

STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Department of Human Services, Administrative Services Division and Director's Office

407

Agency and Division

Administrative Rules Chapter Number

In the Matter of:

The proposed adoption of OAR 407-043-0010 and the repeal of OAR 407-043-0010(T).

Rule Caption: (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

Department of Human Services Roles and Responsibilities During Oregon Health Authority Operational Transition Period

Statutory Authority: **ORS 409.050 & 2009 Or. Laws Chapter 595 (House Bill 2009)**

Other Authority:

Stats. Implemented: **2009 Or. Laws Chapter 595 (House Bill 2009)**

Need for the Rule(s):

Effective June 26, 2009, 2009 Or. Laws Chapter 595 (House Bill 2009) created the Oregon Health Authority (OHA) and transferred to OHA certain duties, functions, and powers of the Department of Human Services (Department) with respect to health and health care. House Bill 2009 authorized an operational transition period beginning June 26, 2009 and ending no later than June 30, 2011. These proposed rules need to be adopted to explain the roles and responsibilities of the Department and OHA concerning these transferred duties, functions, and powers during the operational transition period.

Documents Relied Upon, and where they are available:

House Bill 2009, available at: <http://www.leg.state.or.us/09reg/measpdf/hb2000.dir/hb2009.en.pdf>

Fiscal and Economic Impact:

These proposed rules explain the roles and responsibilities of OHA and the Department during the operational transfer period resulting from the implementation of HB 2009. Because the proposed rules do not change current business practices, adopting these rules will have no fiscal impact on the Department, OHA, other state agencies, local government, clients, the public, and businesses, including small businesses.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

There is no cost of compliance.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule: N/A
There are no small businesses, as that term is defined in ORS 183.310(10), subject to the proposed rules.

b. Projected reporting, record keeping and other administrative activities required for compliance, including costs of professional services:

N/A

c. Equipment, supplies, labor and increased administration required for compliance:

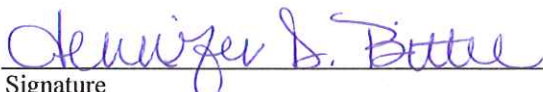
N/A

How were small businesses involved in the development of this rule?

Small businesses were not involved in the development of these rules because they are not impacted by these rules.

Administrative Rule Advisory Committee consulted? If not, why?:

No. Because these proposed rules govern internal OHA and Department roles and responsibilities during the operational transition period, a rule advisory committee was not convened.



Jennifer Bittel, DWSS Rules Coordinator

11/12/09

Signature

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97301. ARC 925-2007

**CHAPTER 407
DEPARTMENT OF HUMAN SERVICES,
ADMINISTRATIVE SERVICES DIVISION AND DIRECTOR'S OFFICE**

**DIVISION 43
OREGON HEALTH AUTHORITY**

407-043-0010

Oregon Health Authority Transition Period Roles and Responsibilities

- (1) Effective June 26, 2009, 2009 Or. Laws Chapter 595 (House Bill 2009) created the Oregon Health Authority and transferred certain duties, functions, and powers of the Department of Human Services (Department) with respect to health and health care to the Oregon Health Authority. House Bill 2009 also authorized an operational transition period beginning June 26, 2009 and ending no later than June 30, 2011. The transferred subject areas are generally described in Section 19(1)(a), 2009 Or. Laws Chapter 595 as including but not limited to:
 - (a) Developing the policies for and the provision of publicly funded medical care and medical assistance in Oregon;
 - (b) Ensuring the promotion and protection of public health and the licensing of health care facilities;
 - (c) Developing the policies for and the provision of mental health treatment and treatment for substance use disorders;
 - (d) Administering the Oregon Prescription Drug Program; and
 - (e) Establishing responsibility for the Office for Oregon Health Policy and Research and all functions of the office.
- (2) The transferred functions described in section (1)(a)-(e) above are generally carried out as currently described in Department rules by the Public Health Division, the Addictions and Mental Health Division, and the Division of Medical Assistance Programs.
- (3) Operational transfer of any Department program, business transaction, judicial or administrative proceeding, or any other duty, function, or power transferred to the Oregon Health Authority may occur, in whole or in part, on the date specified by the Oregon Health Authority, but no later than June 30, 2011.
- (4) In accordance with OAR 943-001-0010 to 943-001-0015, the Department shall continue to exercise all of the duties, functions, and powers relating to the transfer to the Oregon Health Authority, subject to the supervision and oversight of the Oregon Health

Authority, until superseded by operational transfer, either in whole or in part, to the Oregon Health Authority as follows:

- (a) All rules shall remain in effect and ongoing rule filing processes may continue.
- (b) All program administration, policies, and procedures shall remain in effect and may continue to be developed and implemented.
- (c) Any judicial or administrative action, proceeding, contested case hearing, administrative review matter, or new action, proceeding, or matter involving or relating to the Department's duties, functions, or powers transferred to the Oregon Health Authority shall continue under the Department.
- (d) All procurements, contracts, grants, or other business transactions shall remain the Department's responsibility.
- (e) Rights and obligations legally incurred under contracts, leases, and business transactions shall remain legally valid.
- (f) Any taxes, assessments, fees, charges, or any payments due and payable to or reimbursable by the Department relating to the duties, functions, or powers transferred to the Oregon Health Authority shall continue to be paid to or reimbursed by the Department on behalf of the Oregon Health Authority.
- (g) Any former statutorily required findings, determinations, or recommendations to be made by the Department shall remain the Department's responsibility.
- (h) All filings, notices, or service documents that were formerly mailed, provided to, or served upon the Department relating to the duties, functions, or powers transferred to the Oregon Health Authority shall continue to be made, provided to, or served upon the Department on behalf of the Oregon Health Authority.
 - (A) Mailing or service of notices or documents on the Department shall be considered notice to the Oregon Health Authority. For example, any notice sent to the Department of Human Services Estate Administration Unit for purposes of ORS 113.145, 114.525, and 130.370 shall be considered notice to the Oregon Health Authority.
 - (B) If mailed, provided to, or served on the Oregon Health Authority, the filing, notice, or document shall be transmitted to the Department to respond or take such other actions as necessary to protect the state's interests.
- (5) Any and all remaining duties, functions, or powers relating to the duties, functions, and powers transferred to the Oregon Health Authority that are not described in section (4)

ADOPT

shall continue in effect or be exercised by the Department until superseded by operational transfer, either in whole or in part, to the Oregon Health Authority.

Stat. Auth.: ORS 409.050 & 2009 Or. Laws Chapter 595 (House Bill 2009)

Stats. Implemented: 2009 Or. Laws Chapter 595 (House Bill 2009)