

**Local Government Advisory Committee
Room 473, Human Services Building, Salem
March 10, 2006
Minutes**

ATTENDING

Susan Allan	DHS – Public Health
Ben Boswell	Wallowa County Commissioner
Janet Carlson	Marion County Commissioner
Joe Corsiglia	Columbia County Commissioner
Bill Coulombe	DHS – Public Health
Ron Dodge	Polk County Commissioner
Jim Edge	DHS – Office of Medical Assistance Programs
Gina Firman	Assoc. of Oregon Community Mental Health Programs
Linda Fleming	CLHO
Ramona Foley	DHS – Children, Adults and Families
David Foster	Oregon Housing and Community Services
Gordon Fultz	Association of Oregon Counties
Sharon Guidera	Assoc. of Oregon Community Mental Health Programs
Cliff Hartman	Linn County Mental Health
John Hartner	Oregon Assoc. of Community Corrections Directors
Chris Johnson	Yamhill County Health and Human Services
Sara McDonald	Marion County Board of Commissioners
Linda Modrell	Chair, Benton County Commissioner
Judy Mohr-Peterson	DHS – Finance and Policy Analysis
Trish Neiworth	DHS – Office of Public Affairs
Bob Nikkel	DHS – Office of Mental Health and Addiction Services
Fariborz Pakseresht	DHS – Administrative Services
Rob Rockstroh	Lane County Health and Human Services
Clyde Saiki	DHS – Deputy Director
Mary Shortall	Multnomah County Aging and Disability Services
John Swanson	DHS – Finance and Policy Analysis
Bill Wagner	Cascades West Council of Governments

WELCOME & INTRODUCTIONS

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

APPROVAL OF MINUTES & AGENDA

The minutes from February 2006 were reviewed and approved.

ADDITIONAL AGENDA ITEMS

There were no additional agenda items.

DIRECTOR'S REPORT

Clyde Saiki gave the Director's report. DHS will present it's rebalance plan to the April E-Board. The rebalance letter should be available to the public in a couple of weeks.

The Department has seen some leveling of caseloads and will be receiving more tobacco tax revenue than anticipated. Taking these factors into account, we are seeing some positive movement in reducing the \$172 million budget shortfall. When the DHS rebalance letter is posted on the Legislative Fiscal website, notification will be sent to LGAC members.

There has been some discussion regarding a special session of the Legislature, but when that would occur is unclear. Information from the Senate and House Leadership, as well as the Governor's Office, is that they will try to come up with a plan that includes some minor reductions, management actions and additional revenue for the Department. They are not looking to balance the budget with major reductions.

Budget Reduction Act

Ramona Foley discussed the Federal Budget Deficit Reduction Act as it relates to CAF. The federal administration is very clear in their message that they intend to achieve these reductions. DHS is spending time making sure our congressional delegation knows what the various cuts mean to the state of Oregon.

Previously, DHS had permission to operate under a TANF waiver, but TANF Reauthorization prescribes how long people can be on TANF; and it increases the work participation rate to 50%.

In Child Welfare, a 9th Circuit Court decision on the Rosales case has been reversed and as a result, Oregon will lose some funding for foster care due to a change in Federal Law.

The federal administration is seeking to limit targeted case management, which is Medicaid funded. Certain components of foster care are billable to Medicaid, and the federal government is seeking to limit access to this funding source.

Another issue being looked at is rehabilitation services, which is a funding source for Vocational Rehabilitation Services (VRS) in Oregon as well as in many other states. Depending on how the federal government writes the rules, there could be an impact on the level of funding for programs that serve children in residential treatment and treatment foster care.

There was a broader discussion of potential impacts. Programs that serve vulnerable women and children will likely be taking significant cuts as well. The money will be taken out of the generic public health emergency preparedness and transferred into a more narrow categorical pandemic flu.

The Preventative Health Block Grant that funds the community liaison positions and serves local public health departments would be zeroed out. Also funded through this grant is a significant portion of the Multicultural Health Program administered through the DHS Public Health cluster.

One of the impacts to the Oregon Health Plan is the elimination of the department's ability to tax the Medicaid Managed Care plans. This tax is a large source of funding for Oregon Health Plan Standard program.

The Deficit Reduction Act offers some savings for prescription drugs, but until new regulations are implemented, the actual savings are unknown.

There is also a provision for documentation of citizenship. Everyone applying for Medicaid will be asked to produce a birth certificate, a passport, or a document based on a birth certificate or passport. This is of great concern to DHS because many people who are citizens and were born in this county don't have access to those documents because they are homeless, mentally ill or poor, which would prevent them from receiving services.

In Mental Health and Addiction Services, there are no areas that will not have at least a modest cut. The Mental Health Block Grant would be cut by one-third, but making it available back to the states that does certain mental health transformation activities. Details are not yet known.

At a time when methamphetamine problems are everywhere, there are modest cuts in the Alcohol and Drug Block Grant. Additional money would be available, and the federal administration continues to pursue the voucher concept for access to treatment.

The Department is working on a document that outlines all of the proposals and what the impact for Oregon would be. After it is completed, it will be made available to LGAC.

FORECASTING

Judy Mohr-Peterson reported on the DHS caseload forecast for March 2006 and stated that there has been a lot of activity to improve the process.

Forecasts on the major DHS program areas are completed twice per year. There are three main clusters that break down into 45-50 subpopulations. Data is collected from approximately 25 data systems within the Department.

DHS has added additional oversight to this process. There is now a review team from the Department of Administrative Services that involves the Legislative Fiscal Office, Budget and Management and forecasters from the Office of Economic Analysis. The forecasts are signed off by Bruce Goldberg for DHS and Lindsay Ball from DAS. There is also a legislative oversight group that meets every four to six weeks. Its primary responsibility is to compare the forecasts to actuals and analyze the differences.

There was discussion within the Department to create an additional oversight group, but it has not been formed yet.

The Spring 2006 Forecast has been completed. It will be printed and distributed within the next couple of weeks.

Some of the highlights from the Spring 2006 Forecast are:

- OMAP predictions are coming in higher than what they were for the legislatively adopted budget, but not as high as they were in the Fall 2005 forecast;
- Continued growth in the populations for the elderly, disabled and children, particularly in the Children's Health Insurance Program;
- Projections are steady for pregnant women;
- There is a leveling off in the TANF program;
- Child welfare programs continue to show growth, but not as rapid;
- OHP is showing slightly lower growth;
- There has been rapid growth in foster care;

- Nursing facilities/long-term care caseloads are almost identical to the Fall forecast except for a slight increase in the nursing facility caseloads, which usually has a high dollar implication;
- Some leveling off of the community-based long-term care settings, which has more to do with the market forces than the growing elderly population;
- Self-sufficiency projections tend to be more related to the economy. After a couple of years of rapid growth, the forecast is beginning to level off.

Concern was expressed that the DHS forecast does not reflect the level of need in the counties, especially around alcohol and drug treatment.

Action Item:

Chris Johnson was tasked with detailing the different perspectives in writing and will report back at the April meeting.

When the Spring 2006 Forecast is available for public distribution, LGAC will receive copies.

COUNTY OF RESIDENCY OF WARDSHIP – COORDINATION OF CARE

Sharon Guidera presented the issue of county of residency of wardship and the coordination of care for children in mental health facilities. Several examples were cited.

Ramona Foley and Bob Nikkel had the opportunity to meet and discuss this issue before today's meeting. Ramona believes that the problems result from a failure in communication and that it is a fixable issue from the child welfare side.

Bob Nikkel discussed the mental health side of the issue. He feels that new protocols around some of the notification issues are needed – review and probably change some of the rules when it's a Mental Health Organization (MHO) responsibility and when it should be fee-for-service and to clarify what the resources are for clinical assessment and care coordination.

This issue also affects developmentally disabled children when accessing mental health services.

Action Item:

OMHAS, CAF and the Oregon Youth Authority (OYA) staff will meet and discuss how to fix this situation and then will present a solution to the Association of Oregon Community Mental Health Programs (AOCMHP)

meeting on March 23, 2006. Bob Nikkel will report back to the LGAC in April on the results.

OREGON STATE HOSPITAL MASTER PLAN RECOMMENDATIONS

Bob Nikkel debriefed the group on the Phase II report from KMD Architects. The report suggests that if programming and initial design started in 2006, the earliest a new state hospital would be open is 2011. Discussions are in progress with the Department of Administrative Services and will be taking place with the Governor's Office concerning how quickly DHS can move. It is critical that the Governor, the Speaker and the Senate President reach agreement on a direction for the state hospital.

LGAC members wanted to know what role they can play to advocate for the new state hospital. Time is critical and details need to be resolved and questions answered within the next couple of months. It was noted that land costs are not included in the Phase II report.

Action Item:

Gina Firman volunteered to draft three letters (from LGAC, AOC and AOCMHP) to incorporate support for the plan and raising the issue of the role local mental health programs play in the process. Once completed, she will send to LGAC members for input.

COUNTY/LGAC INVOLVEMENT IN THE BUDGET PROCESS

Gordon Fultz reported on how DHS and local government partners can work together to depict the DHS budget in a way that shows the local and state side of the service delivery system, functions at each level; budget both state and local; and the full-time employees (FTE) associated with the programs.

The presentation will focus on depicting the entire service delivery system. Attention will be placed on developing the definitions and functions of each of the programs both at the state and local level; the responsibilities at each level; the FTE and the funding; and consistent and verifiable data.

The Legislative Fiscal Office (LFO) is looking to DHS and the counties to come up with a model for other agencies to follow. The focus will be on outcomes – highlighting the accomplishments in the system and will identify and clarify roles and responsibilities. The next steps are to have the county and state counterparts identify the functions in the systems, and define how to measure the services being delivered. Once that has been completed, counties will be asked to provide data on

the various program areas.

A progress report will be presented to LGAC at the April meeting.

MAKING A DIFFERENCE UPDATE

Trish Neiworth gave an update on the template for the Making a Difference informational flyers. She discussed the types of information that would make for interesting reading and the suggestions for changes that came out of the DHS Cabinet meeting.

Suggestions made by LGAC were to include WIC voucher data, as well as the dollars that go toward assisted living arrangements for people with disabilities. Another suggestion was to present the information in context, such as number of children removed from homes and then reunited with their families, and information on permanency for children.

One suggestion was to look at situations where people are receiving multiple services and how the counties and state are partnering together to create a plan to address all the needs of those individuals.

The Commissioners offered to help the Office of Public Affairs distribute the completed informational flyers.

The next meeting is April 14, 2006.

TOPICS FOR NEXT MEETING

Letters in support of the OSH Master Plan – Gina Firman
County Involvement in the DHS Budget Process Update – Gordon Fultz/Linda Fleming/Clyde Saiki
County of Residency Issue/Coordination of Care Update – Sharon Guidera
Incorporating Local Data into Forecasting – Chris Johnson
Federal Regulations Around TANF – Ramona Foley
Commissions and Committees Update – Patty O’Sullivan
Report from AOC Human Services Committee – Janet Carlson
Drinking Water Program – Dr. Susan Allan
Pandemic Flu Planning – Dr. Susan Allan

Meeting adjourned at 11:55 a.m.