sooner than January 2026.

The estimated fiscal impact on OHA is \$64 million total funds and seven positions (5.75 FTE). Of the total, \$51.1 million total funds is the increase in medical assistance costs for pre-release medical assistance benefits. OHA assumes a phase-in of benefits over 18 months in 2025-27 with a full biennium of medical assistance costs reflected in 2027-29, a total of \$110.3 million total funds. These projections assume a population of 156,302 youth and adult enrollees, which is based on the number of individuals released annually from correctional facilities, using estimates provided by the Department of Corrections (DOC) and the Oregon Youth Authority (OYA).

OHA will establish a contract with a change management vendor and make updates to the Medicaid Management Information System (MMIS), develop PERC codes and establish new, limited benefit packages for eligible enrollees, the estimated cost for system updates is \$4 million total funds. Seven full-time permanent positions will support the new program area and IT initiatives. The estimated cost for these positions, including personal services and position-related services and supplies costs is \$1.6 million total funds. New positions include:

- Two Operations and Policy Analyst 4 positions to serve as the carceral expansion program lead and interagency implementation leads.
- Two Operations and Policy Analyst 3 positions to serve as the senior data analyst for MMIS related inquiries and to serve as the carceral system engagement lead.
- Three Operations and Policy Analyst 2 positions to serve as provider enrollment service coordinators and as the data initiatives coordinator.

Department of Human Services

The estimated fiscal impact on the Department of Human Services (DHS) is \$3.5 million total funds for 23 positions (17.25 FTE) in 2025-27, which includes personal services and position-related services and supplies costs. In 2027-29, costs increase to \$4.7 million total funds and reflect a full biennium of position costs. While DHS will require updates to the ONE system to accommodate the changes of the measure, the department has a current request in progress to make these updates and will not require additional funding. DHS anticipates an increased workload for enrolling individuals in medical assistance and reinstating medical assistance benefits. New positions include:

- 11 Human Services Specialist 3 positions to provide front-line assistance to enrollees or their designee.
- One Human Services Specialist 4 position to serve as lead for front-line representatives.
- Four Office Specialist 2 positions to support the team with administrative tasks.
- One Human Services Supervisor 2 position to oversee eligibility staff.
- One Operations and Policy analyst 3 position to serve as a subject matter expert on processes and systems for staff.
- One Operations and Policy analyst 2 position to develop, maintain and review processes and documentation for new requirements.

- One Operations and Policy Analyst 1 position to develop business requirements for systems and data.
- Two Compliance Specialist 2 positions for quality assurance support and hearings support.
- One Learning and Development Specialist 2 position to design and conduct training.

Department of Corrections

The fiscal impact on DOC is \$450,685 General Fund and one full-time permanent position (1.00 FTE). DOC performs waived tests like urine pregnancy tests or tablet reagent urinalysis and other testing that the CDC and FDA have determined to be simple enough to administer with a minimal risk of error. Currently the cost for the waived CLIA certificate is \$2,976 but the measure requirements may require DOC to obtain a full CLIA waiver certificate that can be up to \$141,801 every two years.

The measure will require the Department of Corrections to begin reporting opioid and opiate overdoses and overdoses related deaths to OHA which it is currently not required to do. Additionally, while DOC requires autopsies on deaths, the decision to conduct an autopsy is made by the coroner. If an autopsy is completed, it can take up to five months to receive results which may lead to incomplete reporting and potentially a delay in reported deaths. DOC will require one permanent full-time Operations and Policy Analyst 2 position to manage the tracking and reporting of overdoses, overdose related deaths and reporting to OHA. The estimated cost for this position including personal services and position-related services and supplies costs is \$308,884 General Fund. In 2027-29, costs decrease to \$443,832 General Fund as one time-services and supplies costs are removed.

Oregon Youth Authority

The measure has an indeterminate fiscal impact on the Oregon Youth Authority. Depending on the scope of work required for pre-eligibility medical assistance, OYA return to the legislature for additional resources.

Other Entities

The measure has a minimal impact on the Oregon Judicial Department, the Board of Licensed Social Workers, and the Oregon Medical Board, and no fiscal impact on the remaining entities.

Relevant Dates

The measure takes effect on January 1, 2026.

OHA must report on opioid and opiate overdoses and overdose-related deaths by January 15, 2027. Notwithstanding ORS 432.141, OHA is not required to submit a report on September 15, 2026.