

74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY

MEASURE: SB 329-B

JOINT COMMITTEE ON WAYS AND MEANS

Carrier – House:
Carrier – Senate:

Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed

Vote:

House – Yeas:
– Nays:
– Exc:
Senate – Yeas:
– Nays:
– Exc:

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Reviewed By: Dallas Weyand, Legislative Fiscal Office

Meeting Date: 6/15/07

Agency

Department of Human Services

Department of Administrative Services

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Biennium
2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jensen,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Senator Margaret Carter, Human Services Subcommittee Chair

	Legislatively Approved Budget	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	Governor's Budget
<u>Department of Human Services</u>					
<u>Department Wide Support Services</u>					
General Fund	0	0 \$	3,476,666	+3,476,666	0%
Other Fund		\$	3,014,538	+3,014,538	0%
Federal Fund		\$	671,971	+671,971	0%
<u>Oregon Health Fund Board</u>					
General Fund	0	0 \$	1	+1	0%
Other Fund		\$	1	+1	0%
<u>Department of Administrative Services</u>					
General Fund	0	0 \$	(2,261,316)	(\$2,261,316)	0%
Other Fund		\$	(3,014,538)	(\$3,014,538)	0%
Total	0	0 \$	1,887,323	+1,887,323	0%
<u>Position Summary</u>					
<u>Department of Human Services</u>					
<u>Departmental Wide Support Services</u>					
Authorized Positions	0	0	30	+30	0%
Full-time Equivalent (FTE) Positions	0	0	25.15	25.15	0%
<u>Department of Administrative Services</u>					
Authorized Positions	0	0	(22)	(22)	0%
Full-time Equivalent (FTE) Positions	0.00	0.00	(18.71)	(18.71)	0%

Summary of Revenue Changes

SB 329 creates the Oregon Health Fund (Fund) separate from the General Fund. The Fund may include monies from a variety of sources including employee and employer health care contributions, Medicaid and all monies appropriated to the Oregon Health Fund Board (Board). Interest earned from the Fund shall be credited to the Fund and all monies in the Fund are continuously appropriated to the Board.

Summary of Subcommittee Action

The measure was introduced by the Senate Interim Commission on Health Care Access and Affordability after months of public meetings and work sessions. This measure establishes the Healthy Oregon Act. The intent of the Act is to develop the Oregon Health Fund program

comprehensive plan (Plan) that meets the program goals as set out in Section 4 of the act. These goals include: covering the currently uninsured; reforming the health care delivery system; and ensuring timely access to effective, patient-centered, evidence-based and affordable health care.

The measure creates within the Department of Human Services the Oregon Health Fund Board (Board) responsible for developing the Plan. The Board will consist of seven members appointed by the Governor based on their ability to represent the best interest of Oregon as a whole and their experience with or expertise in areas of consumer advocacy, management, finance, labor and health care. Within 30 days of the effective date of the Act the Governor must appoint an executive director of the Board. The Board will establish five committees focusing on Finance, Benefits, Eligibility and Enrollment, the delivery system and a review of Federal laws. The Board will be working in conjunction with the Office of Oregon Health Policy and Research (OOHPR), the Oregon Health Policy Commission, the Health Services Commission and the Medicaid Advisory Committee to develop the proposed Plan that is to be submitted to the Governor, President of the Senate and the Speaker of the House no later than October 1, 2008.

The measure also transfers the OOHPR and the Oregon Prescription Drug Program from the Department of Administrative Services (DAS) to the Department of Human Services (DHS) effective July 1, 2007. The Subcommittee approved the transfer of \$2,261,316 General Fund, \$3,014,538 Other Funds expenditure limitation and 22 positions (18.71 full time equivalent) from DAS to DHS. In addition, beginning and ending balances will be transferred from DAS to DHS. The OOHPR, as well as the Board, will become part of the Director's Office within the Administrative Services Division of DHS in order to maintain as much independence as possible. This transfer reduces General Fund and Other Funds expenditure limitation for DAS that has already been approved in Senate Bill 5502 (2007) and increases the same for DHS (whose budget will be approved in House Bill 5031).

The Subcommittee approved one dollar of General Fund and one dollar of Other Funds expenditure limitation for the Board in order to set up the Fund.

The Subcommittee approved \$1,215,350 General Fund, \$671,971 Federal Funds expenditure limitation and established eight positions (6.44 full time equivalent) within DHS in order to carry out the requirements of the measure. The position classifications, pending review and confirmation by DAS Human Resource Services Division, include: one Principal Executive Manager G (0.91 full time equivalent); three Operations and Policy Analyst 3 (0.91 full time equivalent and 1.50 full time equivalent), one Executive Assistant 2 (0.87 full time equivalent), one Office Specialist 2 (0.75 full time equivalent), one Operations and Policy Analyst 2 (0.75 full time equivalent) and one Research Analyst 3 (0.75 full time equivalent). The Subcommittee also approved the reclass of three current positions within OOHPR and the Health Policy Commission. These positions are position 1601081 from a Principal Executive Manager A to a Principal Executive Manager B, position 1601080 from an Executive Support Specialist 2 to an Office Manager 2 and limited duration position 1601041 from an Administrative Specialist 1 to an Administrative Specialist 2.

Summary of Performance Measure Action

None.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 329-B

Department of Human Services
 Department of Administrative Services
 Eric Luther Moore -- 503-378-3742

SUBCOMMITTEE ADJUSTMENTS	DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS				FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
				LIMITED	NONLIMITED	LIMITED	NONLIMITED					
Department of Administrative Services												
Move OOHPR from DAS to DHS 10700-016												
	Personal Services	(1,004,285)	0	(2,364,379)	0	0	0	0	0	(3,368,664)	(22)	(18.71)
	Services and Supplies	(458,411)	0	(650,159)	0	0	0	0	0	(1,108,570)	0	0.00
	Special Payments	(798,620)	0	0	0	0	0	0	0	(798,620)		
Department of Human Services												
DWSS 10000-020-030												
Move OOHPR from DAS to DHS												
	Personal Services	1,004,285	0	2,364,379	0	0	0	0	0	3,368,664	22	18.71
	Services and Supplies	458,411	0	650,159	0	0	0	0	0	1,108,570	0	0.00
	Special Payments	798,620	0	0	0	0	0	0	0	798,620		
Establish Oregon Health Fund												
	Services and Supplies	1		1						2		
SB 329 Implementation												
	Personal Services	824,288	0	0	0	0	0	435,534	0	1,259,822	8	6.44
	Services and Supplies	137,912	0	0	0	0	0	74,587	0	212,499	0	0.00
	Professional Services	253,150	0	0	0	0	0	161,850	0	415,000		
TOTAL ADJUSTMENTS		\$1,215,351	\$0	\$1	\$0	\$671,971	\$0	\$1,887,323	\$0	\$1,887,323	8	6.44

* Excludes Capital Construction expenditures