

**Local Government Advisory Committee
to the Department of Human Services
Room 473, Human Services Building, Salem
January 14, 2004
Minutes**

Attending

Cindy Becker	DHS – Deputy Director
Ron Dodge	Polk County Health & Social Services
Gina Firman	Association of Oregon Community Mental Health Programs
Irene Fischer-Davidson	Clackamas County Human Services
Linda Fleming	CLHO
Gordon Fultz	AOC
Robert Furlow	Douglas County Health & Social Services
Kelly Harms	DHS – Legislative Coordinator, Director’s Office
John Hartner	Oregon Association of Community Corrections Directors
Chris Johnson	Yamhill County Health and Human Services
Barry Kast	DHS – Assistant Director, Health Services
Linda Modrell	Benton County Board of Commissioners
Bob Nikkel	DHS – Administrator, Office of Mental Health & Addiction Services
Lynn Read	DHS – Assist. Administrator, Office of Medical Assistance Programs
Clyde Saiki	DHS – Chief Administrative Officer
Barney Speight	DHS – Administrator, Office of Medical Assistance Programs
Paul Snider	AOC
Vic Todd	DHS – Assistant Director, Finance & Policy Analysis
James Toews	DHS – Assistant Director, Seniors & People with Disabilities
Wendy VanElverdinghe	Community Action Directors of Oregon
Bill Wagner	Cascade West Council of Governments
Gary Weeks	DHS – Director
Gillian Wesenberg	Douglas County Commission on Children and Families
Jacqueline Zimmer	Oregon Association of Area Agencies on Aging and Disabilities
Joe Corsiglia	Columbia County Board of Commissioners
David Foster	Oregon Housing and Community Services
Sharon Guidera	Association of Mental Health Program Directors
Ann Peltier	Conference of Local Health Officials
Ben Boswell	Wallowa County Board of Directors

Minutes: Colleen Snarski, DHS – Director’s Office Administration and staff to LGAC

WELCOME & INTRODUCTIONS/APPROVAL OF MINUTES

Linda Modrell called the meeting to order and roundtable introductions were made. The December 10, 2004, minutes accepted with corrections.

ELECTION OF NEW CO-CHAIR

Modrell explained the need to elect a new co-chair, and the options to elect a replacement for either a one or two-year term. Joe Corsiglia nominated Ben Boswell to serve in this position. Boswell was elected to serve as co-chair for a one-year period.

OTHER BUSINESS

David Foster distributed a handout for Oregon Housing and Community Services (OHCS).

DIRECTOR'S REPORT

Cindy Becker reported that the first DHS hearing of the legislative session is on Monday, January 17, 2005, and will be on child welfare. DHS will be brought back later to report on another CIRT. Based on visits with legislators, Becker said that mental health and addiction services (including issues surrounding methamphetamine use), child welfare, OHP and the Oregon State Hospital (OSH) are the top issues this session. She noted that the issues at OSH are more than just the building, that it is about the inflow and outflow of patients, and the relationship between the Psychiatric Security Review Board and the counties. She said the focus for Ways and Means will be on performance budgeting and priorities, including a 10 percent additional reduction that LFO has asked for.

Becker reported that Sen. Schrader and other legislators are very interested in the performance budgeting (funding those programs with good outcomes). The State of Washington sent a consultant to Oregon, who talked about performance budgeting and the book *The Price of Government*).

Becker distributed a handout on the reductions DHS has taken since 2002 and through the rebalance at the November 2004 Emergency Board.

New Public Health Administrator

DHS has named a new Public Health Administrator. She is Dr. Susan Allen and comes to us from Virginia, where she ran a large county program. She has a master's degree in Public Health Administration, and her doctorate and a law degree from Harvard. Dr. Allen will start in March. Modrell requested that she attend LGAC meetings.

Critical Incident Response Team (CIRT)

Weeks reported that DHS had two incidents of child abuse within 10 days, resulting in one death. The CIRT 1 report is in and the CIRT 2 report is due next week. Weeks said that CIRT 1 report was direct and candid, and that by being so, it helped DHS with its credibility. Becker

noted that there can be law enforcement investigations that are going on that limit what the department can discuss.

Parry Center

Weeks provided an update on the Multnomah County strike at the Parry Center. He will be working with Brian Johnston on resolving this strike. Weeks indicated that they are close to an agreement on the economic issues and union rights, and the biggest remaining issue is the return to work policy.

UPDATE ON OREGON STATE HOSPITAL – *Barry Kast & Bob Nikkel*

Barry Kast said that the series of articles in the Oregonian about events from 15 years ago has raised awareness about issues DHS has tried to talk about for years. Kast noted that we are moving from institutional-based systems to community-based systems. Demand is rising faster than we have beds for, and the physical capacity of the hospital is being pushed. There is a need to get patients in for treatment and back out the door.

Bob Nikkel reported that the Request for Proposal (RFP) is a two-phase process. There is \$120,000 for the first phase, which will be general recommendations. Stakeholders and employees will be contacted to get input, and there will be a review of studies, plans and other documents. Nikkel noted that there may be a need to look at multiple facilities, including the possibility of separate facilities for forensic patients. A preliminary report is due May 2, 2005, with the final report due May 15, 2005.

Any budget for Phase 2 will need to be approved by the Legislature although there is \$350,000 in GRB for the development of Phase 2 plans. Kast said that a new physical plant is not the answer, and that the State will need to decide what role the hospital should have in the overall mental health systems.

Fultz asked if planning is going to take into account the operating cost and was assured that Phase 2 addresses these questions. Modrell would like Phase 2 to look at prevention.

BREAK

UPDATE ON IGTs (INTERGOVERNMENTAL TRANSFERS) – *James Toews (see handout)*

This update is a follow up to a report made by Cathy Cooper in October 2004. The Centers for Medicaid and Medicare Services (CMS) hired auditors across the country to look into the issues of waste, fraud and abuse. Oregon's auditor is Gary Williams, a former DHS employee. After several meetings with CMS, they said that if DHS finds problems and fixes them, CMS will not go back and collect. DHS developed a team to look at AAA's and other local operations and their use of local match (county or local funds) to purchase a variety of services for people eligible for Medicaid. Toews said that a person must be Medicaid-eligible and service or

activities they receive must also be eligible for match. DHS are currently working with communities for an analysis of the impacts.

Ann Peltier asked if CMS will be looking into other programs and what triggered this effort? Toews replied that he believes they will look into other programs and that CMS is tightening down on entitlement programs for all the normal budgetary reasons.

Furlow noted that most agencies are used to accounting for their time. Toews said agencies can account for their time in two ways, either an incremental approach or a moment-in-time approach. Modrell asked when there will be more information available to report back to LGAC. Toews said DHS will provide information on a regular basis and that each local area has been given information and they are now researching the impacts.

Criminal history check rules

DHS instituted a process to conduct criminal background checks. After some years, the counties were asked to take on some of that process. This represents an Administrative cost shift to counties who have been minimally funded for these functions. Sharon Guidera agreed to bring proposal back to AOCMHD prior to Cindy's meeting with the Director. With the latest rules, the process will shift, putting the "fitness" determination back to the counties. It was proposed that the counties do criminal checks on their employees and volunteers and DHS will do criminal checks for all others (contractors).

Sharon Guidera raised two issues: liability and cost shift. Becker reported that counties would be immune from liability for denials, and that DHS is asking the Attorney General to look at liability issues for approvals. Becker said that permanent rules are being developed and will have a hearing soon.

Becker noted that we have had several stakeholder meetings but the counties have not shown up.

OHP UPDATE – *Barney Speight (see handout, OHP Overview of OHP Total Enrollment).*

Speight reported that OHP Standard remains closed to new enrollment, as OMAP works to glide down to 24,000 by the end of June 2005. This is the level that is sustainable with the provider taxes that have been approved by CMS, and is the level assumed in the Governor's Recommended Budget.

As a result of a Governor's OHP Workgroup recommendation, DHS is establishing workgroups to address three areas of concern. The first will pertain to administrative approaches, the second will be regarding cost drivers and how we can use evidenced-based medicine, and the third will apply to long term care with James Toews as the coordinator. The groups are to report to the March 2005 meeting of the Health Policy Commission.

Sharon Guidera asked if the administrative workgroup will be looking at contracts, and cited the difference between the paperwork and contractual requirements for addiction services and mental health. The differences are huge and costly in terms of Administrative requirements. Speight said there is some contract differences, and he wants to make it more consistent. Furlow asked if any of the contemplated changes will cause problems for IPAs (Independent Practice Associations) who work with OHP. Speight said the infrastructure for managed care is sustainable around traditional populations, but we will need to look at delivery systems for expansion populations.

INFORMATIONAL PRESENTATION ON SCHOOL-BASED HEALTH CENTER –*Barry Kast*

To be presented on February 11, 2005.

COUNTY CONTRACTS UPDATE – *Clyde Saiki*

To be presented on February 11, 2005.

Modrell asked if the committee wants to continue to meet monthly. Furlow said yes and most agreed.

FUTURE AGENDA ITEMS

- Informational presentation on school-based health center.
- County Contracts.
- Ways and Means.
- DHS Legislative priorities.

Linda Modrell adjourned the meeting at 12:00 PM.

NEXT MEETING

Date: February 11, 2005

Time: 9:00 AM – Noon

Location: Room 473, Human Services Building

For more information, contact:

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