

**HB 5025 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Oregon Health Authority**

**2025-27**

**Emergency Board**

**2025-27**

## **Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 5,568,402,325	\$ 8,034,782,618	\$ 6,132,800,359	\$ 564,398,034	10.1%
General Fund Capital Improvements	\$ 818,441	\$ 852,816	\$ 852,816	\$ 34,375	4.2%
General Fund Debt Service	\$ 61,997,304	\$ 63,134,651	\$ 63,134,651	\$ 1,137,347	1.8%
Lottery Funds	\$ 23,437,483	\$ 26,014,738	\$ 25,251,715	\$ 1,814,232	7.7%
Lottery Funds Debt Service	\$ 6,186,773	\$ 16,513,581	\$ 16,513,581	\$ 10,326,808	166.9%
Other Funds Limited	\$ 10,345,296,016	\$ 8,987,200,100	\$ 12,000,276,988	\$ 1,654,980,972	16.0%
Other Funds Capital Improvements	\$ 2,216,810	\$ 852,816	\$ 852,816	\$ (1,363,994)	(61.5%)
Other Funds Debt Service	\$ 27,000	\$ -	\$ -	\$ (27,000)	(100.0%)
Other Funds Nonlimited	\$ 40,000,000	\$ 40,000,000	\$ 40,000,000	\$ -	0.0%
Federal Funds Limited	\$ 19,765,182,045	\$ 19,804,278,713	\$ 23,332,845,229	\$ 3,567,663,184	18.1%
Federal Funds Nonlimited	\$ 102,729,051	\$ 118,138,409	\$ 118,138,409	\$ 15,409,358	15.0%
Total	\$ 35,916,293,248	\$ 37,091,768,442	\$ 41,730,666,564	\$ 5,814,373,316	16.2%

## **Position Summary**

Authorized Positions	5,750	5,689	5,959	209
Full-time Equivalent (FTE) positions	5,604.33	5,671.54	5,932.97	328.64

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

## **Emergency Board**

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	100.0%
Total	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000	100.0%

## **Summary of Revenue Changes**

The Oregon Health Authority (OHA) is funded with a mix of General Fund, Lottery Funds, Other Funds, and Federal Funds revenues. Most of the General Fund in OHA's budget is used as a match for the state's Medicaid programs and to provide non-Medicaid behavioral health services. Lottery Funds finance gambling addiction prevention and treatment services, as well as behavioral health services and dental care for

veterans. Other Funds revenue comes from various sources, including Medicaid provider assessments, tobacco taxes, Tobacco Master Settlement Agreement funding, recreational marijuana taxes, beer and wine taxes, licensing fees, grants, estate collections, health care premiums, third party recoveries, pharmaceutical rebates, and charges for services. In addition to Medicaid, Federal Funds support a variety of grant programs across the Department. The budget also reflects the collection of an estimated \$5.2 billion by the Public Employees' Benefit Board (PEBB) and the Oregon Educators Benefit Board (OEBB) from state agencies and educational entities to pay premiums and provide health insurance for members.

The most significant revenue adjustment from the current service level is due to the passage of House Bill 2010 that extended provider assessments on insurers and hospitals. Combined with a change in methodology for calculating the assessment on certain hospital revenues, provider assessment revenues of \$2.26 billion in excess of the current service level are anticipated. Of this total, \$1.53 billion will be used to support the Oregon Health Plan, supplanting General Fund. A portion of the increased intergovernmental transfers from Oregon Health and Sciences University of \$416 million are anticipated to be used to support the Oregon Health Plan, supplanting \$132.4 million General Fund. Forecasted tobacco tax revenue reductions of \$30.7 million are partially offset by increased General Fund of \$23.7 million in the Behavioral Health and Medicaid programs. Other Funds expenditure limitation adjustment is made for anticipated 988 assessment revenues, reducing General Fund by \$25.0 million. The budget also accounts for forecasted reductions in marijuana and beer, wine, and cider taxes.

In addition to establishing the 2025-27 budget for OHA, House Bill 5025 appropriates \$5 million General Fund to the Emergency Board in a Special Purpose Appropriation (SPA) to be allocated to the agency for Oregon State Hospital operational challenges.

### **Summary of Human Services Subcommittee Action**

OHA combines most health-related programs into a single agency with the goal of improving the health of all Oregonians, increasing the quality of health care services provided, and containing the growth of health care costs. OHA administers publicly funded health benefits and contracts for services with insurers, Coordinated Care Organizations (CCOs), medical providers, local governments, Tribes, and community-based organizations.

OHA also administers the state's public health system through the Public Health Division; coordinating with local public health authorities to monitor and respond to public health emergencies and disease outbreaks, regulating businesses causing environmental health hazards, and supporting population-level initiatives around maternal and child health, reproductive health, and food security, among other programs.

The Subcommittee recommended a budget for OHA of \$41,730,666,564 total funds (\$6,196,787,826 General Fund, \$41,765,296 Lottery Funds, \$12,001,129,804 Other Funds limited, \$40,000,000 Other Funds nonlimited, \$23,332,845,229 Federal Funds limited, \$118,138,409 Federal Funds nonlimited) and 5,959 positions (5,932.97 FTE)

The Subcommittee incorporated the agency's repricing ("reshoot") adjustments for caseload, federal match rates, revenues, and other changes since the current service level budget was developed. Also included are the Emergency Board actions taken in the 2023-25 biennium, which impact the agency's 2025-27 budget. The changes recommended by the Subcommittee are described for each program area in more detail below.

The bill also establishes a SPA of \$5 million General Fund to the Emergency Board for Oregon State Hospital operational challenges.

### **Central Services**

OHA Central Services provides leadership and business support for the agency. Central Services includes the Director's Office, which is responsible for the overall leadership, policy development, and administrative oversight for the agency; the External Relations Division, which is responsible for relationships with the public, media, Legislature, and other agencies at the state and federal level; Tribal Affairs, which maintains a trusting and respectful relationship with Oregon's nine federally recognized Tribes, supporting Tribal Health programs and the Urban Indian Health Program; the Office of Equity and Inclusion; and the Operations and Fiscal Divisions, which provide operational, human resources, and budget support across the agency.

The Subcommittee recommended a total funds budget of \$151,065,336 (\$106,539,104 General Fund, \$250,004 Lottery Funds, \$6,746,488 Other Funds, \$37,529,740 Federal Funds) and 296 positions (295.75 FTE). The Subcommittee also recommended the following packages:

**Package 090: Analyst Adjustments:** Two adjustments to the agency's centralized administrative programs were included in the package:

- **Director's Office Positions (Central Services) - Management Support.** The package authorizes the establishment of four management positions in the Central Services program to assist with agency operations. This includes a second Deputy Director position for policy and programs, a manager to oversee the budgeting and outcomes work OHA is undertaking, a project manager in the Tribal Affairs program, and a project manager to coordinate contracting agencywide. The \$1.5 million cost of these positions is self-funded by the program through a reduction in budgeted services and supplies expenditures of \$1.2 million General Fund, \$104,313 Other Funds, and \$193,724 Federal Funds.
- **Staff to Administer Expanded Diagnostic-Related Group (DRG) Assessment (Central Services).** The package authorizes the establishment of a fiscal analyst position to address the additional administrative work related to the change in the application of the 6% Hospital Assessment. The total cost of the position in the Central Services program is \$208,576 that is split evenly between General Fund and Federal Funds.

**Package 095: Fall 2024 Budget Reshoot:** Three adjustments in the Central Services program budget that were proposed in the Fall 2024 budget reshoot are included in the package:

- REALD (Race, Ethnicity, and Language, Disability) and SOGI (Sexual Orientation, Gender Identity) project savings. General Fund is reduced by \$1.2 million in the package resulting from the Centers for Medicaid and Medicaid Services (CMS) approval of an enhanced Federal Medicaid Assistance Participation (FMAP) rate of 90% to approved data collection projects.
- Senate Bill 1578 (2024) Health Care Interpreter savings. This technical adjustment reduces funding in the Central Services division by \$194,376 General Fund and \$179,424 Federal Funds to account for actions taken in the fall 2024 budget rebalance for the 2023-25 biennium that transferred one-time funding provided in the bill to the Medicaid division. The portion of the funding included in Senate Bill 1578 (2024) that was intended to be one-time funding was captured in the current service level for Central Services. This action reduces the budget to correct the error.
- Transfer 988 Communications Position from Central Services to Behavioral Health. A technical adjustment is included in the package that transfers a communications position from the External Relations program within the Central Services division to the Behavioral Health division. A reduction of \$208,492 General Fund (\$260,615 total funds) and the reduction of one position (1.00 FTE) is included in for the Central Services division and reciprocal adjustments are included in the Behavioral Health program, netting to zero across both divisions.

Package 801: LFO Analyst Adjustments: The package reduces General Fund by \$8.8 million in the Central Services program to continue unspecified services and supplies expenditure reductions for the programs that were part of the 2023-25 biennium budget into the 2025-27 biennium.

Package 809: Spring 2025 Budget Reshoot: The package includes an increase of \$282,116 General Fund and \$282,116 Federal Funds in the Central Services program resulting from technical position and budgetary authority moves that transfer one position (1.00 FTE) from Medicaid Communications to the External Relations Division in Central Services.

### **Shared Services**

The Shared Services program area supports certain business functions for both the Oregon Department of Human Services (ODHS) and OHA under a joint governance agreement. The Shared Services unit within OHA contains the Office of Information Services, which provides information technology systems and services to both agencies and partner staff at numerous locations across the state.

The Subcommittee recommended a budget of \$295,026,552 Other Funds and 660 positions (660.00 FTE). The Subcommittee recommended the following packages:

Package 201: Mainframe Modernization: The package provides increased budget authority to continue work that began in the 2023-25 biennium to migrate certain benefit eligibility programs and provider payment processing from older mainframe computer systems to more modern platforms, including cloud-based platforms. Funding includes \$1.1 million total funds (\$734,146 General Fund, \$132,852 Other Funds,

\$223,773 Federal Funds) in the State Assessments and Enterprise-wide Costs (SAEC) program, and an increase of \$5.8 million Other Funds in the Shared Services, Office of Information Services program.

Package 424: State-Based Marketplace Eligibility Phase II: The package provides a one-time expenditure limitation increase of \$1.4 million Other Funds in the Shared Services, Office of Information Services program and \$30,234 Other Funds in the SAEC program to support the continued development of a state-based eligibility and enrollment platform and call center for Oregon's health insurance exchange. Funding for the increased expenditures is from per-member, per-month (PMPM) fees charged to insurers for health insurance policies sold through the exchange. The current (2025) PMPM fees are \$5.50 for health insurance plans and \$0.36 for dental plans.

Package 809: Spring 2025 Budget Reshoot: The package includes an increase in expenditure limitation of \$9.4 million Other Funds in the Shared Services program to account for increased licensing costs for Microsoft 365 applications resulting from increased staffing. An increase in expenditure limitation of \$380,730 Other Funds is the result of transferring one position (1.00 FTE) from Public Health to Shared Services.

### **State Assessments and Enterprise-wide Costs**

SAEC is the budget structure for payments to the Department of Administrative Services and third parties for goods and services serving all of OHA, such as rent, state data center charges, risk assessment, state government services charges, unemployment assessments, mass transit taxes, computer replacement, and debt service. Like Central Services, SAEC is funded based on cost allocation to determine the distribution of expenditures within OHA and the revenue source to support the expenditures.

The Subcommittee recommended a total funds budget of \$437,440,704 (\$310,523,108 General Fund, \$17,068,799 Lottery Funds, \$34,520,367 Other Funds, \$75,328,430 Federal Funds). No positions are assigned to this budget structure.

The Subcommittee recommended the following packages:

Package 201: Mainframe Modernization: The package provides increased budget authority to continue work that began in the 2023-25 biennium to migrate certain benefit eligibility programs and provider payment processing from older mainframe computer systems to more modern platforms, including cloud-based platforms. Funding includes \$1.1 million total funds (\$734,146 General Fund, \$132,852 Other Funds, \$223,773 Federal Funds) in the SAEC program, and an increase of \$5.8 million Other Funds in the Shared Services, Office of Information Services program.

Package 424: State-Based Marketplace Eligibility Phase II: The package provides a one-time expenditure limitation increases of \$1.4 million Other Funds in the Shared Services, Office of Information Services program and \$30,234 Other Funds in the SAEC program to support the continued development of a state-based eligibility and enrollment platform and call center for Oregon's health insurance exchange. Funding

for the increased expenditures is from PMPM fees charged to insurers for health insurance policies sold through the exchange. The current (2025) PMPM fees are \$5.50 for health insurance plans and \$0.36 for dental plans.

Package 801: LFO Analyst Adjustments: The package reduces General Fund by \$6.7 million in the SAEC program to continue unspecified services and supplies expenditure reductions for the programs that were part of the 2023-25 biennium budget into the 2025-27 biennium.

Package 809: Spring 2025 Budget Reshoot: The package eliminates \$6 million of unnecessary Other Funds expenditure limitation in the SAEC program.

### **Health Policy and Analytics**

Health Policy and Analytics (HPA) includes offices providing policy support, technical assistance, and access to health information statistics and tools to all organizations and providers participating in Oregon's health system transformation, including other programs within OHA. HPA also administers the PEBB, OEBC, and Oregon Health Insurance Marketplace. HPA is supported by General Fund matched with federal Medicaid dollars with match rates varying depending on the type of work being performed. HPA also receives Federal Funds through the Health Resources and Services Administration Primary Care grant and various other grants as well as fees, funds related to loan repayment programs, and interest.

The Subcommittee recommended a total funds budget of \$276,879,455 (\$85,081,744 General Fund, \$28,211 Lottery Funds, \$134,184,623 Other Funds, \$57,584,877 Federal Funds) and 292 positions (285.83 FTE).

The Subcommittee recommended the following packages:

Package 095: DHS/OHA Reshoot: The package transfers position authority and funding between the Medicaid and Health Policy and Analytics program for a Research Analyst position associated with the Certified Community Behavioral Health Clinic program. This action extends into the 2025-27 biennium the movement of the position in the Fall 2024 budget rebalance for the 2023-25 biennium. In the Health Policy and Analytics program, General Fund is increased by \$135,576, Federal Funds limitation is increased by \$135,576, and one position (1.00 FTE) is established.

Package 423: PEBB & OEBC Benefits Management System Replacement: This package includes a one-time increase of \$5.3 million Other Funds expenditure limitation to allow the Boards to jointly contract for professional consulting services supporting joint workgroups, claims audits, clinical audits, and RFP development. Funding for Board administration, including the additional consulting services described in this package, is derived from premium assessments to member entities. The current administrative fee for both PEBB and OEBC is 1.3% of premiums. The increased expenditures authorized in the package will not increase the administrative fee rate.

Package 424 State-Based Marketplace Eligibility Phase II: This package increases Other Funds expenditure limitation on a one-time basis by \$23.6 million and authorizes the establishment of nine limited duration positions (6.75 FTE) to continue the development of a state-based eligibility and enrollment platform and call center for Oregon's health insurance exchange. In addition to the personal services expenditures of \$4.4 million, \$16 million is included for information technology professional services costs, and an additional \$2.4 million is for professional services contract costs, generally. Funding for the increased expenditures is from per-member, per-month (PMPM) fees charged to insurers for health insurance policies sold through the exchange. The current (2025) PMPM fees are \$5.50 for health insurance plans and \$0.36 for dental plans.

Package 801: LFO Analyst Adjustments: This package reduces General Fund by \$4.3 million to continue unspecified services and supplies expenditure reductions for the Health Policy and Analytics division that were part of the 2023-25 biennium budget into the 2025-27 biennium.

Package 809: Spring 2025 Reshoot: This package includes a technical adjustment to transfer a community engagement Program Analyst position (0.50 FTE) from HPA to the Public Health division. Expenditure limitation in HPA is reduced by \$74,561 Other Funds and \$74,561 Federal Funds.

#### **Public Employees' Benefit Board and Oregon Educators Benefit Board**

PEBB designs, contracts for and administers health plans, group insurance policies, and flexible spending accounts for state employees and their dependents, representing approximately 140,000 Oregonians. PEBB is entirely funded with Other Funds through premiums collected for all insured individuals. Premiums are collected from agencies, universities, and self-pay members to directly cover the costs of the plans. Although PEBB's budget is reflected entirely as Other Funds, revenue comes from public employee health care premium payments; the state's share of these payments is approximately 46% General Fund.

OEBB administers medical, dental, vision, and other benefits for Oregon's school districts, community colleges, and education service districts supporting 256 employer entities. Cities, counties, and special districts are also eligible to join the OEBB benefits program. OEBB designs and maintains a full range of benefit plans for eligible and participating entities to offer their employees and early retirees. OEBB is entirely funded with Other Funds revenue from premium payments, which OEBB then expends to purchase insurance plans.

The Subcommittee recommended a total funds budget of \$5,152,001,141 Other Funds, which includes the following package:

Package 845: Statutory Caseload Costs – PEBB/OEBB: This package increases Other Funds expenditure limitation by \$240.5 million for the payment of costs of providing benefits to members. PEBB projects a cost increase of 6% totaling \$164.6 million (\$45.5 million for self-insured plans, and \$119.1 million for fully insured plans). OEBB anticipates a cost increase of 3.5% or \$75.9 million.



## **Public Health**

The Public Health Division administers statewide programs that protect the public health by working to prevent the leading causes of death, disease and injury. Public Health's programs complement OHA's health care programs by focusing on prevention and helping reduce the need for more costly services. Oregon's public health system includes federal, state, county, and local agencies, private organizations, and numerous other partners. Public Health operates some programs directly and funds and coordinates other programs through local public health authorities across the state.

The Subcommittee recommended a total funds budget of \$1,246,097,713 (\$280,069,549 General Fund, \$350,656,937 Other Funds limited, \$40,000,000 Other Funds nonlimited, \$457,232,818 Federal Funds limited, \$118,138,409 Federal Funds nonlimited) and 1,005 positions (1,000.96 FTE). The Subcommittee recommended the following packages:

**Package 090: Analyst Adjustments:** This package includes:

Two specific investments addressing access to women's reproductive health care:

- A one-time \$10 million General Fund appropriation for distribution to providers in response to reductions in federal funding for health care services. The intent of the funding is to prioritize the highest volume providers operating across multiple counties in the state.
- A follow-on grant to Seeding Justice of \$2.5 million is for patient navigation services and for providers to upgrade facilities in response to a potential influx of out of state patients seeking care in Oregon.

Additionally, an increase in General Fund of \$7 million is provided to address school and community-based primary prevention activities. Of the total, \$6 million is for school-based health centers to expand mental health services, SUD screenings, and prevention services to youth in school settings. The remaining \$1 million is to expand culturally responsive youth suicide prevention work.

**Package 095: Fall 2024 Budget Reshoot:** This package includes four adjustments in the three Centers within the Public Health Division:

- Center for Health Protection – Environmental Public Health: Other Funds expenditure limitation is increased by \$2.2 million for federal grant funds the division anticipates receiving from the Department of Environmental Quality to support the Healthy Homes Program.
- Center for Prevention and Health Promotion – Maternal and Child Health: Federal Funds expenditure limitation is increased by \$990,000 on a one-time basis and establishes a limited duration position (1.00 FTE) for the carry-forward of budgetary authority approved in fall 2024 rebalance for a federal grant award from the Centers for Disease Control and Prevention for actions to reduce the risk for pregnancy-related deaths in Oregon.
- Center for Prevention and Health Promotion – Nutrition and Health Screening: The package establishes two permanent full-time positions (2.00 FTE) in the Women, Infants, and Children program. This is a net-zero package that reduces existing services and supplies expenditures to fund the new positions.
- Center for Public Health Practice – HIV, STD and TB Section: Other Funds expenditure limitation of \$308,655 and the establishment of one position (1.00 FTE) is included in the package. Ryan White HIV/AIDS Program, AIDS drug assistance program, called CAREAssist in

Oregon, generates program income as Other Funds when the program can collect insurance reimbursement or manufacturer rebates through insurance plans or medications purchased by the program on behalf of eligible clients.

Package 415: Domestic Well Safety: This package includes a one-time investment of \$725,146 General Fund and three, full-time limited-duration positions (3.00 FTE) for contract costs for ODHS field operations to collect and transport water samples for laboratory testing, paid media expenses, development and maintenance of case management data systems, and costs of contracts with local public health authorities and community-based organizations to support residents in accessing safe water services.

Package 801: LFO Analyst Adjustments: This package reduces General Fund appropriation by \$470,000 to continue unspecified reductions in services and supplies expenditures for the Public Health division that were part of the 2023-25 biennium budget, into the 2025-27 biennium.

Package 808: Revenue Adjustments: This package reduces Other Funds expenditure limitation by \$6.9 million due to decreased tobacco tax revenues. This package also reduces Other Funds expenditure limitation by \$374,708 due to lower transfers in revenue from the Criminal Fine Account to the Public Health Division.

Package 809: Spring 2025 Budget Reshoot: This package makes the following adjustments:

- A one-time increase of \$200,674 General Fund, \$200,674 Other Funds expenditure limitation, and the authorization to establish a limited duration position (0.75 FTE) associated with work required in Senate Bill 546 (2023) regarding high priority chemicals of concern used in cosmetic products.
- A technical adjustment that transfers a community engagement Program Analyst position (0.50 FTE) to Public Health from Health Policy and Analytics. In the Public Health division, expenditure limitation is increased by \$74,561 Other Funds and \$74,561 Federal Funds. The transfers net to zero across both programs.
- Reduces Other Funds expenditure limitation by \$407,263 and eliminates a Clinical Psychologist position (1.00 FTE) in order to establish a permanent full-time Information Systems Specialist position (1.00 FTE) that is transferred to the Shared Services program at a cost of \$380,730 Other Funds.

### **Oregon State Hospital**

The Oregon State Hospital (OSH) provides psychiatric care for adults from all 36 counties at OSH's Salem and Junction City campuses. The hospital's primary goal is to help people recover from their mental illness and return to life in their communities. OSH's two primary campuses have 742 licensed beds, with 592 beds in Salem and 150 beds in Junction City, and an additional 16 beds at a Secure Residential Treatment Facility operated by OSH in Pendleton. Services include 24-hour on-site nursing, psychiatric and other credentialed professional staff, treatment planning, pharmacy, laboratory, food and nutritional services, and vocational and educational services. The vast majority of OSH is funded with General Fund. Other Funds revenue come from Medicare, Medicaid, third-party insurance, and the operation of a café and other

enterprise-type activities. Reimbursements from insurance are limited. Many patients are uninsured at the time of their admission to OSH, and Aid and Assist patients are less likely to be insured than other groups. In addition, federal law precludes institutions of mental disease, like OSH, from billing Medicaid for most services provided, and Medicare has a lifetime limit of 180 days per patient for inpatient psychiatric treatment. Federal Funds come from Disproportionate Share Hospital payments reserved for psychiatric care hospitals.

The Subcommittee recommended a total funds budget of \$1,030,108,144 (\$980,899,302 General Fund, \$16,767,424 Other Funds, and \$32,441,418 Federal Funds) and 2,995 positions (2,991.93 FTE). The Subcommittee recommended the following packages:

Package 090: CFO Analyst Adjustments: The package increases General Fund by \$531,308 and authorizes the establishment of two permanent full-time positions (2.00 FTE) to help people on Aid and Assist orders at the Oregon State Hospital navigate their transition back to the community.

Package 807: State Hospital Operational Enhancements: This package includes \$55.5 million General Fund to support targeted investments to improve service to patients at the Oregon State Hospital and move hospital operations into compliance with federal court orders and respond to findings from the Centers for Medicare and Medicaid Services (CMS). This package includes:

- \$21.8 million General Fund and the authorization to establish 76 permanent full-time positions (76.00 FTE) to address identified operational deficiencies at the State Hospital that require corrective actions for the hospital remain in compliance CMS requirements. This increase in funding is a follow-on to funding provided to the State Hospital as part of the 2023-25 biennium budget second rebalance. The package includes the continuance of five nurse positions addressing medical emergencies and six incident review and data analysis positions approved in the rebalance and establishes a team for monitoring the safety of the unit milieu (35 total; Mental Health Security Technicians; 25 Salem, 10 Junction City) for 24/7 support and one management position per unit (30 total; 24 Salem, 6 Junction City) for additional supervisory coverage to support compliance with policy and procedure.
- \$17.4 million General Fund to establish a posting factor to hire 136 (136.00 FTE) permanent full-time Mental Health Technicians for the Salem and Junction City campuses. The total cost of the new positions is estimated to be \$26.1 million; however, the package assumes that a reduction in overtime and contracted services will offset a portion the additional expenditures for the new positions.
- \$5.8 million General Fund to improve security operations at the Salem and Junction City campuses.
- \$3.1 million one-time General Fund to fund two computer system upgrades. This funding will be used to upgrade the current electronic health records management system, as the vendor will no longer support the current system next biennium, and to upgrade the hospital's timekeeping and staffing software. This funding supports the hospital's compliance with House Bill 2697 (2023) related to nurse staffing laws.
- \$211,729 net General Fund is included to establish a permanent Native Services program by establishing six positions (2.93 FTE) providing native services spiritual and recovery practices at Oregon State Hospital on both the Salem and Junction City campuses. The

package reduces services and supplies expenditures for professional services contracts by \$401,969 and increases personal services expenditures by \$613,698 producing a net General Fund increase of \$211,729 to convert five existing unbudgeted positions to permanent, full-time, and add a sixth position.

- \$3 million General Fund to purchase biometric equipment to improve patient monitoring vitals. \$1 million is a one-time investment to purchase biometric sensors, information technology hardware, and communication equipment. The remaining funds are for software licenses and ongoing costs and related services.
- \$3 million General Fund appropriation increase is made to allow the State Hospital to provide housing transitional assistance to aid and assist patients when exiting the State Hospital to reduce the possibility of becoming homeless.
- \$531,504 General Fund to reclassify four existing Licensed Practical Nurse positions to Registered Nurse positions.
- \$685,782 General Fund to extend four current contracts providing 20 hours per week of forensic evaluation services.

Package 809: Spring 2025 Budget Reshoot: This package authorizes the establishment of three permanent full-time Psychiatry positions (3.00 FTE) to convert contracted psychiatric services positions to permanent, full-time, budgeted positions. No new funding is authorized by the package. Services and supplies expenditures for professional service contracting is reduced in an equivalent amount to the \$1.2 million cost of the budgeted positions. This package carries forward this change that was approved as part of the agency's 2023-25 fall rebalance.

### **Medicaid**

The Medicaid Division manages the state's publicly funded Medicaid programs, including design, development, implementation, monitoring, evaluation, and improvement. The Division administers the Medicaid State Plan components, CCO contracts, the 1915(i) Home and Community-Based Services, and 1115 waiver authorities. The Division serves as the federally recognized Medicaid authority by providing administrative oversight for all Medicaid-funded programs, including those under ODHS, such as Long-Term Services and Supports and services for individuals with intellectual and developmental disabilities. The Division administers and oversees state-funded health coverage programs that have been established by the Legislature, including Healthier Oregon and the Veteran Dental programs.

The Subcommittee recommended a total funds budget of \$31,576,971,315 (\$3,785,711,528 General Fund, \$7,038,668 Lottery Funds, \$5,411,501,971 Other Funds, \$22,372,719,148 Federal Funds) and 468 positions (460.21 FTE).

The Subcommittee recommended the following packages:

Package 090: Analyst Adjustments: For the Medicaid program, this package contains six individual elements:

- Graduate Medical Education Program (non-OHSU). The package includes increased funding of \$4 million General Fund and an increase of \$5 million Federal Funds expenditure limitation for the program. This is a Medicaid program to reimburse hospitals for the cost of

educating medical residents at hospital systems with more than 200 residents or interns. Reimbursements are made quarterly based on hospital-specific costs for medical education as reported to CMS. The funding is anticipated to expand participation by approximately 12% in 2025-27 biennium. Current funding supports 816 residents and interns at eight teaching hospitals.

- Enhanced Hospital Maternity Rates. One-time appropriation of \$25 million General Fund matched with \$64.3 million Federal Funds expenditure limitation, for a total of \$89.3 million to support enhanced hospital maternity payment rates to ensure statewide access to hospital maternity services.
- Maximization of the Disproportionate Share Hospital (DSP-3) Program. One-time appropriation of \$49.3 million General Fund and \$53.2 million Federal Funds expenditure limitation is added to hospital provider assessments to maximize projected available federal matching revenues for the Disproportionate Share Hospital Program. The combined resources help offset hospital losses for serving Medicaid patients. These amounts are in addition to hospital provider assessments in current service level of \$2.9 million and \$19.1 million due to the passage of HB 2010 for a total of \$71.3 million in state funds to maximize projected available federal matching revenues of \$77 million for the Disproportionate Share Hospital Program.
- Staff to Administer Expanded DRG Assessment. The package appropriates \$221,160 General Fund and increases Federal Funds expenditure limitation by \$221,160 to fund one permanent full-time Policy Analyst position (1.00 FTE) in the Medicaid program to coordinate OHA's implementation of separate inpatient and outpatient assessment rates; ensure assessment levels are being managed correctly; ensure the program's design and implementation of new rates is updated in rule quarterly; and communicate with providers paying the assessment about changes to those rates, in addition to other duties.
- Reduction of inflation for Fee for Service (Open Card) Medicaid Program. As included in the Governor's budget, funding for assumed annual inflation in the Fee for Service Medicaid program is reduced from 3.4% to 2.9%, or \$16 million General Fund and \$34.8 million Federal Funds, to adjust the program budget towards anticipated expenditures.
- Reduction in Quality Incentive Pool for Calendar Year 2025 from 4.25% to 3.48%. As included in the Governor's budget, a one-time reduction of Quality Incentive Pool payments to coordinated care organizations for the 2025 plan year is made resulting in a savings of \$18.6 million General Fund and a reduction of \$43.4 million Federal Funds expenditure limitation.

Package 095: DHS/OHA Reshoot: The fall budget reshoot for OHA produced nine adjustments that were included in the Governor's budget proposal for the Medicaid program that are included in the recommended budget:

- Aligning Lottery Fund expenditures with the 2025-27 spend plan. The package transfers \$835,165 Lottery Funds expenditure authority from the Behavioral Health Program to the Medicaid Program to support planned expenditures for Gambling Addiction programs in the Medicaid division.

- Oregon Health and Science University Graduate Medical Education. The package includes an increase of \$40.1 million Other Funds expenditure limitation and \$55.5 million Federal Funds expenditure limitation to support payments to OHSU for leveraged federal funding to hospitals for the cost of educating medical residents.
- School Based Health Services CMS Grant Position. The package provides a one-time increase in expenditure limitation of \$246,415 Federal Fund and authorizes the establishment of one limited duration position (1.00 FTE). The package carries-forward a limited duration position that was approved in the fall 2024 budget rebalance to support activities under a CMS grant to implement, enhance, or expand the provision of health services through school-based entities under Medicaid and the Children's Health Insurance Program. Funding supports a new, limited duration position to assist with the existing program staffing to improve state and local infrastructure supporting school based health services.
- Information Systems project budget rebalance COMPASS/MOTS. A reduction of \$1.2 million General Fund and an expenditure limitation increase of \$3.7 million Federal Funds to reflect adjustments for an increased Federal Fund match and the streamlined project portfolio. The Community Outcome Management and Performance Accountability Support System (COMPASS) portfolio includes the Resilience Outcomes Analysis and Data Submission system that replaced the Measures and Outcomes Tracking System (MOTS), the Certification and Licensing Information Collection System, and the Improving Medicaid Data Program which includes what had formerly referred to as the Behavioral Health Data Warehouse.
- Position Technical adjustment. A technical adjustment is included in the package to correct an error in the current service level that occurred when the Health Services program was split between the Medicaid and Behavioral Health divisions. The package moves \$407,463 General Fund, \$132,888 Federal Funds expenditure limitation, and two positions (2.00 FTE) from the Medicaid program to the Behavioral Health program.
- OHSU Inter-Governmental Transfer (IGT) QDP Adjustment. The package adjusts expenditure limitation by \$416 million Other Funds and \$554.3 million Federal Funds. A portion of the increased intergovernmental transfers from Oregon Health and Sciences University of \$416 million are anticipated to be used to support the Oregon Health Plan, reducing General Fund by \$132.4 million.
- Deferral of General Fund obligated spending for Designated State Health Program (DSHP) supported waiver activities. As proposed in the Governor's budget, the package realigns spend plans for 1115 waiver activities supported through the DSHP, moving a portion of those expenditures from the 2025-27 biennium to the 2027-29 biennium. For the Medicaid program, this reduces General Fund by \$25.3 million and reduces expenditure limitation by \$32.3 million Other Funds and \$212.2 million Federal Funds.
- Position Transfer from Medicaid to HP&A. The package transfers position authority and funding between the Medicaid and HP&A programs for a Research Analyst position associated with the Certified Community Behavioral Health Clinic program. This action extends into the 2025-27 biennium the movement of the position in the fall 2024 budget rebalance for the 2023-25 biennium. In the Medicaid program, General Fund is reduced by \$135,576, Federal Funds expenditure limitation is reduced by \$135,576, and one position (1.00 FTE) is eliminated.

- **Basic Health Plan Budget Realignment.** A reduction in Federal Funds expenditure limitation of \$475 million is included in the package to remove unnecessary expenditure limitation provided for the Basic Health Plan in the current service level.

**Package 417: Healthier Oregon: Caseload shift to Basic Health Plan:** This package reduces General Fund by \$42.9 million and increases Federal Funds expenditure limitation by the same amount as a result of moving certain individuals previously enrolled in the Healthier Oregon Plan (HOP) to the Basic Health Plan based on income and eligible citizenship or immigration status. The General Fund savings represents approximately 4% of the HOP caseload.

**Package 418: Child Behavioral Health, Home and Community Based Services:** This package includes \$395,977 General Fund, increases Other Funds expenditure limitation by \$523,731, and authorizes the establishment of three permanent full-time positions (2.25 FTE) to address implementation of the 1915(k) waiver (the K plan) for Home and Community-Based Services for children and youth with behavioral health needs. The package provides resources to addresses CMS compliance by implementing key steps: selecting assessment tools, including a Level of Care evaluation tool specifically for the Psych Under 21 eligibility criteria, developing case management systems, establishing provider networks, and refining eligibility processes.

**Package 421: HB 2010 Provider assessment extension – Hospitals:** This package recognizes the budgetary impact of extending the provider assessments on hospitals as contained in House Bill 2010 (2025). The package decreases General Fund by \$1.39 billion, and increases expenditure limitation by \$2.06 billion Other Funds, and \$1.72 billion Federal Funds.

**Package 422: HB 2010 Provider assessment extension – Insurers:** This package recognizes the budgetary impact of extending the provider assessments on insurers as contained in House Bill 2010 (2025). The package decreases General Fund by \$144.7 million and increases expenditure limitation by \$193.3 million Other Funds, and \$98.4 million Federal Funds.

**Package 556: Certified Community Behavioral Health Clinic expansion:** The package appropriates \$14.1 million General Fund, increases Federal Funds expenditure limitation by \$33.7 million, and establishes two permanent full-time positions (1.50 FTE) for the statewide expansion of the Certified Community Behavioral Health Clinic system. The current funding supports 12 clinics as part of a federal demonstration waiver. The expanded funding allows for the integration of an additional 15 clinics. The statewide expansion is integral to federal approval for a state plan amendment as required by House Bill 4002 (2024) to secure ongoing program funding.

**Package 801: LFO Analyst Adjustments:** The package includes two substantive adjustments affecting the Medicaid program.

- General Fund is reduced by \$6.9 million to continue unspecified services and supplies expenditure reductions that were part of the 2023-25 biennium budget into the 2025-27 biennium.

- A one-time \$30 million General Fund appropriation matched with \$70 million Federal Funds expenditure limitation is included in the budget to provide a mid-year 2025 Coordinated Care Organization rate adjustment to address recent cost pressures, particularly due to higher utilization of behavioral health services.

Package 808: Revenue Adjustments: General Fund is increased by \$53.3 million and expenditure limitation is reduced by \$18.8 million Other Funds and \$34.5 million Federal Funds to account for reduced tobacco tax revenue as of the May 2025 revenue forecast and a decrease in the assumed Federal Medicaid Assistance Percentage in the 2025-27 biennium.

Package 809: Spring 2025 Budget Reshoot: The package includes several individual adjustments:

- Adult mental health residential rate increase. General Fund is increased by \$9.6 million and increased Federal Funds expenditure limitation of \$14.4 million is included for the costs associated with an update to adult mental health residential rates.
- Basic Health Plan – Bridge Medicaid. General Fund is increased by \$10.9 and Federal Funds expenditure limitation is increased by \$3.6 million for state support of OHP Bridge – Basic Medicaid. This program provides an open card option for American Indian and Alaska Native members that is similar to the standard OHP Bridge plan but is authorized under a section 1115 waiver and is funded like traditional Medicaid.
- Tribal Set Aside for Clinical Training. The package reestablishes \$3 million General Fund that was reduced from the agency's 2023-25 budget as a part of the spring 2025 rebalance. The agency determined that \$3 million of the \$15 million total General Fund appropriation provided in House Bill 3396 (2023) for clinical trainings should be dedicated to tribal operations. This effort to advance tribal clinical training offerings has required an entirely separate process to establish this program, which has caused delays extending the need to carry over the funds into the 2025-27 biennium.
- Mobile Health Unit Transfer from Behavioral Health Program to Medicaid Program. HB 4052 (2022) established a pilot program within Oregon Health Authority (OHA) to operate two culturally and linguistically specific mobile health units to serve populations with histories of poor health or social outcomes. This one-time extension of funding for 18 months in the 2025-27 biennium to complete the pilot program is transferred from the Behavioral Health division to the Medicaid division, increasing the Medicaid program budget by \$1.6 million General Fund. This action nets to zero across both programs.
- Technical adjustments. Additional adjustments to Other Fund revenues are included in the package and increase General Fund by \$492,388, decrease expenditure limitation by \$3.3 million Other Funds, increase expenditure limitation by \$1.8 million Federal Funds, and increase position authority by two positions (2.00 FTE) in the Medicaid division.

Package 845: Statutory Caseload Costs - Healthier Oregon Program: The package includes a net reduction of \$447.4 million General Fund from the current service level for the Healthier Oregon Program. Caseload increases of \$39.1 million General Fund are offset by \$283.9 million in



rate reductions, \$122.6 million reduction in General Fund costs due to revised FMAP applicability, and \$80 million in anticipated risk corridor payments.

Package 850: Mandated Caseload Costs – Medicaid: General Fund is increased by \$831,177 and Federal Funds expenditure limitation is increased by \$1.5 billion to account for costs associated with changes to caseloads for the Medicaid program as of the Spring 2025 caseload forecast.

PRELIMINARY

## **Behavioral Health**

The Behavioral Health Division is responsible for developing and maintaining a statewide system of integrated behavioral health care. This includes working with partners statewide to provide funding, oversight, technical assistance, and expert guidance to facilitate a comprehensive, accessible, and integrated system of behavioral health care.

The Subcommittee recommended a total funds budget of \$1,565,076,204 (\$647,963,491 General Fund, \$17,379,614 Lottery Funds, \$599,724,301 Other Funds expenditure limitation, \$300,008,798 Federal Funds expenditure limitation) and 243 positions (238.29 FTE). The Subcommittee recommended the following packages:

**Package 090: Analyst Adjustments:** For the Behavioral Health program, the package contains four individual elements:

- Behavioral Health Community Navigators. The package includes an increase of \$2.4 million General Fund and the establishment of one permanent full-time position (1.00 FTE) to help people on Aid and Assist orders at OSH navigate their transition back to the community. Of this amount, \$2 million is for grants to Community Mental Health Programs, expanding the pilot program that was established statewide in 2023. The position in the Behavioral Health Program will act as the grant administrator and program implementation specialist, provide technical assistance, review data, and make program adjustments.
- Statewide Civil Commitment Coordinators. The package includes \$1.5 million General Fund, increased expenditure limitation of \$12,702 Other Funds and \$1.8 million Federal Funds, and establishes seven positions (7.00 FTE) to continue a team within the Behavioral Health Division to coordinate services statewide for people going through the civil commitment process. These positions were established in the 2023-25 biennium as limited duration. This package makes the positions permanent.
- CMHP Service Element 4 - Deflection / Diversion Funding. The package includes \$13.2 million General Fund to continue deflection and diversion program funding that had been provided on a one-time basis in the prior biennium. Of the total \$9.8 million is for distribution to Community Mental Health Programs to support the coordination and provision of services for deflection programs that assist individuals who may have substance use or other behavioral health disorders to access treatment, recovery support, housing, case management, or other services to prevent interactions with law enforcement, lead to conviction and incarceration, or any other engagement with the criminal justice system. The balance of the funding is for support of CMHPs for adult intensive services and diversion programs.
- Community BH and SUD Treatment Programming. The package includes \$7 million General Fund to expand the intensive in-home behavioral health substance use disorder model to youth with substance use disorders and recruit providers to work under the new model.

**Package 095: DHS/OHA Reshoot:** The fall budget reshoot for OHA produced multiple adjustments that were included in the Governor's budget proposal for the Behavioral Health program that are included in the recommended budget. These include:

- Aligning Lottery Funds expenditures with 2025-27 spend plan. The package transfers \$835,165 Lottery Funds from the Behavioral Health Program to the Medicaid Program to support planned expenditures for Gambling Addiction programs in the Medicaid division.
- Assisted Outpatient Treatment Program for Individuals with Serious Mental Illness. The package includes \$909,750 carry-forward of federal grant expenditure limitation approved in the fall 2024 budget rebalance for a Substance Abuse and Mental Health Services Administration grant to provide financial support to community mental health programs to implement outpatient civil commitment services.
- Behavioral Health Housing Incentive Funds - interest earnings. The package includes \$3 million Other Funds expenditure limitation for the accrued interest earnings on the remaining, unexpended balance from the \$20 million net Lottery bond proceeds deposited in the Behavioral Health Housing Incentive Fund established by House Bill 2316 (2021).
- Community Acute Psychiatric Facility Capacity carryforward. The package increases Other Funds expenditure limitation by \$25 million for grants to increase community acute psychiatric facility capacity. The Community Acute Psychiatric Facility Capacity Program is funded with net lottery bond proceeds. This action is to allow the program to expend the remaining bond proceeds in the upcoming biennium from bonds authorized in the prior biennium.
- Drug Treatment and Recovery Services Fund (DTRSF) admin positions. The package authorizes the establishment of three positions (3.00 FTE) for the administration of the DTRSF. The package has a net-zero budgetary impact as the position costs are offset by matching reductions to service and supplies expenditures in the program.
- State Opioid Response Grant position. The package increases Federal Funds expenditure limitation by \$246,415 and authorizes the establishment of one limited duration position (1.00 FTE) to carry-forward a position that was approved in the Fall 2024 budget rebalance to support activities under the Federal Substance Abuse and Mental Health Services Administration, State Opioid Response Grants.
- Deferral of General Fund obligated spending for Designated State Health Programs to the 2027-29 biennium. As proposed in the Governor's budget, the package realigns spend plans for 1115 waiver activities supported through the DSHP, moving a portion of those expenditures from the 2025-27 biennium to the 2027-29 biennium. For the Behavioral Health program, this reduces Federal Funds expenditure limitation by \$10.2 million.
- Technical adjustments. The package increases General Fund by \$615,955, increase expenditure limitation by \$18,244 Other Funds and \$166,767 Federal Funds, and increases position authority by one permanent full-time position (1.00 FTE) in the Behavioral Health division.

Package 551: Harm Reduction Clearinghouse grant: The package includes a one-time appropriation of \$10 million General Fund for a grant to Save Lives Oregon to support the harm reduction supply clearinghouse. This program enables the low-cost acquisition of essential harm

reduction supplies by community-based organizations and expands access to medications like naloxone, supporting safer substance use practices that prevent overdose, infections, and injuries.

Package 552: Behavioral Health Residential Capacity – Youth: The package includes a one-time appropriation of \$10 million General Fund to expand behavioral health residential treatment and support services. The funding is intended to increase the capacity of residential programs by adding new psychiatric residential treatment facilities and SUD treatment beds, focusing on mandated populations as well as regional and cultural diversity. Use of the funding includes purchasing, constructing, or renovating facilities, stabilizing current providers, and supporting culturally and linguistically diverse services.

Package 557: Alcohol and Drug Policy Commission (ADPC) support: The package includes \$750,181 General Fund, increases Federal Funds expenditure limitation by \$92,682, and authorizes the conversion of three limited duration positions (2.25 FTE) to permanent, ongoing positions that were authorized in the prior biennium to conduct a study of barriers and best practices for youth accessing opioid use disorder treatment and increasing access to opioid use disorder medications as directed in House Bill 4002 (2024). The total funding also includes an ongoing increase of \$225,000 General Fund for strategic plan contracts.

Package 559: System of Care Advisory Council (SOCAC) expansion: An increase of \$571,098 General Fund is included in the package for the addition of three new permanent full-time administrative support positions (2.25 FTE) for the System of Care Advisory Council.

Package 801: LFO Analyst Adjustments: The package includes four adjustments affecting the Behavioral Health program.

- Continuance of unspecified General Fund reductions to services and supplies from the prior biennium. General Fund is reduced by \$4.7 million to continue unspecified services and supplies expenditure reductions that were part of the 2023-25 biennium budget into the 2025-27 biennium.
- Removal of erroneous carryforward of Behavioral Health facility funding. The package includes the elimination of \$15 million General Fund erroneously included in the current service level from a 2023 investment for behavioral health facilities that was intended to be one-time.
- Behavioral Health Permanent Supportive Housing. The package includes \$5.2 million General Fund for grants to organizations that oversee behavioral health permanent supportive housing programs. The funding is intended to address financial challenges for programs that have the potential to cause facility closures, and the possibility of individuals served becoming homeless.
- Aid and Assist funding increase for counties. The package includes a \$10 million General Fund appropriation increase to support community restoration services, commonly referred to as “Aid and Assist” services. This is additive to current service level estimated funding of \$38.9 million General Fund.

Package 808: Revenue Adjustments: The package includes multiple adjustments to Other Funds and Lottery Funds revenues in the Behavioral Health program, including:

- Increased estimated Other Funds revenues from the \$0.40 per line, per month assessment to fund the 988-crisis system of \$25 million provide a reciprocal reduction of \$25 million General Fund in the program.
- Reduced anticipated revenues in the Criminal Fines Account result in lower transfers to the Behavioral Health division. Other Fund expenditure limitation decreases for the Intoxicated Driver program of \$2.5 million are backfilled with General Fund.
- Lottery Funds expenditure limitation is reduced by \$763,023 in accordance with the May 2025 revenue forecast.
- Lower tobacco tax revenues reduce Other Funds expenditure limitation by \$2.1 million and increase General Fund by a corresponding amount.
- A \$10.3 million Other Fund expenditure limitation decrease is included to align anticipated expenditures from the Drug Treatment and Recovery Services Fund due to reduced forecasted Marijuana Tax revenues.

Package 809: Spring 2025 Budget Reshoot: Portions of two General Fund appropriations totaling \$42.6 million are moved from the 2023-25 biennium to the 2025-27 biennium. The spring 2025 budget rebalance for the 2023-25 biennium reduced General Fund expenditures in the prior biennium, and this package reestablishes the one-time General Fund appropriations by the same amounts in the 2025-27 biennium.

- Regional Development and Innovation General Fund Reappropriation of \$29.1 million from a \$65 million General Fund appropriation originally made in House Bill 5024 (2021) for capital, start-up, and operational costs related to increasing statewide capacity of licensed residential facilities and housing serving people with behavioral health conditions.
- Substance Use Disorder Facilities for Children and Adults Reappropriation of \$13.5 million from an appropriation made in Senate Bill 5525 (2023) of \$15 million General Fund to increase substance use disorder facilities for children and adults with substance use disorders. The contracting for these capital projects has been delayed due to prioritizing contracts that were funded through House Bill 5024 (2021) because they are funded with American Rescue Plan Act funding. All General Fund monies are anticipated to be incumbered before June 30, 2025; however, invoicing and expenditures will not be complete. Invoicing will continue thru the 2025-27 biennium as vendor as contractors complete project stages.

Additional adjustments included in the package include:

- Mobile Health Unit Transfer from Behavioral Health Program to Medicaid Program. House Bill 4052 (2022) established a pilot program within OHA to operate two culturally and linguistically specific mobile health units to serve populations with histories of poor health or social outcomes. This one-time extension of funding for 18 months in the 2025-27 biennium to complete the pilot program is

transferred from the Behavioral Health division to the Medicaid division resulting in a reduction of \$1.6 million in the Behavioral Health Program. This action nets to zero across both programs.

- Technical adjustments move expenditure authority and position authority between programs and make additional adjustments to Other Fund revenues are included in the package and decrease General Fund by \$774,504, increase expenditure limitation by \$3.3 million Other Funds, decrease expenditure limitation by \$2.1 million Federal Funds, and decrease position authority by 3 positions (3.00 FTE) in the Behavioral Health division.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Health Authority

Stacey Chase and Jason Trombley -- (503) 689-4308 and (971) 719-3903

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ 5,631,218,070	\$ 29,624,256	\$ 10,347,539,826	\$40,000,000	\$19,765,182,045	\$102,729,051	\$ 35,916,293,248	5,750	5,604.33
2025-27 Current Service Level (CSL)*	\$ 8,098,770,085	\$ 42,528,319	\$ 8,988,052,916	\$40,000,000	\$19,804,278,713	\$118,138,409	\$ 37,091,768,442	5,689	5,671.54
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>Oregon Health Authority</b>									
<b>SCR 010-40 - OHA Central Services</b>									
Package 090: Analyst Adjustments									
Director's Office Positions - Management Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4	3.75
Staff to Administer Expanded DRG Assessment	\$ 104,288	\$ -	\$ -	\$ -	\$ 104,288	\$ -	\$ 208,576	1	1.00
Package 095: DHS/OHA Reshoot									
REALD and SOGI project savings	\$ (1,200,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,200,000)	0	0.00
SB 1578 Health Care Interpreter savings	\$ (194,376)	\$ -	\$ -	\$ -	\$ (179,424)	\$ -	\$ (373,800)	0	0.00
Admin	\$ (208,492)	\$ -	\$ (18,244)	\$ -	\$ (33,879)	\$ -	\$ (260,615)	(1)	(1.00)
Package 801: LFO Analyst Adjustments									
Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (8,800,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,800,000)	0	0.00
Package 809: Spring 2025 Reshoot									
Medicaid Communications Transfer to External Relations Division (ERD)	\$ 282,116	\$ -	\$ -	\$ -	\$ 282,116	\$ -	\$ 564,232	1	1.00
<b>SCR 010-45 - OHA Shared Services</b>									
Package 201: Mainframe Modernization									
	\$ -	\$ -	\$ 5,818,400	\$ -	\$ -	\$ -	\$ 5,818,400	0	0.00
Package 424: State-Based Marketplace Eligibility Phase II									
	\$ -	\$ -	\$ 1,379,635	\$ -	\$ -	\$ -	\$ 1,379,635	0	0.00
Package 809: Spring 2025 Reshoot									
Increased Limitation for Microsoft 360 Licensure	\$ -	\$ -	\$ 9,417,112	\$ -	\$ -	\$ -	\$ 9,417,112	0	0.00
Position Transfer from Public Health to Shared Services	\$ -	\$ -	\$ 380,730	\$ -	\$ -	\$ -	\$ 380,730	1	1.00
<b>SCR 010-50 - State Assessments and Enterprise-wide Costs</b>									
Package 201: Mainframe Modernization									
	\$ 734,146	\$ -	\$ 132,852	\$ -	\$ 223,773	\$ -	\$ 1,090,771	0	0.00
Package 424: State-Based Marketplace Eligibility Phase II									
	\$ -	\$ -	\$ 30,234	\$ -	\$ -	\$ -	\$ 30,234	0	0.00
Package 801: LFO Analyst Adjustments									
Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (6,720,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,720,000)	0	0.00
Package 809: Spring 2025 Reshoot									
Other Fund- Empty Limitation (Facilities & ETS)	\$ -	\$ -	\$ (6,000,000)	\$ -	\$ -	\$ -	\$ (6,000,000)	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED	ALL FUNDS			
SCR 030-02 - Health Policy and Analytics										
Package 095: Fall 2024 Reshoot										
HB 4002 Position Transfer from Medicaid to HPA	\$ 135,576	\$ -	\$ -	\$ -	\$ 135,576	\$ -	\$ 271,152	1	1.00	
Package 423: PEBB OEBB Program Integrity & Development	\$ -	\$ -	\$ 5,275,071	\$ -	\$ -	\$ -	\$ 5,275,071	0	0.00	
Package 424: State-Based Marketplace Eligibility Phase II	\$ -	\$ -	\$ 23,590,131	\$ -	\$ -	\$ -	\$ 23,590,131	9	6.75	
Package 801: LFO Analyst Adjustments										
Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (4,250,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,250,000)	0	0.00	
Package 809: Spring 2025 Reshoot										
Position Transfer to Public Health from HP&A	\$ -	\$ -	\$ (74,561)	\$ -	\$ (74,561)	\$ -	\$ (149,122)	(1)	(0.50)	
SCR 030-03 - Public Employees' Benefit Board										
Package 845: Statutory Caseload Costs PEBB/OEBB										
PEBB Benefit Costs associated with Increased enrollment	\$ -	\$ -	\$ 164,554,948	\$ -	\$ -	\$ -	\$ 164,554,948	0	0.00	
SCR 030-04 - Oregon Educators' Benefit Board										
Package 845: Statutory Caseload Costs PEBB/OEBB										
OEBB Benefit Costs associated with Increased enrollment	\$ -	\$ -	\$ 75,913,266	\$ -	\$ -	\$ -	\$ 75,913,266	0	0.00	
SCR 030-05 - Public Health Programs										
Package 090: Analyst Adjustments										
Reproductive Health - Provider Response	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000	0	0.00	
Reproductive Health - Grant for Seeding Justice	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	0	0.00	
School and Community Based Primary Prevention	\$ 7,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000,000	0	0.00	
Package 095: Fall 2024 Reshoot										
Center for Health Protection Environmental Public Health (EPH) OF Limitation for IAA w/ DEQ	\$ -	\$ -	\$ 2,227,175	\$ -	\$ -	\$ -	\$ 2,227,175	0	0.00	
Center for Prevention and Health Promotion Maternal and Child Health (MCH) FF Budget Limitation	\$ -	\$ -	\$ -	\$ -	\$ 990,000	\$ -	\$ 990,000	1	1.00	
Center for Prevention and Health Promotion Nutrition and Health Screening (WIC) Position Authority	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	2	2.00	
Center for Public Health Practice HIV STD & TB Section (HST) Position Authority	\$ -	\$ -	\$ 308,655	\$ -	\$ -	\$ -	\$ 308,655	1	1.00	
Package 415: Domestic Well Safety	\$ 725,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 725,146	3	3.00	
Package 801: LFO Analyst Adjustments										
Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (470,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (470,000)	0	0.00	
Package 808: Revenue Adjustments										
May 2025 Tobacco Tax Forecast	\$ -	\$ -	\$ (6,905,580)	\$ -	\$ -	\$ -	\$ (6,905,580)	0	0.00	
CFA Expenditure Limitation - ORS 137.300(2)(b)	\$ -	\$ -	\$ (331,824)	\$ -	\$ -	\$ -	\$ (331,824)	0	0.00	
CFA Expenditure Limitation - ORS 137.300(3)(d)	\$ -	\$ -	\$ (42,884)	\$ -	\$ -	\$ -	\$ (42,884)	0	0.00	
Package 809: Spring 2025 Reshoot										
Limited-duration PA3 Position for SB546 (2023)	\$ 200,674	\$ -	\$ -	\$ -	\$ 200,674	\$ -	\$ 401,348	1	0.75	
Position Transfer to Public Health from HP&A	\$ -	\$ -	\$ 74,561	\$ -	\$ 74,561	\$ -	\$ 149,122	1	0.50	
Position Transfer from Public Health to Shared Services	\$ -	\$ -	\$ (407,263)	\$ -	\$ -	\$ -	\$ (407,263)	(1)	(1.00)	



DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Center for Public Health Practice HIV STD & TB Section (HST) Position Authority	\$ -	\$ -	\$ 308,655	\$ -	\$ -	\$ -	\$ 308,655	1	1.00
Package 415: Domestic Well Safety	\$ 725,146	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 725,146	3	3.00
Package 801: LFO Analyst Adjustments Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (470,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (470,000)	0	0.00
Package 808: Revenue Adjustments May 2025 Tobacco Tax Forecast	\$ -	\$ -	\$ (6,905,580)	\$ -	\$ -	\$ -	\$ (6,905,580)	0	0.00
CFA Expenditure Limitation - ORS 137.300(2)(b)	\$ -	\$ -	\$ (331,824)	\$ -	\$ -	\$ -	\$ (331,824)	0	0.00
CFA Expenditure Limitation - ORS 137.300(3)(d)	\$ -	\$ -	\$ (42,884)	\$ -	\$ -	\$ -	\$ (42,884)	0	0.00
Package 809: Spring 2025 Reshoot Limited-duration PA3 Position for SB546 (2023)	\$ 200,674	\$ -	\$ -	\$ -	\$ 200,674	\$ -	\$ 401,348	1	0.75
Position Transfer to Public Health from HP&A	\$ -	\$ -	\$ 74,561	\$ -	\$ 74,561	\$ -	\$ 149,122	1	0.50
Position Transfer from Public Health to Shared Services	\$ -	\$ -	\$ (407,263)	\$ -	\$ -	\$ -	\$ (407,263)	(1)	(1.00)
<b>SCR 030-06 - Oregon State Hospital</b>									
Package 090: Analyst Adjustments Behavioral Health Community Navigators	\$ 531,308	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,308	2	2.00
Package 807: State Hospital Operational Investments Additional Mental Health Technicians / Posting Factor	\$ 17,400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,400,000	136	136.00
Native Services	\$ 211,729	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 211,729	6	2.93
AVATAR Electronic Health Records System Enhancements	\$ 3,100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,100,000	0	0.00
Carry-forward of CMS response package from Fall 2024 rebalance	\$ 21,789,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,789,629	76	76.00
Enhanced Security Contracts	\$ 5,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,800,000	0	0.00
Patient Vitals Monitoring	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	0	0.00
Reclassification of LPN positions to RN positions	\$ 531,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,504	0	0.00
Forensic Evaluator Contracts	\$ 685,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 685,782	0	0.00
Flexible Housing Fund for Discharging Patients	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	0	0.00
Package 809: Spring 2025 Reshoot Psychiatry Positions/Conversion of S&S	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3	3.00
<b>SCR 030-07 - Medicaid</b>									
Package 090: Analyst Adjustments Reduction of inflation for FFS Medicaid	\$ (16,000,000)	\$ -	\$ -	\$ -	\$ (34,793,651)	\$ -	\$ (50,793,651)	0	0.00
Reduction in Quality Incentive Pool for CY 2025 from 4.25% to 3.48%	\$ (18,600,000)	\$ -	\$ -	\$ -	\$ (43,400,000)	\$ -	\$ (62,000,000)	0	0.00
Graduate Medical Education Program	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 9,000,000	0	0.00
Enhanced Hospital Maternity Rates	\$ 25,000,000	\$ -	\$ -	\$ -	\$ 64,300,000	\$ -	\$ 89,300,000	0	0.00
Staff to Administer Expanded DRG Assessment	\$ 221,160	\$ -	\$ -	\$ -	\$ 221,160	\$ -	\$ 442,320	1	1.00
Maximize DSH3 Program	\$ 49,300,000	\$ -	\$ -	\$ -	\$ 53,244,000	\$ -	\$ 102,544,000	0	0.00
Package 095: Fall 2024 Reshoot Deferral of GF obligated spending for DSHP to 27-29	\$ (25,316,253)	\$ -	\$ (32,306,225)	\$ -	\$ (212,221,753)	\$ -	\$ (269,844,231)	0	0.00
COMPASS/MOTS	\$ (1,171,876)	\$ -	\$ -	\$ -	\$ 3,735,331	\$ -	\$ 2,563,455	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 422: Insurers' Tax Renewal	\$ (144,670,905)	\$ -	\$ 193,276,618	\$ -	\$ 98,420,905	\$ -	\$ 147,026,618	0	0.00
Package 556: BH-CCBHC Expansion	\$ 14,096,822	\$ -	\$ -	\$ -	\$ 33,708,295	\$ -	\$ 47,805,117	2	1.50
Package 801: LFO Analyst Adjustments									
Continuance of unspecified GF reductions to Services and Supplies from prior biennium	\$ (6,900,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,900,000)	0	0.00
2025 CCO Rate Adjustment - Mid Year Trend Change	\$ 30,000,000	\$ -	\$ -	\$ -	\$ 70,000,000	\$ -	\$ 100,000,000	0	0.00
Technical Adjustment to move limitation between TTX and regular OF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
Package 808: Revenue Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00
FMAP Base Adjustment	\$ 31,747,255	\$ -	\$ 2,774,849	\$ -	\$ (34,522,104)	\$ -	\$ -	0	0.00
May 2025 Tobacco Tax Forecast	\$ 21,601,753	\$ -	\$ (21,601,753)	\$ -	\$ -	\$ -	\$ -	0	0.00
Package 809: Spring 2025 Reshoot									
Adult Mental Health Residential Rates	\$ 9,600,000	\$ -	\$ -	\$ -	\$ 14,400,000	\$ -	\$ 24,000,000	0	0.00
Basic Health Plan - Bridge Medicaid	\$ 10,914,507	\$ -	\$ -	\$ -	\$ 3,636,792	\$ -	\$ 14,551,299	0	0.00
Tribal Set Aside for Clinical Training (HB 3396 - 2023)									
Reappropriation	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000	0	0.00
Lift and Place Position Clean-up from Med to BH Admin	\$ (127,622)	\$ -	\$ -	\$ -	\$ (127,622)	\$ -	\$ (255,244)	(1)	(1.00)
Medicaid Communications Transfer to External Relations Division (ERD)	\$ (282,116)	\$ -	\$ -	\$ -	\$ (282,116)	\$ -	\$ (564,232)	(1)	(1.00)
Mobile Health Unit (HB 4052) Transfer From BHD Program to Medicaid Program	\$ 1,619,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,619,370	0	0.00
Move Civil Commitment Positions from Behavioral Health to Medicaid (POP 90.05 Adjustment)	\$ 675,788	\$ -	\$ 12,702	\$ -	\$ 1,799,219	\$ -	\$ 2,487,709	4	4.00
SUD 1115 Waiver Admin Contract Transfer between Medicaid and Behavioral Health	\$ 226,338	\$ -	\$ -	\$ -	\$ 431,232	\$ -	\$ 657,570	0	0.00
TMSA ORBITS Alignment	\$ -	\$ -	\$ (3,312,457)	\$ -	\$ -	\$ -	\$ (3,312,457)	0	0.00
Package 845: Healthier Oregon Program LFO Adjustments									
Healthier Oregon Program - 2024 Risk Corridor	\$ (80,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (80,000,000)	0	0.00
Healthier Oregon Program revised FMAP estimate	\$ (122,608,961)	\$ -	\$ -	\$ -	\$ 122,608,961	\$ -	\$ -	0	0.00
Healthier Oregon Program rate adjustment	\$ (283,852,148)	\$ -	\$ -	\$ -	\$ (45,437,235)	\$ -	\$ (329,289,383)	0	0.00
Healthier Oregon Program Caseload adjustment to CSL - Fall 2024 reshoot	\$ (2,460,786)	\$ -	\$ -	\$ -	\$ (3,892,458)	\$ -	\$ (6,353,244)	0	0.00
Heathier Oregon Program - Caseload Update	\$ 41,527,374	\$ -	\$ -	\$ -	\$ 22,258,765	\$ -	\$ 63,786,139	0	0.00
Package 850: Medicaid Caseload Update	\$ 831,177	\$ -	\$ -	\$ -	\$ 1,518,747,678	\$ -	\$ 1,519,578,855	0	0.00
<b>SCR 030-08 - Behavioral Health</b>									
Package 090: Analyst Adjustments									
Community BH and SUD Treatment Programming	\$ 7,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000,000	0	0.00
Behavioral Health Community Navigators	\$ 2,364,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,364,794	1	1.00
Statewide Civil Commitment Coordinators	\$ 1,509,224	\$ -	\$ 12,702	\$ -	\$ 1,799,219	\$ -	\$ 3,321,145	7	7.00
CMHP Service Element 4 - Deflection / Diversion Funding	\$ 13,227,315	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,227,315	0	0.00

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 095: Fall 2024 Reshoot										
Deferral of GF obligated spending for DSHP to 27-29	\$ -	\$ -	\$ -	\$ -	\$ (10,218,725)	\$ -	\$ (10,218,725)	0	0.00	
Admin	\$ 208,492	\$ -	\$ 18,244	\$ -	\$ 33,879	\$ -	\$ 260,615	1	1.00	
State Opioid Response (SOR) Grant Position	\$ -	\$ -	\$ -	\$ -	\$ 246,415	\$ -	\$ 246,415	1	1.00	
Lines for Life Funding Transfer from BH Programs to BH										
Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0	0.00	
CSL Position/Program Technical adjustment - Lift and										
Place	\$ 407,463	\$ -	\$ -	\$ -	\$ 132,888	\$ -	\$ 540,351	2	2.00	
DTRSf Admin Positions - Conversion from S&S to PS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3	3.00	
forward	\$ -	\$ -	\$ 25,000,000	\$ -	\$ -	\$ -	\$ 25,000,000	0	0.00	
Behavioral Health Housing Incentive Funds - Interest										
Earnings	\$ -	\$ -	\$ 2,988,506	\$ -	\$ -	\$ -	\$ 2,988,506	0	0.00	
Assisted Outpatient Treatment Program for Individuals										
with Serious Mental Illness	\$ -	\$ -	\$ -	\$ -	\$ 909,750	\$ -	\$ 909,750	0	0.00	
Aligning LF expenditures with 25-27 spend plan	\$ -	\$ (835,165)	\$ -	\$ -	\$ -	\$ -	\$ (835,165)	0	0.00	
Package 551: BH-Harm Reduction Clearinghouse & Tx Innov	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000	0	0.00	
Package 552: Behavioral Health Residential Capacity-Youth	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000	0	0.00	
Package 557: Alcohol and Drug Policy Commission (ADPC)										
support	\$ 750,181	\$ -	\$ -	\$ -	\$ 92,682	\$ -	\$ 842,863	3	2.25	
Package 559: System of Care Advisory Council (SOCAC)										
expansion	\$ 571,098	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 571,098	3	2.25	
Package 801: LFO Analyst Adjustments										
Continuance of unspecified GF reductions to Services and										
Supplies from prior biennium	\$ (4,700,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,700,000)	0	0.00	
Removal of erroneous carry-forward of BH facility funding	\$ (15,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15,000,000)	0	0.00	
Behavioral Health Permanent Supportive Housing	\$ 5,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,200,000	0	0.00	
Aid and Assist county funding increase	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000	0	0.00	
Package 808: Revenue Adjustments										
Reduced GF support due to increased 988 tax revenues	\$ (25,000,000)	\$ -	\$ 25,000,000	\$ -	\$ -	\$ -	\$ -	0	0.00	
Opioid Settlement Limitation	\$ -	\$ -	\$ 41,249,969	\$ -	\$ -	\$ -	\$ 41,249,969	0	0.00	
May 2025 Lottery Funds Forecast	\$ -	\$ (763,023)	\$ -	\$ -	\$ -	\$ -	\$ (763,023)	0	0.00	
May 2025 Tobacco Tax Forecast	\$ 2,112,109	\$ -	\$ (2,112,109)	\$ -	\$ -	\$ -	\$ -	0	0.00	
May 2025 MJ Tax DTRSf Forecast	\$ -	\$ -	\$ (10,296,156)	\$ -	\$ -	\$ -	\$ (10,296,156)	0	0.00	
May 2025 MJ Tax Forecast - Mental Health Alcoholism										
and Drug Services	\$ -	\$ -	\$ (405,027)	\$ -	\$ -	\$ -	\$ (405,027)	0	0.00	
May 2025 MJ Tax Forecast - Alcohol and Drug Abuse										
Prevention, Intervention, and Treatment	\$ -	\$ -	\$ (1,239,407)	\$ -	\$ -	\$ -	\$ (1,239,407)	0	0.00	
CFA Expenditure Limitation - M110 Drug Treatment Offset	\$ -	\$ -	\$ (31,200)	\$ -	\$ -	\$ -	\$ (31,200)	0	0.00	
CFA Expenditure Limitation - ORS 137.300(3)(g)	\$ -	\$ -	\$ (2,467,858)	\$ -	\$ -	\$ -	\$ (2,467,858)	0	0.00	
CFA Expenditure Limitation - ORS 137.300(3)(g) Backfill	\$ 2,467,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,467,858	0	0.00	
Beer, Wine, and Cider Tax May 2025 Forecast	\$ -	\$ -	\$ (521,809)	\$ -	\$ -	\$ -	\$ (521,809)	0	0.00	

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 809: Spring 2025 Reshoot										
Regional Development and Innovation General Fund Reappropriation	\$ 29,143,639	\$ -	\$ -	\$ -	\$ -	\$ -	29,143,639	0	0.00	
Substance Use Disorder (SUD) Facilities for Children and Adults Reappropriation	\$ 13,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	13,500,000	0	0.00	
Lift and Place Position Clean-up from Med to BH Admin	\$ 127,622	\$ -	\$ -	\$ -	127,622	\$ -	255,244	1	1.00	
Mobile Health Unit (HB 4052) Transfer From BHD Program to Medicaid Program	\$ (1,619,370)	\$ -	\$ -	\$ -	\$ -	\$ -	(1,619,370)	0	0.00	
Move Civil Commitment Positions from BH to Medicaid	\$ (675,788)	\$ -	(12,702)	\$ -	(1,799,219)	\$ -	(2,487,709)	(4)	(4.00)	
SUD 1115 Waiver Admin Contract Transfer between Medicaid and Behavioral Health	\$ (226,338)	\$ -	\$ -	\$ -	(431,232)	\$ -	(657,570)	0	0.00	
Suicide Prevention from Non-Med (BHD) to Admin	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0	0.00	
TMSA ORBITS Alignment	\$ -	\$ -	3,312,457	\$ -	\$ -	\$ -	3,312,457	0	0.00	
SUBCOMMITTEE RECOMMENDATION *	\$ 6,196,787,826	\$ 41,765,296	\$ 12,001,129,804	\$ 40,000,000	\$ 23,332,845,229	\$ 118,138,409	\$ 41,730,666,564	5,959	5,932.97	
% Change from 2023-25 Leg Approved Budget	10.0%	41.0%	16.0%	0.0%	18.1%	15.0%	16.2%	3.6%	5.9%	
% Change from 2025-27 Current Service Level	(23.5%)	(1.8%)	33.5%	0.0%	17.8%	0.0%	12.5%	4.7%	4.6%	

\*Excludes Capital Construction Expenditures

#### **EMERGENCY BOARD**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
OHA State Hospital operational challenges	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	5,000,000		

# Legislatively Approved 2025 - 2027 Key Performance Measures

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**Agency:** Oregon Health Authority

**Mission Statement:**

Ensuring all people and communities can achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality, affordable health care.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. INITIATION OF ALCOHOL AND OTHER DRUG DEPENDENCE TREATMENT - Percentage of members with a new episode of alcohol or other drug dependence who received initiation of AOD treatment within 14 days of diagnosis.		Approved	42.30%	42%	42%
2. ENGAGEMENT OF ALCOHOL AND OTHER DRUG DEPENDENCE TREATMENT - Percentage of members with a new episode of alcohol or other drug dependence who received two or more services within 30 days of initiation visit.		Approved	16.60%	17%	17.50%
3. FOLLOW-UP AFTER HOSPITALIZATION FOR MENTAL ILLNESS - Percentage of enrollees 6 years of age and older who were hospitalized for treatment of mental health disorders and who were seen on an outpatient basis or were in intermediate treatment within seven days of discharge.		Approved	34.50%	72%	72%
4. MENTAL, PHYSICAL, AND DENTAL HEALTH ASSESSMENTS FOR CHILDREN IN DHS CUSTODY - Percentage of children in DHS custody who receive a mental, physical, and dental health assessment within 60 days of the state notifying CCOs that the children were placed into custody with DHS (foster care).		Approved	88.30%	90%	90%
9. 30 DAY ILLICIT DRUG USE AMONG 8TH GRADERS - Percentage of 8th graders who have used illicit drugs in the past 30 days.		Approved	1%	1%	1%
10. 30 DAY ALCOHOL USE AMONG 8TH GRADERS - Percentage of 8th graders who have used alcohol in the past 30 days.		Approved	6%	5%	5%
20. ACCESS TO CARE - Percentage of members who responded "always" or "usually" to getting care quickly.	a) Adults	Approved	76.40%	88%	88%
	b) Children		85.40%	88%	88%
21. MEMBER SATISFACTION OF CARE - Composite measurement: how well doctors communicate; health plan information and customer service (Medicaid population).	a) Adult	Approved	88.20%	90%	90%
	b) Children		89.70%	90%	90%
23. RATE OF TOBACCO USE (POPULATION) - Rate of tobacco use among adults.		Approved	13.90%	14%	14%
25. RATE OF OBESITY (POPULATION) - Percentage of adults who are obese among Oregonians.		Approved	33.80%	27%	27%
34. CUSTOMER SERVICE - Percentage of OHA customers rating their satisfaction with the agency's customer service as "good" or "excellent" overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Overall	Approved	85%	95%	95%
	Accuracy		83%	95%	95%
	Availability of Information		80%	95%	95%
	Expertise		88%	95%	95%

HB 5025

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
	Helpfulness		86%	95%	95%
	Timeliness		86%	95%	95%
35. HEALTH EQUITY MEASURE – COMPONENT #1: MEANINGFUL LANGUAGE ACCESS TO CULTURALLY RESPONSIVE HEALTH CARE SERVICES FOR CCO MEMBERS - Component 1 is based on an annual language access self-assessment survey and designed to evaluate the development of structures and workflow processes to provide quality and consistent interpreter services.		Approved	75%	75%	75%
36. HEALTH EQUITY MEASURE - COMPONENT #2: MEANINGFUL LANGUAGE ACCESS TO CULTURALLY RESPONSIVE HEALTH CARE SERVICES FOR CCO MEMBERS - Component 2 is based on the reporting of quarterly utilization data on interpreter services and designed to measure quality of interpreter services.		Approved	6.10%	7.30%	7.30%
37. INFANT MORTALITY RATE - Numerator: # of deaths of infants <365 days of age in specified time period Denominator: # of live births in specified time period. Rate calculation: (Num/Denom)*1,000		Approved	4.49	3.80	3.80
38. REDUCTION OF SEVERE MATERNAL MORBIDITY - Numerator: # of cases of severe maternal morbidity* in specified time period Denominator: # of delivery hospitalizations in specified time period Rate calculation: (Num/Denom)*10,000 (read out as "[number] per 10,000 delivery hospitalizations") *Note: Severe maternal morbidity cases are determined by using a validated set of ICD-10 diagnosis and procedure codes to examine hospital data.		Approved	81.80	75	75
44. QUALITY OF LIFE - POOR PHYSICAL HEALTH - Average number of physically unhealthy days in the past 30 among adults. Measuring health-related quality of life helps build understanding around people's lived experience with disabilities and chronic diseases across the population. Self-report of days when physical health was not good is a reliable estimate of recent health status.		Approved	3.30	3	3
45. QUALITY OF LIFE - POOR MENTAL HEALTH - Average number of mentally unhealthy days in the past 30 days (age 18+). Measuring health-related quality of life helps build understanding around people's lived experience with disabilities and chronic diseases across the population. Self-report of days when mental health was not good is a reliable estimate of recent health status.		Approved	5.70	3	3
46. PREMATURE DEATH - Number of years of potential life lost (YPLL) per 100,000 before age 75. Premature death is measured by summing the years between age at death and age 75 across all people who died before reaching that age. It's a way of quantifying the societal impact of early deaths in a population. Causes of death that are more likely to affect younger people – such as congenital anomalies and accidental injuries – contribute to higher rates of premature death.		Approved	7,333	5,300	5,300
47. MORTALITY FROM DRUG OVERDOES - Number of deaths per 100,000 from drug overdoses excluding suicide. Drug overdose deaths account for a major proportion of all premature deaths and are largely preventable.		Approved	25.70	7.70	7.70

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
48. TOBACCO USE - TEENS - Percent of 11th graders who use tobacco (past 30 days). Cigarette smoking is the most common cause of preventable death and disease. It is identified as a cause of various cancers, cardiovascular disease, and respiratory conditions, as well as low birthweight and other adverse health outcomes. Many teen smokers become adult smokers. Measuring the prevalence of tobacco use in the youth population can alert communities to potential adverse health outcomes and can be valuable for assessing the need for prevention programs or the effectiveness of existing programs.		Approved	12.80%	10%	10%
49. OBESITY - TEENS - Percent of 11th graders who are obese (BMI >= 95th percentile for age/sex). Obesity is the second leading cause of preventable death in Oregon. It is a major risk factor for high blood pressure, high cholesterol, diabetes, heart disease, and cancer. Obese teens are at an increased risk of becoming obese adults.		Approved	13.40%	10%	10%
50. STATEWIDE SUSTAINABLE COST OF CARE - Comparison of health care cost changes to personal income changes. Any value 0 or higher is green because we want per capita income growth to equal or exceed per capita health care cost growth. By way of background, the statewide sustainable cost of care measure is a comparison between per person growth in income in Oregon and health care spending growth in Oregon. Historically, health care costs have grown faster than income and Oregon is trying to change that with the Cost Growth Target program and other initiatives. When the result from subtracting per person income growth minus per person health care cost growth is 0 or positive, it means income is growing at the same pace or faster than health care costs, which is good. When the measure is a negative number, it means health care costs are growing faster than income, which is not good.		Approved	-4.07	0	0
51. OHA SUSTAINABLE COST OF CARE - Difference between real personal income and health care inflation. Any value 0 or higher is green because we want per capita income growth to equal or exceed OHA's per person spending on PEBB, OEBB, and OHP. By way of background, the OHA sustainable cost of care measure is a comparison between per person growth in income in Oregon and health care spending growth for OHA's three health programs: Oregon Health Plan, Public Employees Benefits and Oregon Educators Benefits. When the result from subtracting per person income growth in Oregon minus per person spending on PEBB, OEBB, and OHP is 0 or positive, it means income is growing at the same pace or faster than OHA's health care costs, which is good. When the measure is a negative number, it means the cost of OHA's three health care programs is growing faster than income, which is not good.		Approved	-2	0	0
52. CRITICAL EVENTS MEETING THE 14-CALENDAR DAY TIMELINE TO PROVIDE CORRESPONDENCE TO TRIBAL LEADERS - To track compliance with the OHA Tribal Consultation Policy timelines, % of critical events meeting the timeline. Total number of critical events meeting the timeline/total number of identified critical events.		Approved	100%	100%	100%
53. TRIBAL CONSULTATIONS MEETING THE 30-CALENDAR DAY TIMELINE FOR REPORTING OF OUTCOME OF CONSULTATION - To track compliance with the OHA Tribal Consultation Policy timelines, % of consultations reporting outcome within 30 calendar days. Total number of consultations meeting reporting timeline/total number of consultations		Approved	100%	100%	100%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
54. TIMELINESS OF TRANSLATIONS DURING EMERGING PUBLIC HEALTH EVENTS - To allow for equitable access to important public health information during public health events. Meet Federal and state legal obligations to provide information in alternative languages and formats, including Title VI of the Civil Rights Act. Compliance with agency policies, including DHS/OHA-010-013 Alternate Formats and Language Access Services. Number of hours from Incident Manager approval of an important (expedited) public information document for an identified public health event to the return of translated documents to the incident's Joint Information Center.		Approved	100.25	2	2
39. COMPARISON OF OHA WORKFORCE TO POTENTIAL LABOR MARKET - Comparisons of the OHA workforce to the potential labor market provide a measurement of parity, defined as: achieving comparable representation of Tribal communities, communities of color, people with disabilities and females (binary gender for now) in OHA's workforce to the same proportion in the potential labor market.		Legislatively Deleted		90%	
40. COMPARISON OF OHA NON-SUPERVISORY MANAGERS TO POTENTIAL LABOR MARKET - Comparisons of OHA non-supervisory managers to the potential labor market provide a measurement of parity, defined as: achieving comparable representation of Tribal communities, communities of color, people with disabilities and females (binary gender for now) who are OHA non-supervisory managers to the same proportion in the potential labor market.		Legislatively Deleted		90%	
41. COMPARISON OF OHA SUPERVISORY MANAGERS TO POTENTIAL LABOR MARKET - Comparisons of OHA supervisory managers to the potential labor market provide a measurement of parity, defined as: achieving comparable representation of Tribal communities, communities of color, people with disabilities and females (binary gender for now) who are OHA supervisory managers to the same proportion in the potential labor market.		Legislatively Deleted		90%	
42. COMPARISON OF OHA VOLUNTARY SEPARATIONS TO ALL AGENCY SEPARATIONS - OHA defines parity as achieving comparable representation of Tribal communities, communities of color, people with disabilities and females (binary gender for now) in OHA's workforce to the same proportion to OHA's potential labor market.		Legislatively Deleted			
43. COMPARISON OF OHA INVOLUNTARY SEPARATIONS TO ALL AGENCY SEPARATIONS - Parity is determined by a ratio of OHA involuntary separations—dismissal, dismissal during trial service or layoff—(numerator) and all agency separations (denominator). If the ratio score is greater than or equal to 90% for Tribal communities, communities of color, people with disabilities or females, then there is a relatively high representation of that group in involuntary separations from the agency. Excludes deaths and unknown separations.		Legislatively Deleted			
55. PENDING REDETERMINATION APPLICATIONS OVER 45 DAYS OLD - Total number of pending applications for redetermination that are over 45 days old.		Legislatively Deleted	0	0	

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the Key Performance Measures and targets as presented with the caveat that the agency work with LFO and the Joint Ways and Means Subcommittee on Human Services to identify key performance measures related to hospital care outcomes and healthcare worker staffing.

**SubCommittee Action:**

The subcommittee approved the Key Performance Measures and targets as recommended by LFO