

Oregon Health Authority - Agency Totals

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	1,692,058,113	1,975,167,375	2,862,916,600	2,209,589,887
Lottery Funds	10,098,261	10,592,532	10,923,154	10,353,121
Other Funds	2,271,074,220	4,264,670,000	2,869,943,521	5,601,257,540
Other Funds Non-Limited	2,910,050,130	1,904,711,565	1,859,287,088	143,500,000
Federal Funds	5,062,816,693	9,497,680,498	9,599,471,616	10,720,015,757
Federal Funds Non-Limited	108,360,598	106,880,067	106,653,023	106,653,023
Total Funds	12,054,458,015	17,759,702,037	17,309,195,002	18,791,369,328
Positions	4,226	4,532	4,530	4,414
FTE	4,109.69	4,143.41	4,479.45	4,347.21

* Includes Emergency Board and administrative actions through December 2014

Program Description

The Oregon Health Authority's mission is to help people and communities achieve optimum physical, mental, and social well-being through partnerships, prevention, and access to quality, affordable health care. Programs provide medical coverage to low-income individuals and families, and to public employees; offer treatment services to persons with mental illness, alcohol or drug addictions; provide supports for Oregonians with disabilities; and regulate the state's public health system.

CSL Summary and Issues

- The current service level for the Oregon Health Plan (OHP) assumes the sunset of the hospital assessment at the end of September 2015, per current statute.
- The inflation rate for OHP continues at 3.4% per year, on a per capital basis, consistent with Oregon's federal waiver.
- Per that federal waiver, the additional federal revenues through the Designated State Health Programs (DSHP) continue, but at a much reduced level. The funding through this mechanism was front loaded over the five year funding period. The reduction in the 2015-17 biennium compared to the previous biennium requires an additional \$202 million General Fund. Other one-time revenues used in the 2013-15 budget require backfill of an additional \$100 million General Fund.

- The ACA expansion has resulted in the addition of more than 350,000 clients on OHP. The federal government will pay 100% of costs for all newly eligible clients that come into OHP through calendar year 2016. For the final six months of the 2015-17 biennium the state will be required to pick up 5% of those costs, resulting in a General Fund cost of about \$50 million.
- CSL incorporates the impact of the Fall 2014 caseload forecasts. All caseload in MAP and certain of the caseload in Addictions and Mental Health are considered mandated caseload and funded within CSL.
- CSL includes the roll-up of the current \$116 million tobacco settlement funding in OHP to a total of \$124 million. The \$4 million for tobacco prevention and cessation activities is also rolled up in CSL.
- A full 24 months of funding for the Oregon State Hospital is included in CSL, including both Salem and Junction City locations. In March 2015, the Portland location of the hospital will close, and three wards will be opened in Junction City.
- Addictions and Mental Health received about \$20 million in revenues in the 2013-15 biennium as a result of an increase in the cigarette tax passed during the 2013 special session, and dedicated to funding community mental health programs. CSL includes a roll-up of most of that investment, for a total of \$25.5 million in 2015-17. Based on current revenue forecasts, that leaves an additional \$12 million of tobacco tax revenues available for 2015-17.

Policy Issues

- CSL for the Oregon Health Plan assumes the sunset of the hospital assessment at the end of September 2015, per current statute. If the assessment is continued at the rate that was effective for most of this biennium, it is expected to save \$364 million General Fund. Under this scenario, the base rate would be 4.3%, while an additional 1% would go back to the hospitals in its entirety, into the Hospital Transformation and Performance Program. The base rate was increased in the Fall of 2014, in order to maintain equilibrium with expenditures and revenues in the program, to 4.8%. If the biennial average rate of 4.5% was to continue for the 2015-17 biennium, another \$36 million General Fund would be saved. Another option would be to send only half of the 1% to hospitals, and keep the remaining half for programs. That would reduce the need for General Fund by about \$68 million. All these options are included in the Governor's budget.
- The Governor's budget provides funding for the Oregon State Hospital to open four of the six wards at Junction City, and also assumes that the ward currently closed in Salem will remain closed. This results in a General Fund savings of about \$38 million, compared to the CSL funding level.
- HB 2348 from the 2013 session created the Task Force on the Future of Public Health Services. The final report identifies a set of core staff capabilities and programmatic activities that should be delivered throughout Oregon. The report also states that significant and sustained state funding must be identified and allocated to achieve this goal.

- For the 2013-15 biennium, the Public Employees' Benefit Board (PEBB) budget was changed to Other Funds (Limited) in order to emphasize the importance of holding down costs. Consistent with the Medicaid program the first two years of its current waiver, costs were limited to a 4.4% per employee increase for the first year, and 3.4% for the second year. However, the Oregon Educators Benefit Board (OEBB) budget was not adjusted at that time.
- The Governor's budget limits the growth of expenditures in OEBB to a 4.4% per employee for the first year, and 3.4% for the second, similar to PEBB during the 2013-15 biennium. The result is a decrease in expenditure limitation of \$82 million compared to CSL. The budget then interprets this as a General Fund savings, and reinvests it in K-12.
- The Governor's budget takes \$120 million out of the PEBB Stabilization Fund and transfers it to the General Fund, for the "salary pot" used to fund negotiated salary and benefit increases for the 2015-17 biennium. This would still leave adequate resources in the Fund, based on the Board's targeted reserve amount. The payment of federal penalties on this fund sweep is already accounted for in this number.
- The Governor's budget funds Package 201 – Real-D, which supports the establishment of uniform standards and practices in both OHA and DHS for the collection of data on race, ethnicity, preferred spoken or signed language, preferred written language, and disability status. This would be within the Health Policy Programs budget. The OHA portion of the package costs \$1.8 million General Fund (8.52 FTE).
- Also within the Health Policy Programs budget, the Governor's budget funds a portion of Package 402 – Promote Innovative Health System Solutions. This funding continues the Transformation Center and the Office of Health Policy and Research after the State Innovation Model federal grant ends in September 2016. The cost is \$2.4 million GF (7.98 FTE).
- Package 401 – Promote and Support Community Based Services is funded in the Governor's budget. This would enable two target counties to provide Aid and Assist evaluations and restoration services in the community rather than in the Oregon State Hospital, at a cost of \$4 million General Fund. These services are required by law when someone arrested for a crime is unable to assist in their own defense. The package would also allow Addictions and Mental Health (AMH) to centralize regulatory responsibilities for the oversight of community-based mental health programs, at a cost of \$0.9 million General Fund.

Other Significant Issues and Background

- The CSL for OHA is currently based on the caseload forecasts from the Fall of 2014. There will be new forecasts available during the Spring of 2015. The budgetary impact of the new forecast, as well as any other new issues that have arisen, will be incorporated into the 2015-17 budget as part of the budget "reshoot".

- A budget note included in the budget report for HB 5030 (2013) requires OHA and the Department of Human Services to report to the 2015 Legislature on how they have each responded with plans and/or actions that address the recommendations for the agencies contained in the 2013 *Report on Senior and Disability Mental Health and Addictions*. The report should address such issues as access to services, agency capacity, system structure, and training.

Co-Chairs' Budget Framework Discussion

The Co-Chairs' budget framework set a target for the entire Human Services Program Area of \$140 million General Fund below the funding level in the Governor's Budget. The framework did not indicate how much of that reduction would be in OHA specifically. The framework does list a number of priorities, including continued support of health system transformation efforts, improved access to community mental health by continuing investments made during the 2013-15 biennium, and support of opening the Junction City state hospital in a phased approach.

OHA - Medical Assistance Programs

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	850,961,311	1,041,199,683	1,852,327,029	1,217,143,114
Other Funds	1,878,229,292	2,277,184,948	886,015,451	1,956,882,370
Federal Funds	4,096,613,488	8,681,271,381	8,909,693,375	10,003,650,030
Total Funds	6,825,804,091	11,999,656,012	11,648,035,855	13,177,675,514
Positions	397	498	528	527
FTE	387.71	489.85	519.85	518.85

* Includes Emergency Board and administrative actions through December 2014

Program Description

Medical Assistance Programs (MAP) is the state Medicaid agency, which delivers health services to about one million people. The program's mission is to provide a system of comprehensive health services to qualifying low-income Oregonians and their families to improve their health status and promote independence. MAP's budget the Oregon Health Plan (OHP), which includes Medicaid and the Children's Health Insurance Program (CHIP), as well as certain non-OHP programs.

CSL Summary and Issues

- The current service level for the Oregon Health Plan (OHP) assumes the sunset of the hospital assessment at the end of September 2015, per current statute.
- The inflation rate for OHP continues at 3.4% per year, on a per capital basis, consistent with Oregon's federal waiver.
- Per that federal waiver, the additional federal revenues through the Designated State Health Programs (DSHP) continue, but at a much reduced level. The funding through this mechanism was front loaded over the five year funding period. The reduction in the 2015-17 biennium compared to the previous biennium requires an additional \$202 million GF. Other one-time revenues used in the 2013-15 budget require backfill of an additional \$100 million General Fund.
- The ACA expansion has resulted in the addition of more than 350,000 clients on OHP. The federal government will pay 100% of costs for all newly eligible clients that come into OHP through calendar year 2016. For the final six months of the 2015-17 biennium the state will be required to pick up 5% of those costs, resulting in a General Fund cost of about \$50 million.

- CSL incorporates the impact of the Fall 2014 caseload forecasts. All caseload in MAP is considered mandated caseload and funded within CSL.
- CSL includes the roll-up of the current \$116 million tobacco settlement funding in OHP to a total of \$124 million.

Policy Issues

- CSL for the Oregon Health Plan assumes the sunset of the hospital assessment at the end of September 2015, per current statute. If the assessment is continued at the rate that was effective for most of this biennium, it is expected to save \$364 million General Fund. Under this scenario, the base rate would be 4.3%, while an additional 1% would go back to the hospitals in its entirety, into the Hospital Transformation and Performance Program. The base rate was increased in the Fall of 2014, in order to maintain equilibrium with expenditures and revenues in the program, to 4.8%. If the biennial average rate of 4.5% was to continue for the 2015-17 biennium, another \$36 million General Fund would be saved. Another option would be to send only half of the 1% to hospitals, and keep the remaining half for programs. That would reduce the need for General Fund by about \$68 million. All these options are included in the Governor's budget.
- The Governor's budget includes a General Fund reduction of \$10.7 million, assuming that statute is changed to allow mental health drugs to be placed on a statewide preferred drug list (PDL). No bill has been introduced to accomplish this.

Other Significant Issues and Background

- The CSL for OHA is currently based on the caseload forecasts from the Fall of 2014. There will be new forecasts available during the Spring of 2015. The budgetary impact of the new forecast, as well as any other new issues that have arisen, will be incorporated into the 2015-17 budget as part of the budget "reshoot".
- OHA is anticipating cost increases to the Oregon Health Plan as a result of the availability of new drugs to treat hepatitis-C. The costs are expected to be constrained by the number of specialists available to monitor patients in treatment, and are currently estimated at about \$17 million General Fund for the 2015-17 biennium.

Co-Chairs' Budget Framework Discussion

No specific budget details were identified in the Co-Chairs' budget framework for this program, although it does mention the continued support of health system transformation efforts as a priority.

OHA - Addictions and Mental Health

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	669,455,397	689,225,950	783,436,863	760,708,328
Lottery Funds	10,098,261	10,592,532	10,923,154	10,353,121
Other Funds	101,413,056	143,233,314	65,399,843	87,847,880
Federal Funds	296,107,878	274,741,434	255,017,555	276,840,698
Total Funds	1,077,074,592	1,117,793,230	1,114,777,415	1,135,750,027
Positions	2,329	2,506	2,567	2,398
FTE	2,319.87	2,236.55	2,565.56	2,396.39

Includes Capital Construction and Capital Improvements

* Includes Emergency Board and administrative actions through December 2014

Program Description

Addictions and Mental Health (AMH) provides treatment services to Oregonians at risk of developing or who have been diagnosed with any behavioral health disorder, including addictions and mental illness. Services are delivered through community non-profit providers, county mental health agencies, coordinated care organizations, as well as the state hospital system which currently has facilities in Salem and Portland.

CSL Summary and Issues

- The current service level incorporates the impact of the Fall 2014 caseload forecasts. Certain caseloads in AMH are considered mandated caseload and funded within CSL.
- A full 24 months of funding for the Oregon State Hospital is included in CSL, including both Salem and Junction City locations. In March 2015, the Portland location of the hospital will close, and three wards will be opened in Junction City.
- Addictions and Mental Health received about \$20 million in revenues in the 2013-15 biennium as a result of an increase in the cigarette tax passed during the 2013 special session, and dedicated to funding community mental health programs. CSL includes a roll-up of most of that investment, for a total of \$25.5 million in 2015-17. Based on current revenue forecasts, that leaves an additional \$12 million of tobacco tax revenues available for 2015-17.

Policy Issues

- Significant investments were made in the community mental health system during the 2013-15 biennium. Over \$40 million General Fund was invested in new or enhanced programs. In addition, an increase in the cigarette tax was passed during the September 2013 special session, providing another \$20 million in resources. Other funding was provided for mandated caseload increases, primarily for additional housing units for people with mental illness. In addition to these direct investments, the ACA expansion means that most low-income people qualify for the Oregon Health Plan. Thus many adults who could not get on OHP in the past are now able to get mental health and addiction treatment services.
- The Oregon State Hospital has experienced significant budget cuts during the last two biennia, and has been unable to manage to those reductions. The hospital's 2013-15 budget experienced a number of administrative reductions, including the 5% reduction to services and supplies that was applied across-the-board. The last few months of analysis has also revealed a number of areas that have not been budgeted at full funding in the past, including shift differentials, relief pool staffing, and expectations around vacancy savings. The result has been a significant shortfall in both staffing costs and in medical services and supplies costs. The hospital has taken management actions, including implementing and monitoring a staffing model for each ward and shift to reduce overtime costs. OSH is also working to improve its ability to maximize federal and other fund reimbursement for services. A number of these issues have been addressed in CSL for the 2015-17 biennium.
- The Governor's budget provides funding for the Oregon State Hospital to open four of the six wards at Junction City, and also assumes that the ward currently closed in Salem will remain closed. This results in a General Fund savings of about \$38 million, compared to the CSL funding level.
- The Governor's budget includes the 2015-17 roll-up costs for actions taken at the September 2014 and December 2014 Emergency Board meetings. 2015-17 costs include \$6.2 million General Fund for the Senior Mental Health Specialists program, and \$23.9 million to address the budget shortfall in OSH.
- Package 401 – Promote and Support Community Based Services is funded in the Governor's budget. This would enable two target counties to provide Aid and Assist evaluations and restoration services in the community rather than in the Oregon State Hospital, at a cost of \$4 million General Fund. These services are required by law when someone arrested for a crime is unable to assist in their own defense. The package would also allow AMH to centralize regulatory responsibilities for the oversight of community-based mental health programs, at a cost of \$0.9 million General Fund.

Other Significant and Background

- The Governor's budget uses the remaining \$12 million tobacco tax revenue to replace General Fund in the roll-up costs of the 2013-15 new investments.

- Both the 2011-13 and 2013-15 budget numbers in the chart above include Other Funds limitation for capital construction related to building the new Oregon State Hospital, both in Salem and Junction City. That project finishes this year, and no limitation is included for that purpose in the 2015-17 biennium. Debt service related to these bond proceeds is included in the State Assessments & Enterprise-wide costs section of the budget.
- The CSL for AMH is currently based on the caseload forecasts from the Fall of 2014. There will be new forecasts available during the Spring of 2015. The budgetary impact of the new forecast, as well as any other new issues that have arisen, will be incorporated into the 2015-17 budget as part of the budget “reshoot”.
- A budget note included in the budget report for HB 5030 (2013) requires OHA and the Department of Human Services to report to the 2015 Legislature on how they have each responded with plans and/or actions that address the recommendations for the agencies contained in the 2013 *Report on Senior and Disability Mental Health and Addictions*. The report should address such issues as access to services, agency capacity, system structure, and training.

Co-Chairs’ Budget Framework Discussion

No specific budget details were identified in the Co-Chairs’ budget framework for this program, although it does mention support of improved access to community mental health by continuing investments made during 2013-15 for the full 2015-17 biennium.

OHA - Public Employees' Benefit Board

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	7,553	-	-	
Other Funds	6,618,440	1,541,297,901	1,644,093,309	1,645,718,505
Other Funds Non-Limited	1,186,733,112	-	-	
Total Funds	1,193,359,105	1,541,297,901	1,644,093,309	1,645,718,505
Positions	19	20	19	22
FTE	18.50	19.50	18.50	21.50

* Includes Emergency Board and administrative actions through December 2014

Program Description

The Public Employees' Benefit Board (PEBB) contracts for and administers medical, dental, and vision insurance programs for state employees and their dependents.

CSL Summary and Issues

The current service level includes inflation at 3.4% per year, per employee (excluding administration), consistent with the Medicaid program. That will need to be adjusted as better data are available to estimate actual expenditures for the 2013-15 biennium.

Policy Issues

- Beginning in 2013-15, this budget was switched from Other Funds (Nonlimited) to Other Funds (Limited) in order to emphasize the importance of holding down costs. Consistent with the Medicaid program the first two years of its current waiver, costs were limited to a 4.4% per employee increase for the first year, and 3.4% for the second year. At this point in the biennium, it appears that the agency will successfully meet the biennial target. Costs per employee were down 5.2% in 2012 compared to 2011, and up 5.2% in 2013. Preliminary data for 2014 show a 2.8% increase over the previous year.
- PEBB did a full Request for Proposal (RFP) process last year, emphasizing elements included in the coordinated care model in choosing insurance carriers. The new plans went into effect January 1, 2015.
- Because PEBB has managed costs better than anticipated when premiums were set over the last three years, a significant reserve has built up in the Stabilization Fund.

- The Governor’s budget includes funding for three additional staff to address workload issues related to HB 2279 (2013) which allows local governments to participate in benefit plans offered by PEBB or the Oregon Educators Benefit Board (OEBB).

Other Significant Issues and Background

The Governor’s budget takes \$120 million out of the Stabilization Fund, and transfers it to the General Fund, for the “salary pot” used to fund negotiated salary and benefit increases for the 2015-17 biennium. This would still leave adequate resources in the Fund, based on the Board’s targeted reserve amount. The payment of federal penalties on this fund sweep is already accounted for in this number.

Co-Chairs’ Budget Framework Discussion

The Co-Chairs’ budget framework for this program includes support of the expansion of the coordinated care model to PEBB, limiting cost growth to a set, sustainable rate. The framework also includes the use of the excess Stabilization Fund to supplement the General Fund.

OHA - Oregon Educators Benefit Board

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	9,015	-	-	
Other Funds	9,508,012	11,692,737	11,514,734	1,645,739,370
Other Funds Non-Limited	1,438,904,026	1,628,294,000	1,715,787,088	-
Total Funds	1,448,421,053	1,639,986,737	1,727,301,822	1,645,739,370
Positions	25	24	22	23
FTE	22.75	24.00	22.00	23.00

* Includes Emergency Board and administrative actions through December 2014

Program Description

The Oregon Educators Benefit Board (OEBB) contracts for and administers medical and dental insurance programs for various school districts, education service districts, and community college districts throughout the state.

CSL Summary and Issues

The current service level uses an inflation factor based on information from the actuaries used by OEBB, as well as historic cost trends.

Policy Issues

For the 2013-15 biennium, the PEBB budget was changed to Other Funds (Limited) in order to emphasize the importance of holding down costs. Consistent with the Medicaid program the first two years of its current waiver, costs were limited to a 4.4% per employee increase for the first year, and 3.4% for the second. However, the OEBB budget was not adjusted at that time.

Other Significant Issues and Background

- The Governor's budget limits the growth of expenditures in OEBB to a 4.4% per employee for the first year, and 3.4% for the second. The result is a decrease in expenditure limitation of \$82 million compared to CSL. The Governor's budget then interprets this as a General Fund savings, and reinvests it in K-12.
- The Governor's budget includes funding for one additional staff to address workload issues related to HB 2279 (2013) which allows local governments to participate in benefit plans offered by PEBB or OEBB.

Co-Chairs' Budget Framework Discussion

No specific budget details or issues were identified in the Co-Chairs' budget framework for this program.

OHA - Public Health

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	35,946,937	40,217,433	42,682,993	41,882,993
Other Funds	70,013,847	88,608,993	89,746,717	91,672,688
Other Funds Non-Limited	30,318,220	40,000,000	40,000,000	40,000,000
Federal Funds	219,346,075	253,022,418	250,561,052	252,407,462
Federal Funds Non-Limited	104,086,190	102,729,051	102,729,051	102,729,051
Total Funds	459,711,269	524,577,895	525,719,813	528,692,194
Positions	704	726	703	715
FTE	682.34	700.17	685.92	695.35

* Includes Emergency Board and administrative actions through December 2014

Program Description

Public Health provides a diversity of services to improve and protect the health of all Oregonians. The program manages more than 100 prevention-related programs that halt the spread of disease, protect against environmental hazards, and promote healthy behaviors. Much of the work is carried out by local county health departments which are supported in their work by Public Health staff. By working to address behavioral and social drivers of health, public health programs can complement and amplify investments in other health care programs.

CSL Summary and Issues

- The current service level does not include the roll-up of the current \$4 million of tobacco settlement revenues dedicated to tobacco prevention and cessation activities. This revenue is used to fund the Oregon Health Plan instead.

Policy Issues

- The Public Health program is comprised of 68% federal funds, consisting of many different federal grants. Numerous other programs are funded with revenues from fees. General Fund makes up less than 8% of the total budget, and is concentrated in just a few areas. These include state support of county public health departments, administration, immunizations, HIV/STD/TB prevention, family planning (CCare), the breast and cervical cancer screening program, and Babies First. Consequently, any General Fund reductions also fall into these few areas.

- During the 2011-13 biennium, medical marijuana fees were increased and used to replace \$6.7 million General Fund in various other programs in Public Health. These programs include the Emergency Medical Services and Trauma Systems, Drinking Water, School Based Health Centers, and CCare. This funding arrangement continues in CSL.
- HB 2348 in the 2013 session created the Task Force on the Future of Public Health Services to study regionalizing and consolidating public health services, the future of public health in Oregon, and make recommendations for legislation. The report was finished in September 2014, and recommends allowing local public health to have flexibility to operationalize a set framework of programs either at the individual county level or in a multi-jurisdictional setting. The report identifies a set of foundational capabilities and programs that are needed throughout the state and local public health system. These include a set of core staff capabilities and programmatic activities that should be delivered throughout Oregon. The report states that significant and sustained state funding must be identified and allocated to achieve this goal. The Governor's budget includes \$500,000 General Fund for this purpose.
- The agency request budget includes new fees related to the Radiation and Protection Services program, for which statutory change is required (SB 228). In addition, the budget includes two fee ratifications of fees that were increased administratively in the interim. One is for the newborn screening kit fees, and one for the Radioactive Material Licensing Program.

Other Significant Issues and Background

- The Governor's budget includes a \$1 million General Fund investment in emergency preparedness, as well as \$500,000 for the Patient Safety Commission, which is housed in Public Health.
- The Governor's budget includes a General Fund reduction in CCare of \$2.8 million. The rationale is that the funding will not be needed now that many more people have health insurance.

Co-Chairs' Budget Framework Discussion

No specific budget details or issues were identified in the Co-Chairs' budget framework for this program.

OHA - Health Policy, Private Health Partnerships, Health Licensing

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	9,238,422	46,006,249	15,436,692	20,315,058
Other Funds	61,280,898	30,379,002	11,048,106	11,196,904
Other Funds Non-Limited	254,094,772	236,417,565	103,500,000	103,500,000
Federal Funds	346,018,978	204,079,065	112,336,464	115,124,308
Total Funds	670,633,070	516,881,881	242,321,262	250,136,270
Positions	217	227	161	197
FTE	166.27	156.04	147.68	170.18

* Includes Emergency Board and administrative actions through December 2014

Program Description

The following programs are grouped here:

- Health Policy Programs – during the 2013-15 biennium OHA moved a number of offices previously located in Central Services to this newly created structure. The included the Office of the Health Director, Office of Health Policy and Research, Office of Health Analytics, OHA Transformation Center, Office of Equity and Inclusion, and the Office of Health Information Technology. For the 2015-17 biennium, all General Fund shown is a part of Health Policy Programs.
- Office of Private Health Partnerships – this office administered six programs that closed in the 2013-15 biennium due to the implementation of ACA, including the Family Health Insurance Assistance Program (FHIAP), the Oregon Medical Assistance Pool, the Federal Medical Assistance Pool, the Children’s Reinsurance Pool, Healthy Kids Connect, and the Information, Education and Outreach program. All that remains for 2015-17 is the Oregon Transitional Reinsurance Pool program, implemented by HB 3458 (2013) to help stabilize the individual insurance market by paying a portion of high-cost claims. The program will cover certain claims incurred through December of 2016. For 2015-17 this program is budgeted primarily with Other Funds (Nonlimited) expenditure limitation.
- Health Licensing Office – this is a licensing and regulatory office that had been a stand-alone agency in the past. It was incorporated into OHA during the 2013-15 biennium, as a result of HB 2074 (2013). This program is supported by fee revenues, and is budgeted as Other Funds expenditure limitation.

CSL Summary and Issues

During the 2013-15 biennium, \$30 million General Fund was budgeted to go to Coordinated Care Organizations to fund innovative pilot projects. This was referred to as the Transformation Fund. This was considered one-time funding, and was not rolled up in the current service level for 2015-17.

Policy Issues

- The Governor's budget funds Package 201 – Real-D, which supports the establishment of uniform standards and practices in both OHA and DHS for the collection of data on race, ethnicity, preferred spoken or signed language, preferred written language, and disability status. This would be within the Health Policy Programs budget. The OHA portion of the package costs \$1.8 million General Fund (8.52 FTE).
- Also within the Health Policy Programs budget, the Governor's budget funds a portion of Package 402 – Promote Innovative Health System Solutions. This funding continues the Transformation Center and the Office of Health Policy and Research after the State Innovation Model federal grant ends in September 2016. The cost is \$2.4 million GF (7.98 FTE).

Other Significant Issues and Background

None

Co-Chairs' Budget Framework Discussion

No specific budget details or issues were identified in the Co-Chairs' budget framework for these programs.

OHA - Central, Shared, and Statewide Assessments & Enterprise-wide Costs

	2011-13 Actuals	2013-15 Leg. Approved*	2015-17 CSL LFO	2015-17 Governor's
General Fund	126,439,481	158,518,060	169,033,023	169,540,394
Other Funds	144,010,675	172,273,105	162,125,361	162,199,823
Federal Funds	104,730,274	84,566,200	71,863,170	71,993,259
Federal Funds Non-Limited	4,274,408	4,151,016	3,923,972	3,923,972
Total Funds	379,454,838	419,508,381	406,945,526	407,657,448
Positions	535	531	530	532
FTE	512.25	517.30	519.94	521.94

Includes Debt Service

* Includes Emergency Board and administrative actions through December 2014

Program Description

This budget includes Central Services, Shared Services, and State Assessments & Enterprise-wide Costs. Central Services includes all governance functions specifically for the operation of OHA, such as the director's office, communications, and a portion of budget and human resources. Shared Services provide administrative services to both OHA and Department of Human Services, regardless of where each function is housed. Information Services are housed in OHA, while DHS houses financial services, budget, human resources, facilities, and procurement. State Assessments & Enterprise-wide Costs includes the budget to pay for central government assessments and usage charges, as well as debt service. Included are state government service charges, risk assessments, Enterprise Technology Services usage charges, and rent. In addition, the funding to pay for shared services is included here.

CSL Summary and Issues

Debt service costs related to building the Oregon State Hospital are included in the State Assessments & Enterprise-wide Costs section of the budget. For 2015-17 these total \$69.7 million General Fund and \$3.9 million Federal Funds.

Policy Issues

None

Other Significant Issues and Background

None

Co-Chairs' Budget Framework Discussion

No specific budget details or issues were identified in the Co-Chairs' budget framework for these programs.