

## OREGON DEPARTMENT OF HUMAN SERVICES: *FAST FACTS*

### Possible Changes in Oregon Project Independence

The Department of Human Services has recently learned from the Department of Revenue that excess revenues from the Senior and Disabled Property Tax Deferral Revolving Account have sharply declined. These excess revenues are the sole funding source for Oregon Project Independence.

Following are background facts on this newly emerging issue:

**Q: What is Oregon Project Independence?**

A: Oregon Project Independence (OPI) is a purely state-funded program offering in-home services and related supports to individuals 60 years of age and older or people who have been diagnosed with Alzheimer's disease or a related dementia disorder. In-home services include personal care, homemaker and chore assistance, transportation, adult day care, respite care, case management, registered nursing services and home-delivered meals.

**Q: Who receives OPI services?**

A: OPI serves individuals who are 60 years of age or older and are not on Medicaid or who have been diagnosed with Alzheimer's disease or a related disorder. The program was expanded by the 2005 Oregon Legislature to include younger adults with disabilities, but funding has not been made available to support this expansion.

**Q: How are these services delivered?**

A: These services are provided statewide through Area Agencies on Aging.

**Q: How many clients received these services during 2008?**

A: OPI served 3,612 older Oregonians last year. The program has been a cost-effective strategy to prevent or delay individuals from unnecessarily leaving their homes to receive services in more expensive facility-based settings.

**Q: Do clients pay for these services?**

A: Services are provided at no cost to families with net incomes at or below 100 percent of the Federal Poverty Level (FPL). Families with net incomes from 100 percent to 200 percent FPL pay a fee toward their services using a sliding scale based on income. Families with net incomes at or above 200 percent FPL pay the full hourly rate of the services provided.

**Q: How is the remainder of this program funded?**

A: Since its inception in 1975 the program has been funded with General Fund dollars. The 2005 Oregon Legislature passed SB 870, which created an automatic transfer from the Senior and

Disabled Property Tax Deferral Revolving Account to the Oregon Project Independence Account. The State of Oregon established programs that allow qualifying citizens to defer the payment of property taxes on their residences – including manufactured homes, house boats, multifamily, and income-producing properties (e.g., home business). When a property owner qualifies for one of the deferral programs, the state pays the property taxes to the county for that property. The property owner repays to the state the deferred tax plus interest at the time the applicant moves from the property, sells the home or passes on. The state secures the repayment through a lien placed against the property. The original lien amount is based on a projection of the time in the program. The lien is released once the actual amount of deferred taxes is repaid.

**Q: Has the current economic downturn affected funding?**

A: Yes, with the decline in sales of real property the Senior and Disabled Property Tax Deferral Revolving Account is also declining. The revenue estimate from the Department of Revenue (DOR) projects there will be no excess property tax deferral account dollars available during the 2009-2011 or 2011-2013 biennia.

**Q: What is the OPI Account?**

A: The OPI Account is a dedicated restricted fund revolving account.

**Q: What is the history of the OPI Account?**

A: The history of the OPI Account follows.

Year	Dollar Amount	Number of People Served
2003-05	8.5 million, general fund	2213
2005-07	12 million, general fund transferred to the OPI account	3204
2007-09	13 million, Senior and Disabled Property Tax Deferral Revolving Account funds to the OPI account	3612
2009-11	<ul style="list-style-type: none"> <li>• 7.4 million GRB, based on DOR projections, Feb. 2008</li> <li>• 0 projected Feb. 2009 from Senior and Disabled Property Tax Deferral Revolving Account</li> <li>• 2 million, ending balance OPI account</li> </ul>	????

**Q: What will be the impact on the future of OPI?**

A: DHS has just received this updated revenue forecast and has not, as of yet, developed alternative program plans. We will be working on this with legislators and stakeholders.