

## EMERGENCY BOARD

### Co-Chairs' Recommended Department of Human Services Allotment Reduction Adjustments

July 19, 2010

DHS Division	DHS Reduction Number	DHS Reduction Issue	Original Implementation Date	GF Reduction through June 2011	TF Reduction through June 2011	GF restore through February 2011	GF restore through June 2011	Total 2009-11 GF impact
<b>Fund selected programs to continue through February or June 2011</b>								
SPD	SPD #6	Medicaid Personal Care Program (PC20) for aged and disabled persons	8/1/2010	762,898	2,375,705	-	762,898	762,898
HS-AMH	AMH #20	Medicaid Personal Care Program (PC 20) for persons w/mental illness	8/1/2010	770,530	2,140,427	-	770,530	770,530
SPD	SPD #19	In-home supports for children with developmental disabilities	9/1/2010	2,105,515	2,105,515	-	2,105,515	2,105,515
SPD	SPD #14	In-Home - Instrumental Activities of Daily Living hours	10/1/2010	8,215,534	25,708,247	4,564,186	-	4,564,186
SPD	SPD #25	Higher case management ratios for children w/ developmental disabilities	10/1/2010	1,329,530	3,346,146	738,628	-	738,628
HS-AMH	AMH #19	Community Mental Health non-Medicaid children & adults	7/1/2010	4,249,016	4,249,016	2,832,677	-	2,832,677
SPD	SPD #5	Oregon Project Independence	8/1/2010	7,612,665	7,612,665	3,679,816	-	3,679,816
SPD	SPD #8	County Developmental Disability Programs/Brokerages Targeted Case Mgmt	10/1/2010	1,003,658	2,660,707	557,588	-	557,588
SPD	SPD #7	Developmental Disabilities Family Support program	8/1/2010	1,800,000	1,800,000	1,145,455	-	1,145,455
<b>Total Selected Buy Backs</b>				<b>27,849,346</b>	<b>51,998,428</b>	<b>13,518,350</b>	<b>3,638,943</b>	<b>17,157,293</b>
<b>Take additional reductions from</b>								
HS-DMAP	new	Net savings attributable to national health care reform drug rebate changes	1/10, 3/23/2010	(1,431,322)	(3,961,258)	-	-	(1,431,322)
HS-DMAP	new	Implement decision support software for fee-for-service (FFS) imaging orders and require prior authorization (PAs) for MRI and CT scans	1/1/2011	(336,880)	(937,982)	-	-	(336,880)
<b>Sub-total - New DHS Reductions</b>				<b>(1,768,202)</b>	<b>(4,899,240)</b>	<b>-</b>	<b>-</b>	<b>(1,768,202)</b>
<b>Allocation from \$30 million DHS SPA needed to balance buy backs</b>								<b>(15,389,091)</b>
<b>Remaining DHS SPA balance</b>								<b>14,610,909</b>

**COMMENTS:**

- \* Adds funding to restore three high priority issues (Medicaid Personal Care in SPD and AMH, in-home supports for children with developmental disabilities) through June 2011.
- \* Adds funding to restore other high priority issues through February 2011. Bridge funding through February allows for more information on state and federal resources, more realistic timeframe for CMS approval where needed, and further work on program impacts. Unfunded cost to continue these services through June 2011 is \$10.6 million GF.
- \* Does not add funding for SPD #4 Medicaid Home Delivered Meals, SPD #16 and #21 Community Facilities Payments, and SPD #22 Nursing Facilities Payments, with direction to the Department of Human Services to not make those reductions, and instead identify an offsetting \$10,785,169 GF non-program savings elsewhere in the agency budget.
- \* Leaves \$14.6 million in available special purpose appropriation. Ongoing budget risks include future revenue needs, caseload increases, federal penalties or other DHS budget problems.