

**Local Government Advisory Committee  
Room 473, Human Services Building, Salem  
January 11, 2008  
Minutes**

**ATTENDING**

Lois Allen	Douglas County Commission on Children and Families
Trisha Baxter	DHS – Office of Payment Accuracy and Recovery
Ben Boswell	Wallowa County Commissioner
Joe Corsiglia	Columbia County Commissioner
Bill Coulombe	DHS – Public Health Division
Morgan Cowling	Association of Oregon Counties
Gary DiCenzo	Clackamas County Department of Human Services
Ron Dodge	Polk County Commissioner
Linda Fleming	Conference of Local Health Officials
Gordon Fultz	Association of Oregon Counties
Sharon Guidera	AOCMHP
Bill Hall	Lincoln County Commissioner
John Hartner	Oregon Association of Community Corrections
Tony Howell	League of Oregon Cities
Chuck Hurliman	Tillamook County Commissioner
Chris Johnson	Yamhill County Health and Human Services
Marilyn Miller	Oregon Commission on Children and Families
Linda Modrell	Benton County Commissioner
Gina Nikkel	AOCMHP
Anne Peltier	Conference of Local Health Officials
Jeanny Phillips	DHS – Division of Medical Assistance Programs
Clyde Saiki	DSH – Deputy Director
Vic Todd	DHS – Children, Adults and Families Division
James Toews	DHS – Seniors and People with Disabilities Division
Bill Wagner	Cascades West Council of Governments
Gilliam Wesenberg	Coalition for Local Co. Comm. on Children & Families

**WELCOME AND INTRODUCTIONS**

Linda Modrell called the meeting to order and roundtable introductions were made.

Minutes from the December meeting were approved after noted clarifications are made.

## **DIRECTOR'S REPORT/LEGISLATIVE UPDATE – Clyde Saiki**

On January 14, DHS staff will testify at a hearing before the House Workforce and Economic Development Committee on events that occurred during the December storms. The committee is seeking perspective from a variety of state agencies on what happened and lessons learned with testimony beginning at 8:30 a.m. DHS has only 15 minutes in which to present information to the committee.

On February 7, DHS will hold an agency debrief on the storm. Items to be discussed are what worked well, what did not work; identifying gaps and plans to address those gaps. DHS has invited staff from Oregon Emergency Management, but have not heard back from them; however the DHS Emergency Preparedness staff will attend. DHS will share what we have learned.

One concern for DHS was the people in the affected counties were hit with so many issues at once, if DHS had waited to be asked for help, it would have been too late. The emergency response system is good, but there needs to be another mechanism that DHS could use to communicate with affected areas.

The interaction between state and local public health was good, however there was some disconnect with Oregon Emergency Management. Communication could have been better.

The emergency management system reacts to immediate, visible needs such as housing evacuation, streets needing to be cleared, temporary shelter, etc. Other issues not seen are the emotional reactions after the event. Additional issues of stagnant water and mold that occur weeks and months after a disaster also require follow up.

There is a lot that can be learned from disasters like this. A lot of positive work has been done between DHS and the local communities. The amount of work involved in preplanning for a disaster is tremendous, but it all comes down to people helping people.

A suggestion was made that the response to this disaster could be used as a training opportunity for other counties.

On January 23 a meeting will be held at the AOC office from 9:00 a.m. to 3:00 p.m. in response to Governor's Executive Order around the loss of federal forest payments and the impact on county services. The meeting will be focused on things we can do to in counties to reduce administrative burden, streamline

operations, leverage more federal funds, etc. Gordon Fultz and Morgan Cowling are coordinating the meeting and pulling together a broad based representation. This issue could have repercussions throughout the state.

A suggestion was made to develop a list of problem areas prior to the meeting.

### **DHS TRANSFORMATION INITIATIVE UPDATE – Fariborz Pakseresht**

One of the items discussed last month at LGAC was around the mission statement for DHS. We have gathered example mission statements from around the country for state social service agencies. Any feedback or input is appreciated, please contact David Foster at (503) 945-5934 or email [david.b.foster@state.or.us](mailto:david.b.foster@state.or.us).

On Monday, January 14 the transformation team will meet with DHS executive staff to do the same exercise LGAC did in December.

A high-level summary of future planning issues that will affect DHS was developed by David Foster. The summary covers the drivers that are likely to influence the world in the next couple of decades specifically are drivers that will affect everyone such as the economy, environment and natural resources, demographics, science and technology, security, and governance; and drivers that impact the department such as health care, workforce, partnerships, politics and lawsuits, technology, performance measures, communication, internal coordination and expectations versus willingness to pay.

One of the first pieces for the Transformation Initiative is on the child welfare workload and staffing study. This piece should be completed by the end of the month and reported to the Legislature in February. The final report is due mid-June.

Divisional teams have been formed and are working with McKinsey. Each division has a team lead who will be the conduit between the division and McKinsey.

During the next phase, McKinsey will look at best practices globally in health and human services. Fariborz will come back and report the results to LGAC. Fariborz will email the report from the December 14 meeting to LGAC prior to the next meeting.

## **PAYMENT ERROR RATE MEASUREMENT PROJECT (PERM) UPDATE** **– Tricia Baxter**

PERM is a project the Centers for Medicare and Medicaid Services (CMS) implemented to measure improper payments in the Medicaid program and the State Children's Health Insurance Program (SCHIP). CMS will be using three independent contractors to review randomly selected claims. Those reviews include paid claims for both fee-for-service and managed care as well as eligibility determination. The contractors will also do medical records collections and statistical calculations. Each state must participate once every three years. Oregon will be one of the FY 2008 states.

At the end of the process the contractor will calculate the State error rate based on the results of the review.

Periodic notices will be sent to Oregon Medicaid and SCHIP providers informing them of PERM requirements and any updates as they become available. A website is being created for providers and other stakeholders that will provide an overview, FAQs, contacts, resources and other relevant information.

DHS is preparing a letter to our Congressional Delegation regarding the general attitude and culture we are seeing from CMS. The only question is whether Bruce Goldberg will sign the letter or the Governor.

Later this month, Clyde Saiki, Fritz Jenkins and Trisha Baxter will be attending the AOCMHP Subcommittee meeting to discuss the audit process. Clyde is drafting a letter as well as an outline of process for Medicaid audits, a copy of the PowerPoint from the provider training and a list of the top ten findings in DHS Medicaid audits.

Concern was expressed about the quality of the documentation in an audit, specifically around language interpretation. The audit process needs to be more objective than subjective. There needs to be a discussion around this issue.

Clyde Saiki suggested creating a Medicaid Audit Workgroup that would meet on a regular basis to have these and other discussions.

## **MEASURE 40 – Craig Prins, Oregon Criminal Justice Commission**

Kevin Mannix has submitted two measures that will be on the November ballot – Measures 40 and 41. The Oregon Criminal Justice Commission was asked to do an

impact statement on these measures. Craig Prins presented information on Measure 40 to LGAC.

Measure 40 identifies the link between drug addiction and property crimes. If a person is convicted of one of the crimes listed in the bill, the court would be mandated to sentence that person to the listed amount of prison time. Judges would have no discretion in sentencing. After conviction, the person would not be eligible for release on post-prison supervision or any reduction in the sentence for any reason.

This measure is not funded. The Legislature would need to secure funding to keep individuals incarcerated for the extended length of time and that funding would come out of the state general fund.

A financial incentive is written into the bill for counties to hold people arrested for the listed crimes and get the conviction without pleading down. If the person is convicted the state must reimburse the counties for the cost of incarceration prior to that conviction.

This would apply to about 5,000 offenders; of those 1200 are women. This could seriously impact the Child Welfare foster care system.

Measure 11 passed in 1994, established mandatory minimum sentencing for several crimes. If Measure 40 passes it would necessitate the need for more prison beds immediately.

There is no addiction treatment funding written in to either Measure 40 or 41. The funding for Measure 40 would come from general fund dollars. Those general fund dollars would be taken away from other areas that currently receive general fund.

An alternative is being worked on by the Legislature and Craig Prins is providing information to them. It would have threshold levels for delivery and manufacturing of a controlled substance and would include funding for addiction treatment. The judiciary committee chairs are trying to have something ready for the February session.

### **SB 5525 BUDGET NOTE – Clyde Saiki**

Clyde Saiki was unable to find any information on SB 5525 that would relate to DHS and/or LGAC and he asked LGAC for clarification. The budget note for SB 5525 was on the long-term care ombudsman.

Gordon Fultz thought it was the SB 5520 budget note regarding a 2005 study AOC did that quantified the counties contributions to human services.

Linda Fleming said it may be related to a discussion around budget notes that are attached to other agencies that apply to DHS.

Clyde will check with Patty O'Sullivan and report his findings at the next LGAC.

### **OREGON HEALTH PLAN STANDARD REOPENING – Janna Starr**

The Oregon Health Plan Standard Program is medical services for adults with income below the poverty level. OHP Standard was closed in 2004 to new enrollees. The plan allows for about 24,000 people to be covered by OHP Standard and we currently have about 18,000.

During the first week of January, informational packets were mailed out that included brochures, posters, and request forms, suggested scripts for people who receive telephone calls and articles for local newspapers in order to get the word out. A website has been set up at [reservation.list.questions@state.or.us](mailto:reservation.list.questions@state.or.us). The reservation list will be open January 28 through February 29. Reservations will be accepted electronically, by mail, fax or phone, or in person at any DHS office. In March we will begin the random selection of 4000 names per month to receive OHP Standard applications. Applicants will have a set time to complete and return their application along with required documentation. Applicants will be screened not only for OHP Standard, but for all OHP programs they may qualify for. This process will continue each month, drawing from the same reservation list until the average number of OHP Standard clients reaches 24,000. A postcard will sent to the people who sign up on the reservation list.

### **AOC HUMAN SERVICES STEERING COMMITTEE MEETING – Bill Hall**

AOC Human Service Steering Committee meeting will begin today at 12:30 p.m. Topics include follow-up from the AOC conference, next month's special session, and PSRB facility placement.

### **ANNOUNCEMENT**

Dr. Susan Allen will be leaving at the end of the month and Dr. Michael Skeels will be filling in as interim.

The Commissioners met during the break and voted Chuck Hurliman as the new Chair of LGAC and Bill Hall as Vice-Chair.

## **NEXT MEETING**

DHS Transformation Initiative Progress Report – David Foster

Public Health Interim Director – Dr. Michael Skeels

Update on the Approach to Congressional Delegation (what it is and what local governments can do) – suggested by Tony Howell

Update on DHS Audits to Counties (e.g. Lane County) and Technical Assistance to Providers – suggested by Tony Howell

SB 5520 Budget Notes – Clyde Saiki

PSRB facility placement – suggested by Bill Hall

## **FUTURE AGENDA ITEMS**

Health Fund Board – Barney Speight (Spring 2008)