



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

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Bill Title: Relating to developmental disabilities services.

Government Unit(s) Affected: Department of Human Services

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$ 22,033,555	\$ -	\$ -	\$ 40,926,253	\$ 62,959,808	1	0.75
Total Fiscal Impact	\$ 22,033,555	\$ -	\$ -	\$ 40,926,253	\$ 62,959,808	1	0.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$115,508,879	\$ -	\$ -	\$215,516,013	\$331,024,892	1	1.00
Total Fiscal Impact	\$115,508,879	\$ -	\$ -	\$215,516,013	\$331,024,892	1	1.00

Measure Description

The measure requires Department of Human Services' (DHS) contracts for direct support professional services to be annually adjusted for inflation. By April 30 of each year, DHS must calculate the adjustment of payments based on the U.S. City Average Consumer Price Index for All Urban Consumers (All Items) from March of the preceding year. Any required adjustments must take effect by July 1 of the year in which DHS completes their calculation.

Fiscal Analysis

The estimated 2025-27 fiscal impact of the measure is \$63 million total funds and one permanent full-time position (0.75 FTE). Based on the 3.2% annual change in the consumer price index (CPI) for 2024, DHS anticipates that the total service costs will increase to \$62.6 million total funds for the 2025-27 biennium, with the first increase taking effect on July 1, 2026. For the 2027-29 biennium, the measure is expected to increase service costs by \$330.8 million total funds. The federal medical assistance percentage (FMAP) for these payments ranges from 52% for children's extraordinary needs to 65.8% for adult and children's in-home supports.

Additional costs include \$151,152 total funds (50% FMAP) per biennium to continue the contract with the company currently completing DHS' rate work. DHS will need one permanent full-time Fiscal Analyst 2 position to manage implementation of the measure, track CPI rates, update provider rates in the Express Payment and Reporting System and complete any reporting requirements. The estimated cost for this position, including personal services and position-related services and supplies costs is \$186,566 total funds (50% FMAP). Contract and position costs increase to \$397,990 in 2027-29 and reflects a full biennium of costs.

Relevant Dates

The measure takes effect on January 1, 2026.