

# Senate Bill 538: Expanding the Children's Extraordinary Needs Program

## Summary

Senate Bill (SB) 538 expands coverage of the Children's Extraordinary Needs (CEN) Program to serve all children with very high medical or behavior needs who are medically fragile, medically involved or have intellectual or developmental disabilities (I/DD). This includes:

- All qualifying children with I/DD who receive case management services from community developmental disabilities programs.
- All children who qualify for Children's Intensive In-home Services (CIIS) who have very high behavioral or medical needs.

## Background

The Office of Developmental Disabilities Services (ODDS) created the CEN Program on July 1, 2024, after the passage of SB 91 (2023). The program's limited budget can enroll 155 children at a time in a new 1915(c) waiver. The CEN Program provides access to up to 20 hours per week of paid care by a qualifying child's parent who must be employed by a provider agency as a direct support professional (DSP). To qualify for the CEN Program, a child must:

- Be a resident of Oregon.
- Meet I/DD eligibility or meet criteria for the Medically Involved Children's Waiver or the Medically Fragile Model Waiver.
- Meet ICF/IID, Hospital, or Nursing Facility Level of Care.
- Be receiving Medicaid Title XIX benefit package through OSIPM or HSD medical programs.
- Be assigned to the highest Oregon Needs Assessment service group due to their very high medical (5m) or very high behavioral (5b) support needs.

More children meet these criteria than the CEN Program's budget can support. The program's waitlist includes around 1,600 children.

## How SB 538 changes the CEN Program

The Introduced version of SB 538 does not include an appropriation or funding limit, as the enrolled version of SB 91 did. SB 538 prohibits ODDS from placing limits on the number of hours a parent provider can be paid for attendant care for their own child. It does allow for other measures to manage the cost, size and growth rate of the program excluding caps on the number of enrollees. SB 538 allows parent providers to work as personal support workers (PSW) in addition to DSPs.

To implement SB 538, ODDS would need to amend its 1915(c) waiver, subject to federal approval, to increase capacity, expand provider qualifications, and remove hour limitations. Additionally, ODDS would need to amend administrative rules and update training and communication materials. ODDS would require new positions to manage the growth of the program.

Because the introduced bill prohibits limitations on weekly parent provider hours, ODDS would price this SB 538 according to a cost-per-case increase model. The hourly cost of PSW-delivered attendant care is lower than the hourly cost of agency DSPs. SB 538's allowance of PSWs would lower the average hourly cost of care for the CEN program.

To price SB 538 based on cost-per-case, ODDS looked at the hour limits by age group of eligible children:

Service Group 5b and/or 5m			
	Infants/Toddlers 0-3	Children 4-11	Adolescents 12-17
Number of children	83	715	893
Monthly hour limit*	61 all year	152 in school months 174 in summer months	239 in school months 282 in summer months

\*not including approved hour exceptions

## Fiscal assumptions

Factor	Assumption	Explanation
<b>Participation</b>	70% of eligible children would participate totaling 1,198 children	This is consistent with enrollment data from the first six months of the CEN program.
<b>PSW-DSP hour split overall</b>	30% hours delivered by PSWs; 70% delivered by agency DSPs	During a temporary paid parent program during the PHE, data showed that parents worked as DSPs at higher rate than the rest of the provider population. PSW usage was about 35%. ODDS rounded down to 30% since the long-term trend has been for more DSP billing.
<b>Utilization</b>	64% of authorized hours filled by parent providers	Children with parent providers, historically, utilize more of their authorized hours than children with only non-parent providers. ODDS assumes children will still access some paid care through non-parent providers and not utilize all authorized hours.

## Estimated fiscal impact

25-27 Biennium with January 1, 2026, implementation				
	GF	OF	FF	TF
Estimated Cost	\$ 32,770,271	\$ -	\$ 45,172,686	\$ 77,942,957

27-29 Biennium				
	GF	OF	FF	TF
Estimated Cost	\$ 55,912,938	\$ -	\$ 77,596,978	\$ 133,509,916

## Contact information

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