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# Governor's Balanced Budget 2013-2015

Oregon Health Authority

Bruce Goldberg, MD, OHA Director

Mike Bonetto, Governor Kitzhaber Health Policy Advisor



# Governor's Balanced Budget

- Education – put children, families and education first
- Jobs – invest in jobs and innovation
- Costs – lower costs & increases efficiency

The Healthy People portion of the budget, which includes the Oregon Health Authority, helps meet those principles.

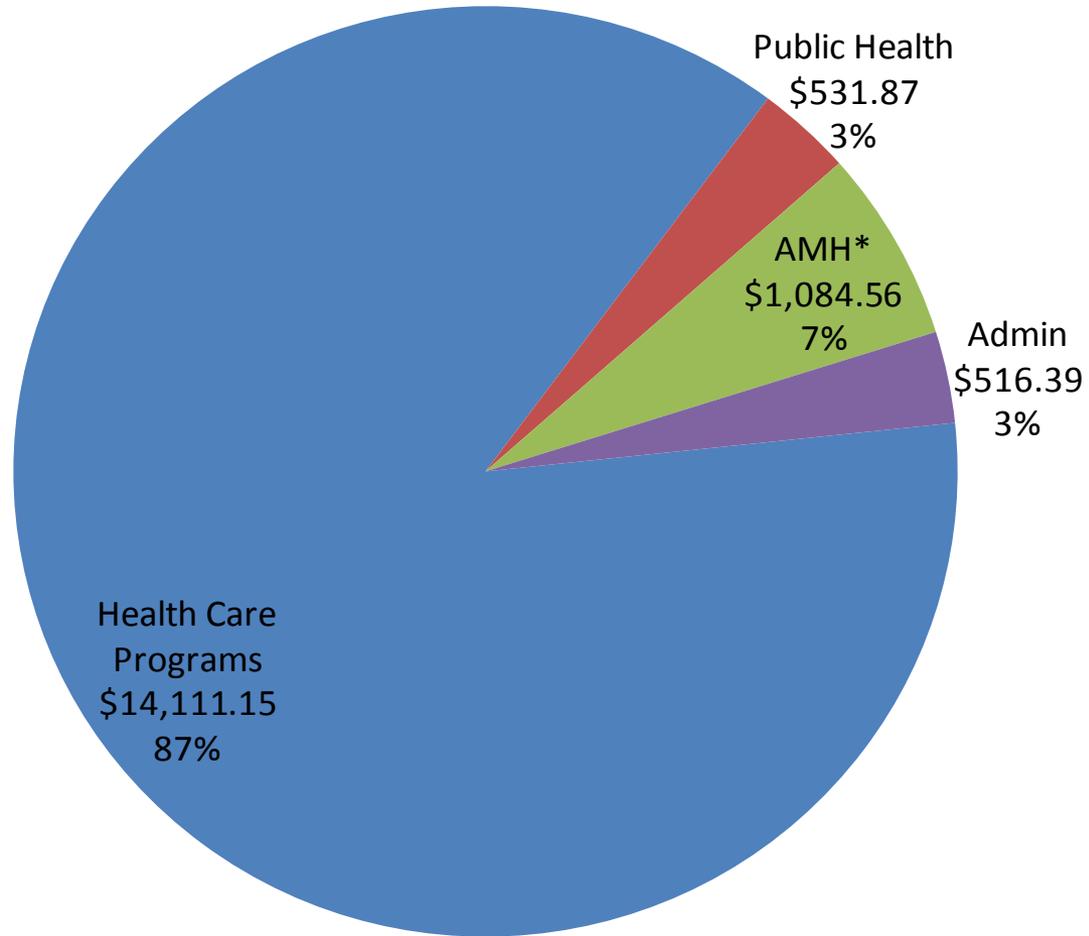
# OHA Budget 2013-15

- Lowers cost of Oregon Health Plan
- Funds OHP to targeted and sustainable growth that meets agreement with CMS
- Increases access to health care coverage to more than 200,000 through Affordable Care Act
- Increases community mental health investments
- Supports strategic investments in prevention and management of chronic disease

# Oregon Health Authority – Budget summary

- **\$16.2B Total funds**
  - \$2B General fund
  - \$8.1B Federal funds
  - \$2.3B Other funds
  - \$3.7B Other funds (Non limited- PEBB & OEBC benefits)
  - \$107.1M Federal funds (Non limited- WIC vouchers)
  - \$10.5M Lottery funds

# Total Funds by OHA Program



\*Includes Capital Improvement and Capital Construction (\$80M)

# Oregon Health Plan - \$10.2 Billion

Funds OHP and lowers costs per agreement with CMS

- 4.4% increase in per capita expenses in year one
- 3.4% increase in per capita expenses in year two

Strategic investments

- \$4.6M – GF rural malpractice coverage
- \$30M - GF Health System Transformation Fund
- \$1.6M – GF for Patient Safety Commission

Expands coverage in Jan. 2014 – Health care costs 100% federally funded 2013-15

- ~ 200,000 through ACA.
  - 30% of state's remaining uninsured Oregonians
  - Reduced medical debt & cost shift, increased access to care

# Oregon Health Plan, con't

## Revenues

- \$910M - Designated State Health Program
- \$600M - hospital tax
- \$160M - general fund investments
- \$120M tobacco master settlement agreement

# Addictions and Mental Health Division - \$1 Billion

43% increase in Oregon's community mental health and addiction treatment system

## Community mental health

- \$10.0M – Strengthens community mental health services
  - \$1.5M – Funds Oregon Psychiatric Access Line for Kids
  - \$1.8M – Expands Early Assessment and Support Alliance to be statewide
  - \$5.2M – Increases supported housing services
  - \$1.5M – Expands supported employment services
- \$15M – Incentives from health system transformation fund for partnerships between CCOs and community mental health programs and providers.

# Addictions and Mental Health, con't.

- \$45M – Reinvests savings from the 2014 Medicaid expansion into the community mental health and addictions treatment system
- \$41M – Increased community mental health capacity – supported housing, facility beds, peer-delivered services
- \$2.6M – Expands the intensive treatment and recovery services (ITRS) program that helps reunite and keep families together when parents enter treatment for drug and alcohol addiction.

# Addictions and Mental Health, con't.

## Oregon State Hospital

- Closure of Blue Mountain Recovery Center in January 2014
- Closure of 90 leased mental health beds at the Portland campus of Oregon State Hospital
- Closure of one geriatric ward at the Oregon State Hospital in Salem
- Opening of the Oregon State Hospital Junction City Campus in April 2015 - replaces closed beds.
- Restoration of the one-time reductions and saving listed above = limited investment of \$3 million for hospital system

# Office of Private Health Partnerships - \$461.2M

With implementation of the ACA in Jan., 2014

- Phasing out of the Family Health Insurance Assistance Program, Oregon Medical Insurance Pool, and Federal Medical Insurance Pool

# Public Health Division - \$531.9M

- Increases net GF investment over 2011-13 by ~\$1 million
- Makes strategic investments in innovative partnerships between local public health departments and CCOs from the Transformation Fund
- Protects funding for school-based health centers

# Public employees

## **Oregon Educators Benefit Board - \$1.6 B**

Increase in Other Funds and Other Fund Non-Limited to account for Home care workers benefit administration.

## **Public Employees' Benefits Board - \$1.76 B**

Increase in Other Funds and Other Fund Non-Limited budget by \$30M to account for expected payments to cover the Health Engagement Model.

## **Furloughs**

Eliminates furloughs and restores basic level of government services.

## **PERS**

Adjusts out-of-state benefits and caps cost-of-living increases, increasing purchasing power of state agencies & school districts.

Questions?