



2011-13 Charge

- Live within dollars available
 - This biennium \$13.5 B + \$1.3 B one time money
 - Next biennium \$14.8 B revenue with CSL = \$18.1
 - Change what and how we are doing things rather than simply doing less of the same



2011-13 Charge

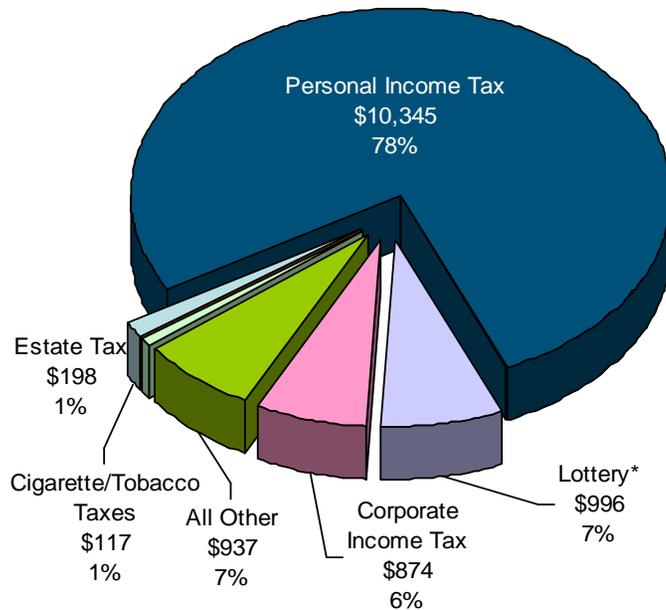
- Live within available dollars
- Use dollars we have to build a better future
- Approach
 - Manage to the triple aim
 - Manage to a fixed budget
 - Integrate services
 - Regional accountability for cost and outcome



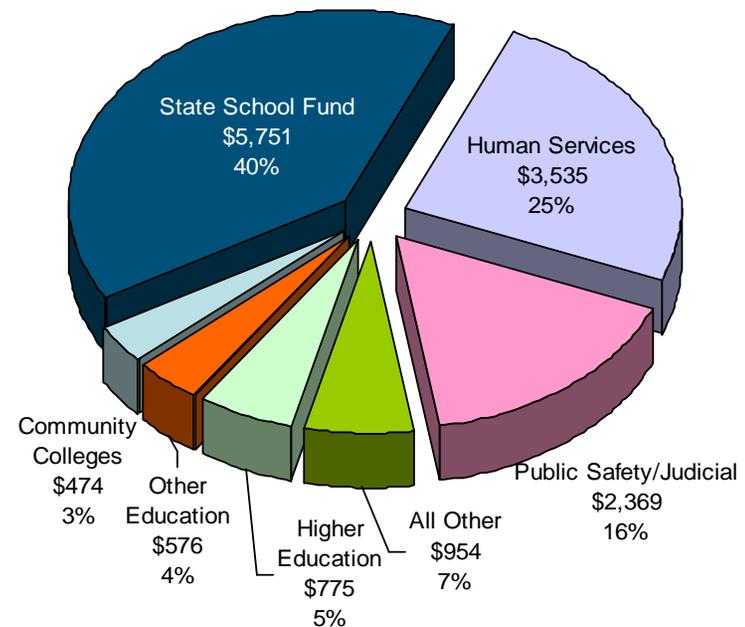
Legislatively Approved Budget 2009-11 **

General Fund and Lottery Funds Combined

Available Resources Total: \$13,467 Million



Expenditures Total: \$14,434 Million



* Includes beginning balance & carry forward

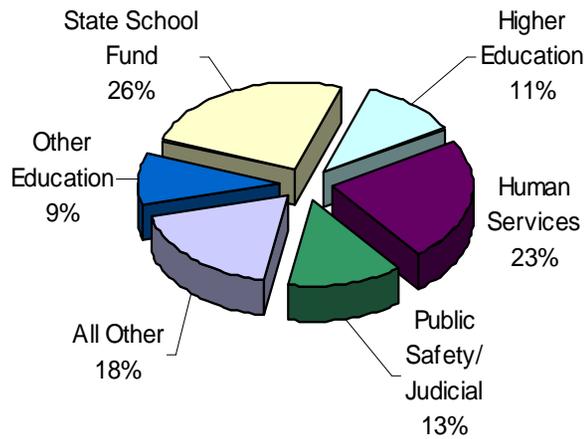
** The Legislature did not reduce Natural Resource Lottery Fund Expenditures because the lottery revenues for those programs are automatically reduced. While this technically leaves a negative ending balance in lottery resources, the shortfall is automatically adjusted through the Lottery Funds allocation process. The remaining difference is covered through the Governor using his allotment authority to reduce agency spending to bring the state budget back into balance.



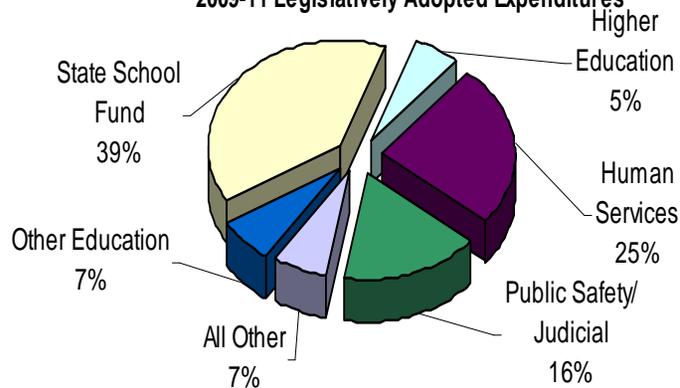
General Fund & Lottery Funds Budget Trends

Overall Expenditure

1989-91 Legislatively Approved Expenditures

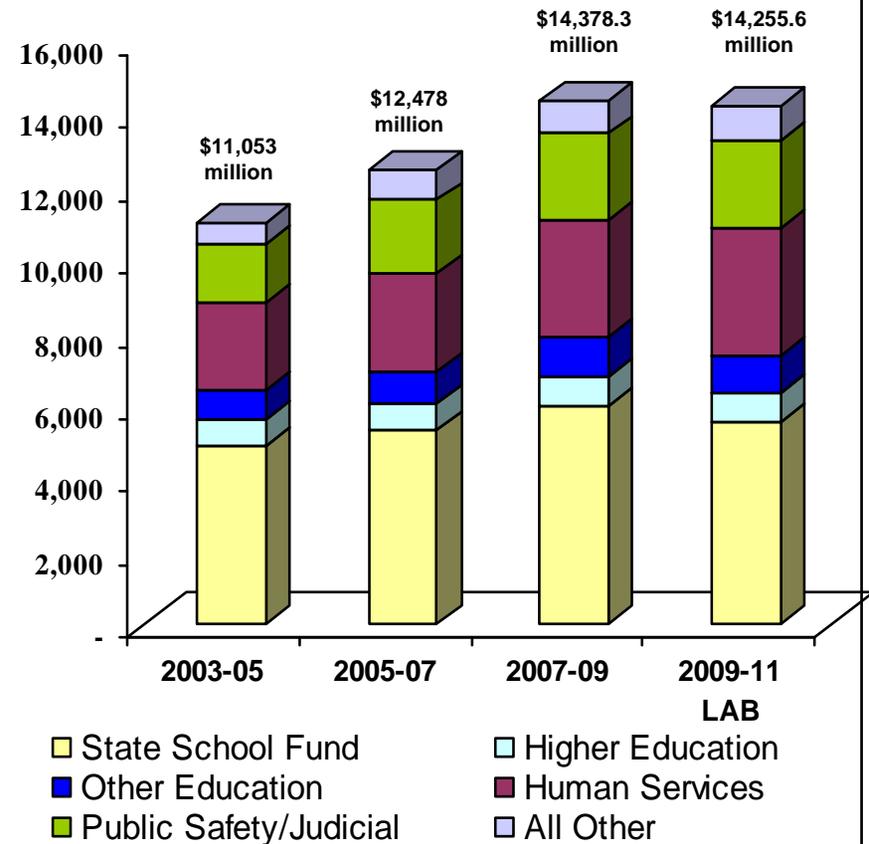


2009-11 Legislatively Adopted Expenditures



General Fund and Lottery Trends

General Fund & Lottery Funds Budgets
Over Past Three Biennia



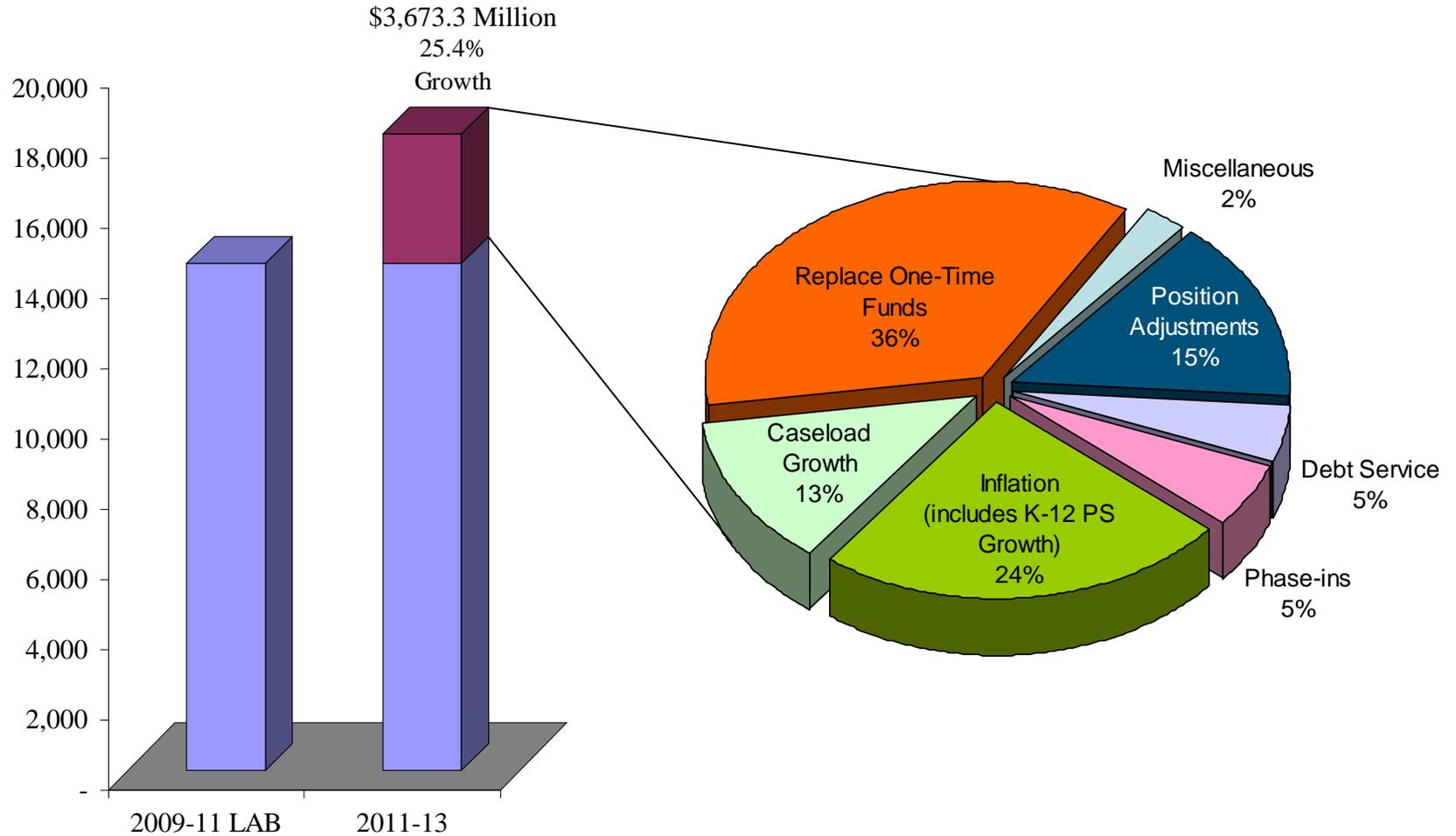


2011-13 Biennium

- Statewide Budget
 - Revenue estimate from the Office of Economic Analysis – expect 9% growth
 - Expenditure estimate of cost to continue current programs (CSL) – calculated 25% growth

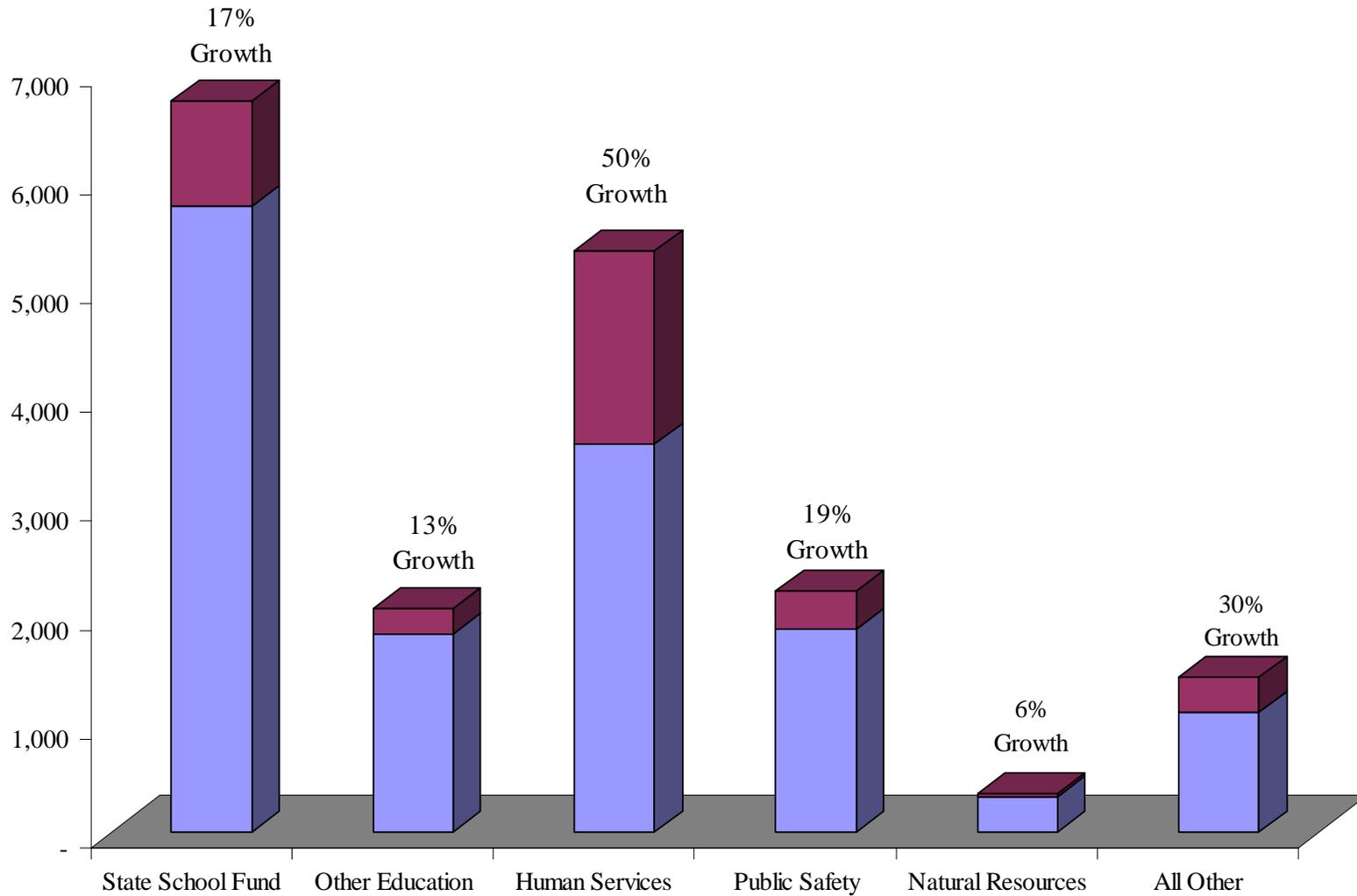


2011-13 Budget Growth (Current Service Level)





CSL Growth by Program Area

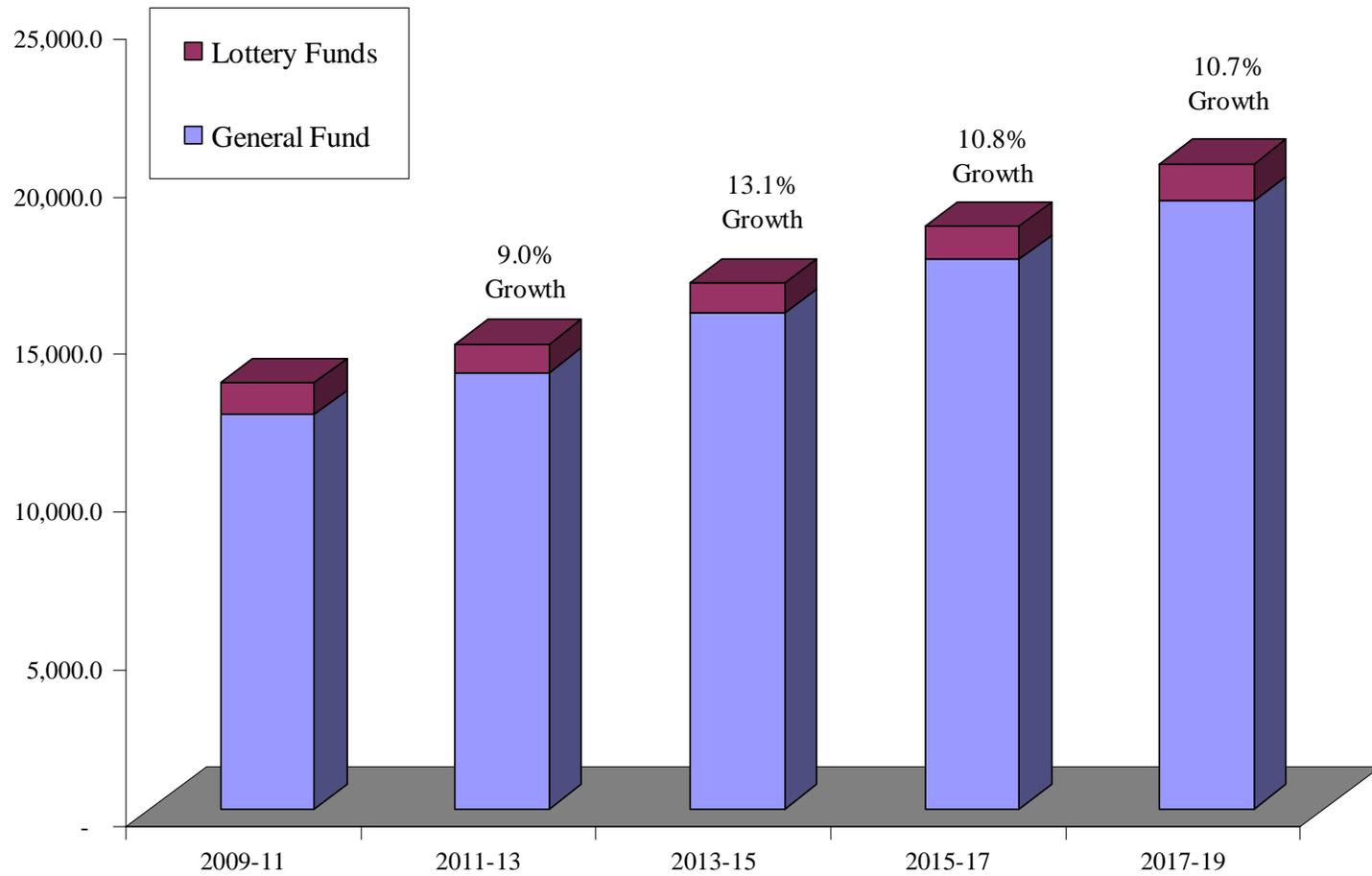




Long Term Budget Projections

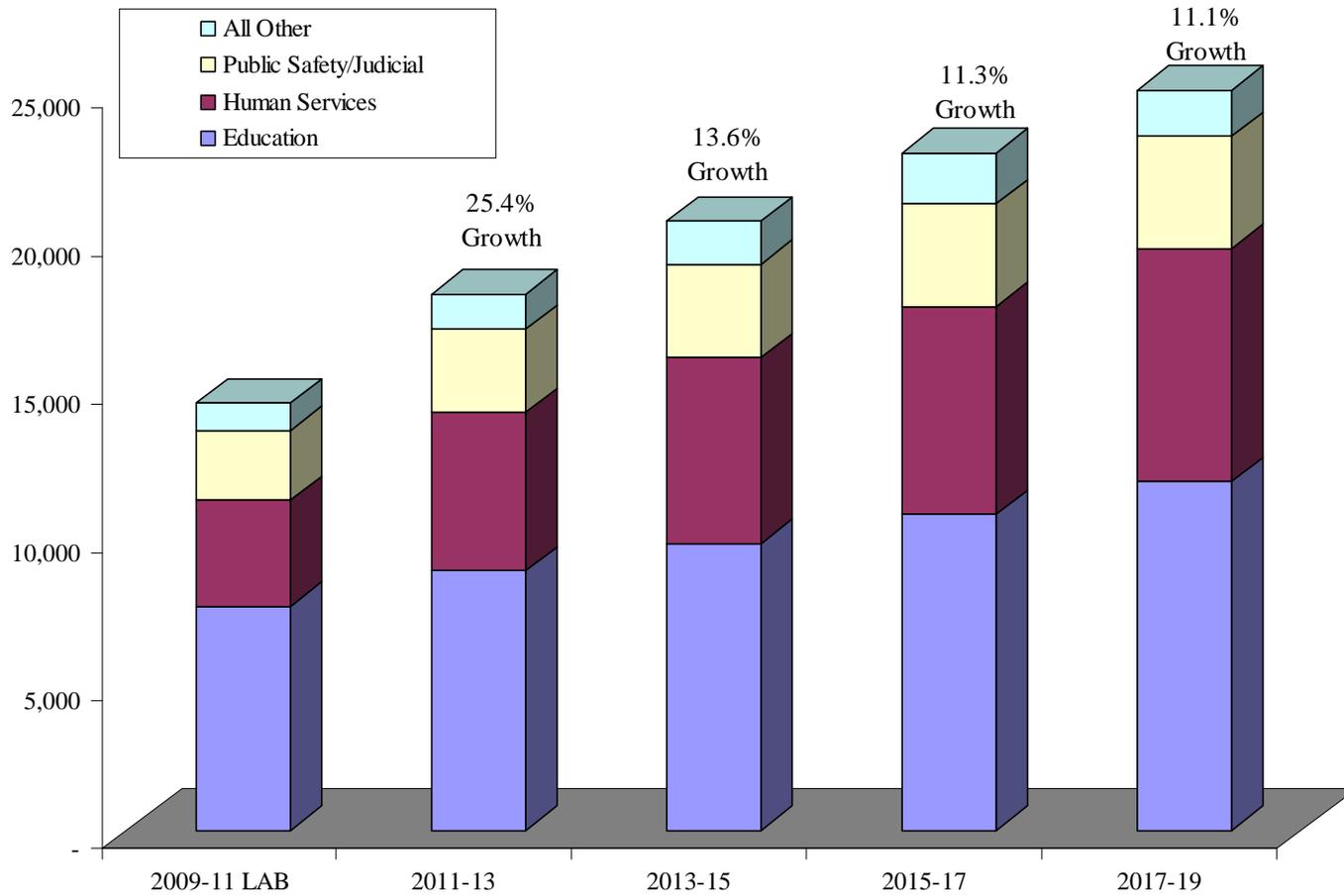


Long Term Revenues



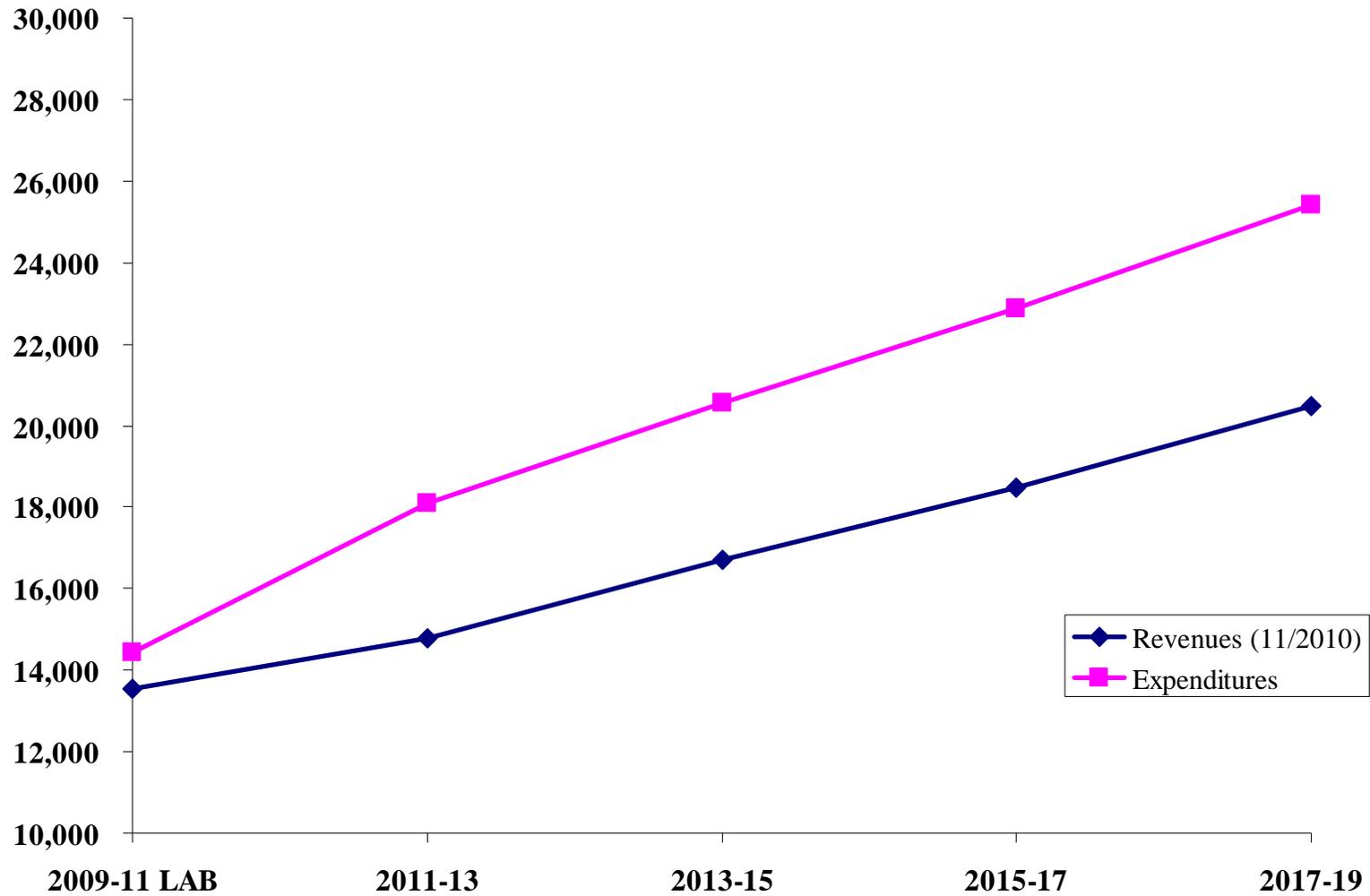


Long Term Expenditures



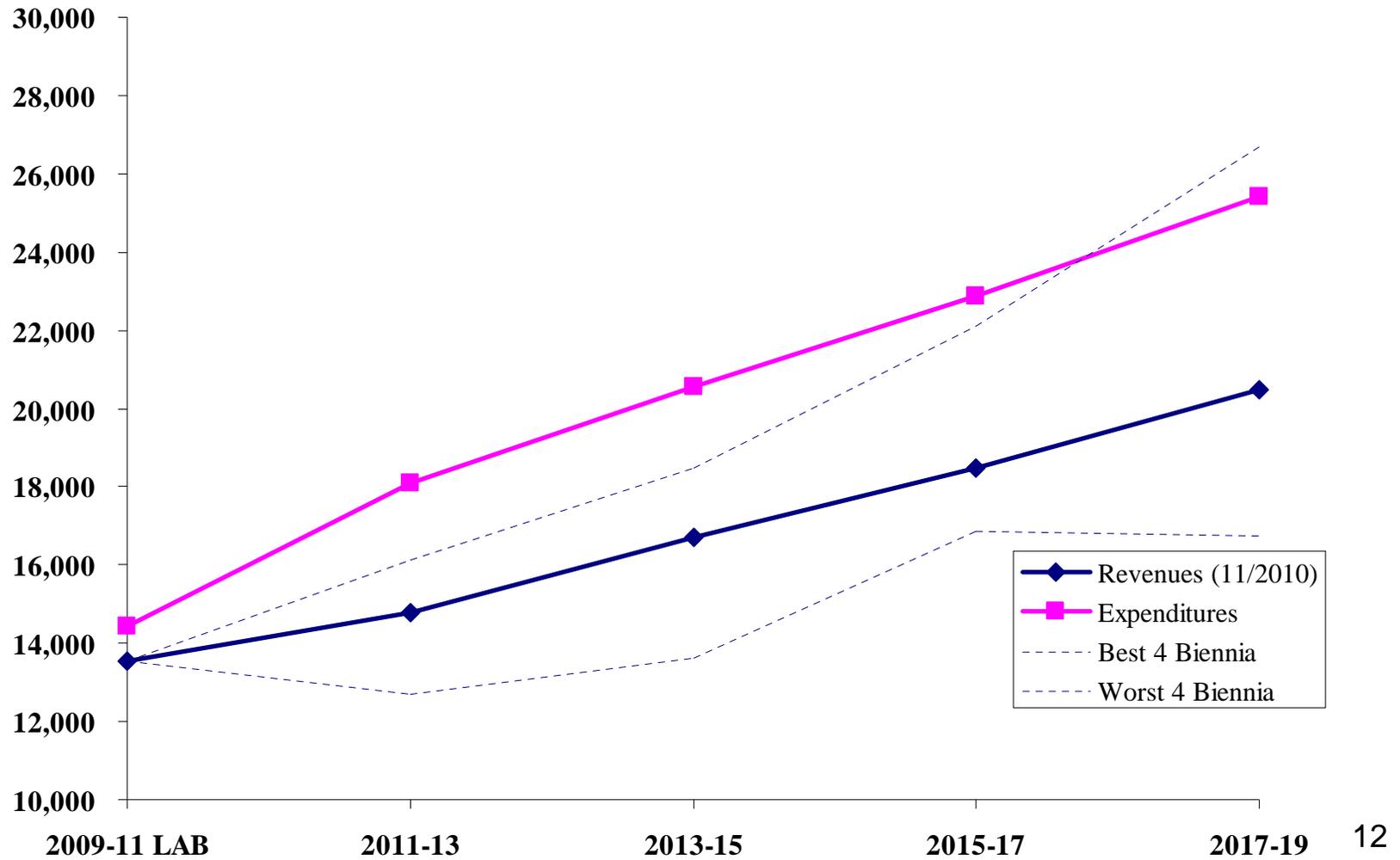


Long Term Budget





Long Term Budget





Oregon Health Authority

Integration of acute (Oregon Health Authority) and long-term care health services (Department of Human Services)



2011-13 Budget

Dept of Human Services

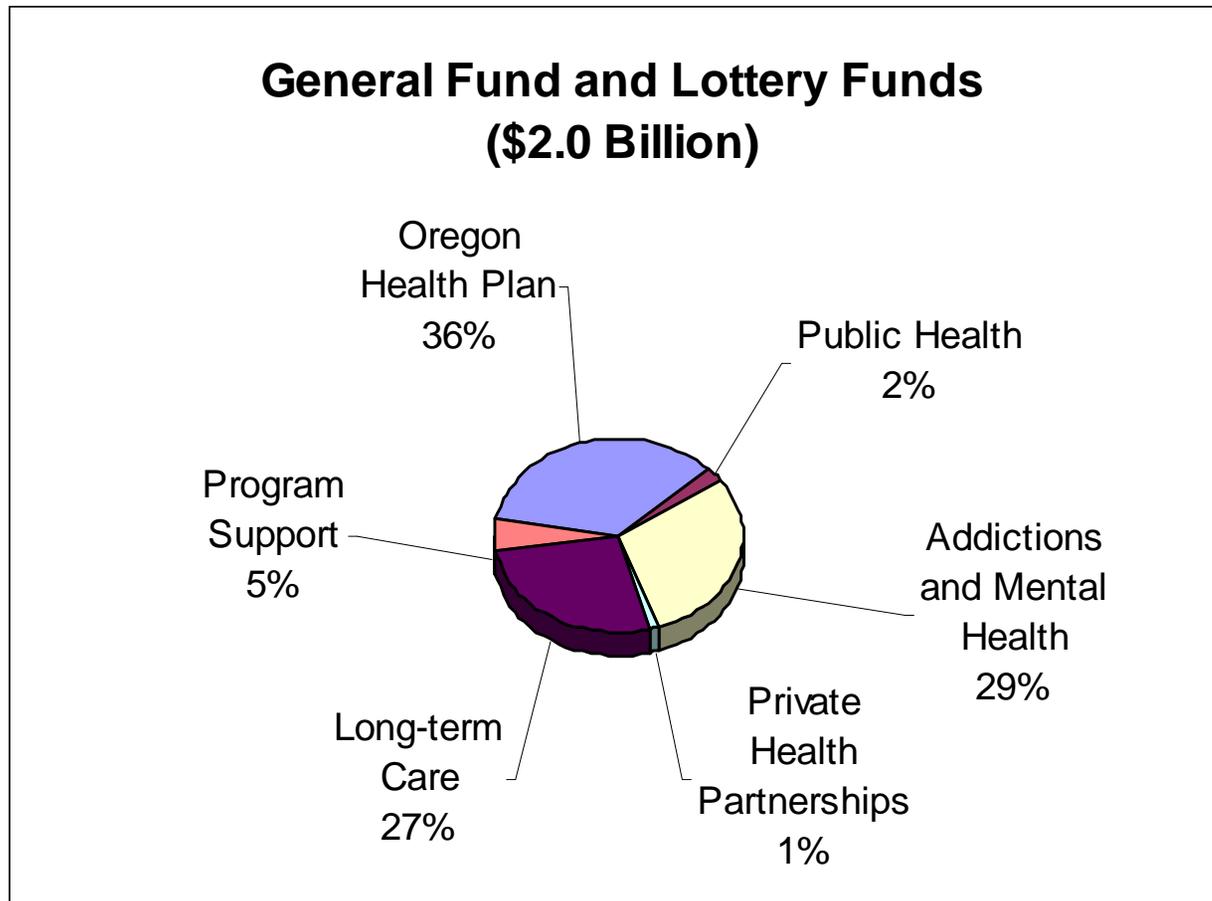
- Children, Adults and Families (CAF)
- Seniors and People with Disabilities
 - Long-term Care →
 - People for Developmental Disabilities

Oregon Health Authority

- Oregon Health Plan
- Public Health
- Addictions and Mental Health
- Oregon Educators Benefit Board
- Public Employees Benefit Board
- Oregon Medical Insurance Pool
- Private Health Partnerships



Oregon Health Authority & Long-term Care

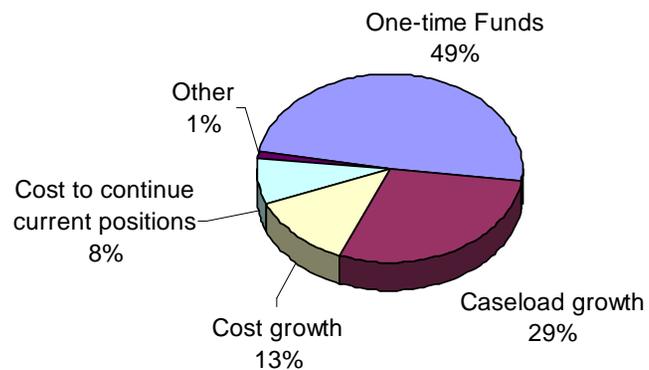




Oregon Health Authority

Cost Growth 2009-11 to 2011-13

General Fund and Lottery Funds (67% growth)



Includes:

- Oregon Health Plan (OHP)
- Public Health
- Addictions and Mental Health
- Private Health Partnerships



Oregon Health Authority & Long-term Care

2011-13 Cost Drivers (Billions)						
	OHA + LTC Total	OHA Health Plan	OHA Mental Health	OHA Public Health	OHA Other	DHS LTC
2009-11 General Fund	\$ 1.942	\$ 0.709	\$ 0.594	\$ 0.046	\$ 0.126	\$ 0.467
09-11 One Time Money						
1. Federal Stimulus	\$ 0.675	\$ 0.486	\$ 0.026	\$ -	\$ -	\$ 0.163
2. Provider Tax "Tail"	\$ 0.116	\$ 0.116	\$ -	\$ -	\$ -	\$ -
3. Tobacco Settlement	\$ 0.030	\$ 0.030	\$ -	\$ -	\$ -	\$ -
4. All Other	\$ (0.042)	\$ (0.026)	\$ (0.002)	\$ 0.003	\$ 0.009	\$ (0.026)
Subtotals	\$ 0.779	\$ 0.606	\$ 0.024	\$ 0.003	\$ 0.009	\$ 0.137
Caseload Increases	\$ 0.438	\$ 0.328	\$ 0.027	\$ -	\$ 0.002	\$ 0.081
Debt Service	\$ 0.017	\$ -	\$ -	\$ -	\$ 0.017	\$ -
Total of all above	\$ 1.234	\$ 0.934	\$ 0.051	\$ 0.003	\$ 0.028	\$ 0.218
Allotment Reductions	\$ (0.097)	\$ (0.030)	\$ (0.008)	\$ -	\$ (0.005)	\$ (0.054)



Target Budget for 2011-13

Health Care Reform Workgroup Target: (In Millions)			
	Oregon health Authority	Long-Term Care	Total
General Fund and Lottery Funds Target	\$1,475.3	\$467.1	\$1,942.4

Statewide	(In Millions) General Fund and Lottery Funds
2011-13 resources (Dec.2010 forecast)	\$14,759.3
Total Targets	\$13,478.9
Difference	\$1,280.4



Workgroup Recommendation Timeline

- Now through December 21: Work Teams developing recommendations.
- December 22: Work teams present their recommendations to Governor Kitzhaber.
- December 23: Governor Kitzhaber provides initial feedback.
- December 24-January 2: Work teams modifying recommendations.
- January 3: Work Teams present final recommendations to Governor Kitzhaber.
- January 4-14: Governor Kitzhaber decisions on where to invest
- January 15-January 31: Final Documents being prepared and printed.
- February 1: Governor's budget released to the Legislature