



# GO! LEGISLATIVE UPDATE

January 3, 2012

## **LOOKING AHEAD TO FEBRUARY 2012**

Believe it or not, the next legislative session is right around the corner. The Oregon Legislature convenes annually in February at the State Capitol in Salem. In odd-numbered years, these sessions last up to 160 days; in even-numbered years, they last only 35 days.

What can we expect in the upcoming **February 2012 Short Session**? Probably very few policy bills and considerable attention on the budget, but stay tuned as legislative measures are being drafted right now.

The Legislature will also convene at the Capitol for three days in January (18<sup>th</sup> through 20<sup>th</sup>) for the last of its **Interim Session "Legislative Days."** Much of the work over these three days will be on preparations for the short legislative session.

The following are a few things we'll be watching closely in the 2012 legislative session:

### **Voluntary Provider Assessment**

Oregon's developmental disability service delivery system has sustained 6% across the board cuts in service provider rates over the past two years. The DD provider community has identified a way to minimize the severity and harm of those cuts by volunteering to pay a 1% provider assessment on contracted revenue. This assessment would generate revenue and would be matched by almost \$9 million in Medicaid dollars at no cost to Oregon's General Fund.

This solution was proposed too late in the 2011 legislative session to receive action. However, the voluntary provider assessment bill will be reintroduced during the February 2012 legislative session by the House Revenue Committee, chaired by Representatives Barnhart and Berger.

*Your advocacy in support of this 1% Voluntary Provider Assessment for I/DD services funded through DHS/SPD is needed to help protect these necessary services and the jobs of those who provide them.*

A **Fact Sheet** providing more information is posted on the DD Coalition web site at:

[http://oregonddcoalition.org/oddsys/uploads/Voluntary\\_Assessment\\_Fact\\_Sheet.pdf](http://oregonddcoalition.org/oddsys/uploads/Voluntary_Assessment_Fact_Sheet.pdf)

## **Proposed Budget Reductions**

Given the state's continued sluggish economy and projected declines in revenue forecasts on which the 2011-13 budget was based, it should come as no surprise that the legislature is already gathering information as to what additional cuts it might need to make in the State's 2011-13 budget when it convenes for its short session in February 2012.

Oregon's Legislative Fiscal Office (LFO) has asked all state agencies to submit reduction options totaling 10.5% of their 2011-13 legislatively adopted budget, including the 3.5% supplemental ending balance adjustment amount.

The complete list of proposed reductions has been compiled into a report and is posted on the LFO web site at: <http://www.leg.state.or.us/comm/lfo/budget/home.htm>

For the **Department of Human Services (DHS)**, this means reductions that could total approximately ***\$210-220 million*** of its general fund budget. Keep in mind that this is on top of budget reductions that have been put into effect starting in July 2011 and that continue to be phased in for the current biennium.

The following are just a few of the further reductions being considered by DHS:

- Further reductions in reimbursement rates for Support Service Brokerages to 85% for Targeted Case Management (TCM) and administration.
- Further reductions in reimbursement rates for County Developmental Disability Programs (CDDPs) to 85% for TCM
- Rate Reduction of 15% for Adult Staley Support Clients. The average cost per service plan will be reduced from \$615 per month to \$523 per month.
- Elimination of the remaining \$6 million in the Fairview Trust Account. Approximately \$6.9 million of the Funds were removed from the Trust in the 2011 legislative session.
- Elimination of the DD Family Support Program. This program has already sustained cut after cut over the years and the current funding level falls far short of meeting the needs of families served by these programs. Eliminating the program entirely would eliminate services to about 1140 families of children with developmental disabilities.
- Elimination of the DD Family-to-Family network Support Contract starting in July 2012.
- Increase the staffing ratios at CDDPs from 1:45 to 1:80.
- Elimination of the Alternate to Employment (ATE) program (three sequential levels of reductions being considered).

The **Oregon Health Authority (OHA)**, whose 2011-13 budget was already reduced by more than 11 percent due to severe revenue shortfall (and is also based on a presumed cost savings of \$239 million in the second year of the biennium due to implementation of health care transformation) is also facing further cuts.

The following is just a partial list of some of the reductions being considered by the OHA:

- Reductions in reimbursement rates for Durable Medical Equipment (DME) services provided to Oregon Health Plan clients.
- Various options related to elimination of certain types of dental services and elimination of coverage for certain types of Oregon Health Plan (OHP) Plus and OHS Standard clients.
- Elimination of coverage for therapy services (physical therapy, occupational therapy and speech therapy) for Oregon Health Plan (OHP) Plus non-pregnant adults.
- Elimination of coverage for prosthetic devices, hearing aids, chiropractic services and podiatry services for Oregon Health Plan (OHP) Plus non-pregnant adults.
- Covering 26 fewer lines on the Prioritized List of Health Services under the Oregon Health Plan. Starting October 1, 2012, OHP would cover Lines 1 through 472.
- Reduction in reimbursement rates for primary care services provided to OHP clients. These were rate reductions that were considered in the last legislative session but money was found at the last minute to avoid the cuts. If this reduction is taken, primary care rates would be cut to the same level as rate for other physician services. Obstetrics rates would also be reduced.

### **Adopt-a-Legislator for the 2012 Legislative Session**

The Grassroots Oregon Project is coordinating Adopt-a-Legislator Advocacy Teams for the 2012 Legislative Session.

For those who participated last year, you know the 2011 Adopt-a-Legislator campaign was a huge success! Participants collectively adopted more than half of the state legislature. Meaningful connections were made with legislators and voices were heard at the Capitol and legislative offices across the state! These advocacy efforts make a difference by increasing awareness of DD issues and building a foundation of support within the legislative community.

The 2012 legislative session is quickly approaching and advocacy teams are being organized once again.

Members of each Advocacy Team will receive exciting new "Print and GO!" advocacy materials and ongoing support from the GO Project. Photos and activity updates will once again be shared through Facebook, email and the DD Coalition website.

*Do not delay...**Adopt your Legislator Today!*** For more information on how to participate, see <http://oregonddcoalition.org/index.php/oddc/go/highlights>

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