



Legislative Fiscal Office
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Bill Title: Relating to in-home care for minor children with disabilities; declaring an emergency.

Government Unit(s) Affected: Department of Human Services, Oregon Health Authority

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$ 19,528,075	\$ -	\$ 1,511	\$ 21,345,361	\$ 40,874,947	3	1.75
Oregon Health Authority	\$ 18,333	\$ -	\$ 2,438	\$ 6,572	\$ 27,343	-	-
Total Fiscal Impact	\$ 19,546,408	\$ -	\$ 3,949	\$ 21,351,933	\$ 40,902,290	3	1.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$ 33,484,319	\$ -	\$ 1,511	\$ 37,303,399	\$ 70,789,229	3	2.25
Oregon Health Authority	\$ 18,333	\$ -	\$ 2,438	\$ 6,572	\$ 27,343	-	-
Total Fiscal Impact	\$ 33,502,652	\$ -	\$ 3,949	\$ 37,309,971	\$ 70,816,572	3	2.25

- The table does not include the duplicate Other Funds expenditure limitation necessary to pay for expenses through DHS’ Shared Services budget structure. Should this measure be adopted, the expenditure limitation will need to be established to properly budget for these expenses. See analysis.

Measure Description

SB 538-1 has the following major provisions:

- Removes requirement that the Department of Human Services (DHS) administer the parent attendant care program subject to available funding.
- Permits parent providers to work up to 40 hours per week.
- Permits parent providers to work as personal support workers.
- Prohibits DHS from developing criteria to limit the number of children eligible to participate in the program.
- Prohibits any funds appropriated for the purpose of compensating parents or obtaining required department staff being used for any other purpose.
- Requires DHS to seek approval for a waiver or an amendment to a waiver by January 1, 2026.
- Declares an emergency and is effective on passage.

Fiscal Analysis

The measure modifies provisions of SB 91 (2023) which required DHS to administer a program that compensates parents for providing attendant care services to their children with very high medical or behavioral needs. Under

SB 91 (2023), parent providers are required to be employed by an in-home services agency and work as a direct support professional, and their hours are capped at 20 hours per week. Under SB 538-1, beginning January 1, 2026, parent providers can work up to 40 hours per week as either a direct support professional or a personal support worker.

Department of Human Services

The fiscal impact of the measure on DHS is \$40.9 million total funds in 2025-27. This includes \$379,062 for three positions (1.75 FTE) and \$40.6 million for provider payments for an estimated 1,448 children/parents. This is in addition to the \$12.3 million in the 2025-27 current service level budget for a caseload of 155 children/parents.

Based on experience with a similar program administered during the public health emergency, the estimate assumes 70% of provider parents will work as direct support professionals and 30% of parents will work as personal support workers. The assumed provider rates are \$42.24 per hour for agency direct support professional services and \$22.13 per hour for personal support workers.

To support the increase in caseload, the following three additional positions (1.75 FTE) are needed, one Operations and Policy Analyst 3 to process new federal waivers and manage the funds specifically set aside for this program, one Learning and Development Specialist 1 and one Administrative Specialist 1 to support the existing team with the expansion of the attendant care program. The estimated cost of these positions, including personal services and standard position-related services and supplies costs is, \$425,252 total funds in 2025-27. This amount includes duplicate Other Funds expenditure limitation of \$73,533 for the Operations and Policy Analyst 3 position which is budgeted within the Office of Financial Services and is a Shared Service for DHS and the Oregon Health Authority (OHA). DHS requires Other funds expenditure limitation to transfer its share of the position's personal services and services and supplies costs (\$46,190 total funds) and receive OHA's payment for their portion of the position (\$27,343 total funds).

Costs increase in 2027-29 to \$70.9 million total funds and reflect a full biennium of provider payments (\$70.3 million total funds) and the increase of existing positions to 2.25 FTE.

Oregon Health Authority

The Operations and Policy Analyst 3 position mentioned above is budgeted within the Office of Financial Services, a Shared Service for OHA and DHS. Each agency is required to pay a portion of Shared Services costs. In this instance, OHA's share of the position costs is \$27,343 total funds in 2025-27 and remains the same for 2027-29.

Relevant Dates

The measure declares an emergency and takes effect on passage.