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CERTIFICATION

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the accuracy of all numerical information has been verified.

Department of Human Services

AGENCY NAME

500 Summer Street NE
Salem, OR 97301

AGENCY ADDRESS



SIGNATURE

Director

TITLE

Notice: Requests of agencies headed by a board or commission must be approved by official action of those bodies and signed by the board or commission chairperson. The requests of other agencies must be approved and signed by the agency director or administrator.

☐ Agency Request

☒ Governor's Budget

☐ Legislatively Adopted

MEMORANDUM

Legislative Fiscal Office
900 Court St. NE, Room H-178
Salem, Oregon 97301
Phone 503-986-1828
FAX 503-373-7807

To: Joint Legislative Committee on Information Management and Technology

From: Robert L. Cummings, Principal Legislative Analyst (IT)
Laurie Byerly, Principal Legislative Analyst

Date: May 25, 2017

Subject: Department of Human Services: SB 5526 - POP #201 and the Oregon Health Authority
- HB 5026 - ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project -
LFO Analysis and Recommendations

Agency Request:

The Department of Human Services (DHS) has submitted a request to the Joint Committee on Ways and Means for funding for the ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project. With this request, which has been updated from the funding level approved in the Governor's Budget, project funding in the 2017-19 biennium would be \$219.6 million total, which represents about 91% of the overall estimated project cost of \$241.7 million total funds. Based on current federal match estimates, about 67% of the 2017-19 costs would be covered by federal dollars (\$147.5 million); DHS is requesting that \$45.6 million of the state share be supported by Article XI-Q Bonds. In addition to bond proceeds, the agency is requesting \$12.8 million General Fund to pay debt service on the bonds and a portion of the project costs. The request also includes 175 permanent and limited duration positions (126.04 FTE's) through the end of the biennium. DHS estimates that the project will take 39 months to execute, with completion estimated by June 2019. The figures above include an associated package in the Oregon Health Authority (OHA) budget that requests \$15.2 million total funds and 62 of the requested positions. Ongoing maintenance and operational costs for an estimated 10-15-year system lifespan are not included in the figures above and are being re-estimated at this time.

The purpose of this request is to continue the implementation resources needed to transfer Kentucky's human service eligibility determination functionality to Oregon where it will be integrated with the recently installed OregONEligibility System (ONE); this software was also transferred from Kentucky. With this additional functionality, the ONE IE & ME System will be able to also determine eligibility for:

1. Non-MAGI Medicaid (categorical eligibility for Aged, Blind, and Disabled populations);
2. Supplemental Nutrition Assistance Program (SNAP);
3. Temporary Assistance for Needy Families (TANF); and
4. Employment Related Day Care (ERDC).

A. LFO Analysis

Background

The ONE IE & ME Project was initially started in January 2015 under the name MAGI Medicaid Project (ONE). It progressed through the Office of the State Chief Information Officer (OSCIO) Joint OSCIO/LFO Stage Gate Review Process through Stage Gates #1 and #2 during 2015. In July 2015, the ONE IE & ME Project planning began.

In August 2015, DHS was told by the federal Centers for Medicare and Medicaid Services (CMS) that it must use ONE as its single eligibility determination system for all Medicaid programs. In December of 2015, ONE was implemented by the Oregon Health Authority (OHA) to perform Modified Adjusted Gross Income (MAGI) Medicaid eligibility determinations and the ONE Worker Portal went operational. In addition to developing a MAGI Medicaid eligibility system, the state of Kentucky also upgraded its systems for eligibility determination for other human services programs, thus providing transfer system functionality that potentially could be leveraged for the use and benefit of similar programs in Oregon.

In February 2016, ONE ongoing enhancements were initiated to better align the system with Oregon's business practices and the Applicant Portal was implemented. During the 2016 Legislative Session, the Department of Human Services (DHS) submitted a request to the Joint Committee on Ways and Means for funding (\$47.9 million total funds) for the Integrated Eligibility Determination (IE) Project (now called the ONE IE & ME Project). With the approval of this request, project funding in the 2015-17 biennium totaled \$55.4 million, which represented about 43% of the overall estimated project cost of \$130 million total funds (at that point in time) for the project. Based on the federal match estimates, about 85% of the project costs were expected to be covered by federal dollars (DHS requested that \$7.5 million of the state share be supported by Article XI-Q Bonds). The agency's 2015-17 budget also included 35 limited duration positions through the end of the biennium.

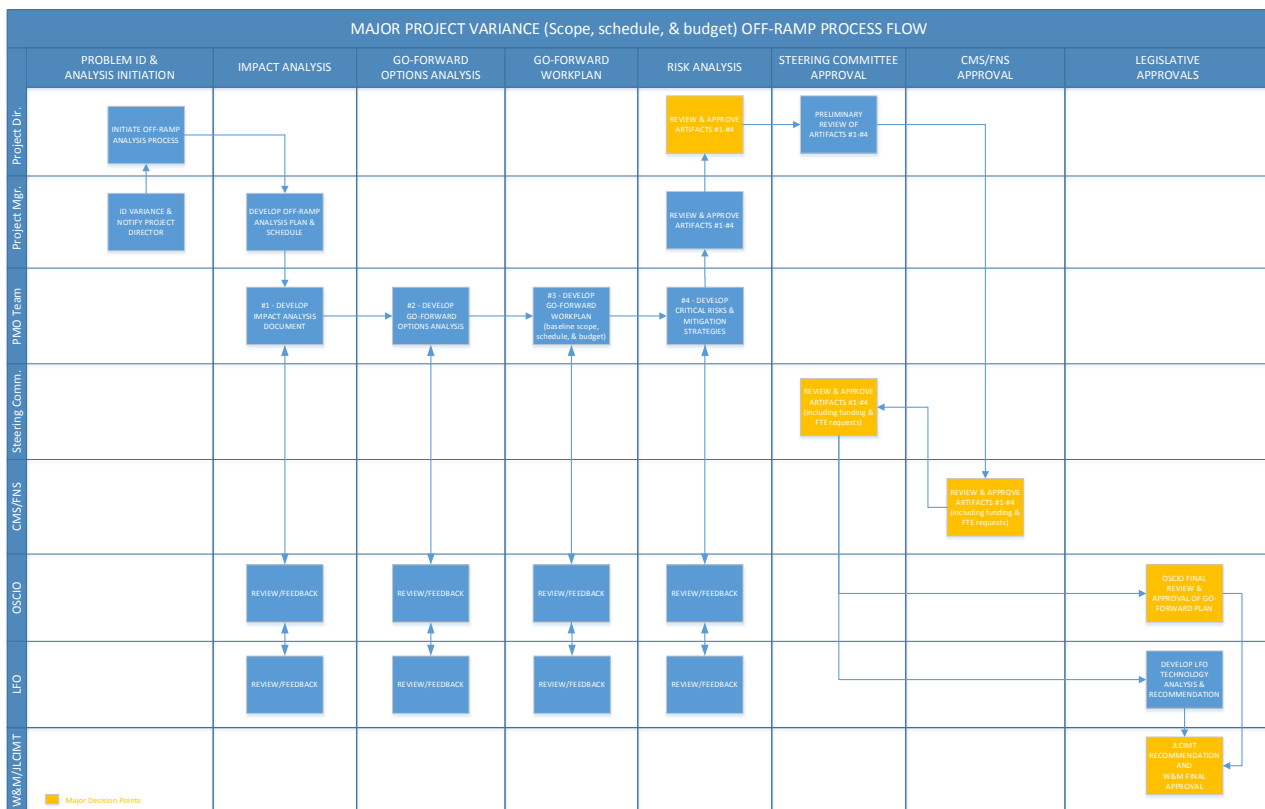
From February 2016 until September 2016, the IE Project team worked on completing the foundational project management documentation required by the Stage Gate #3 of the Joint OSCIO/LFO Stage Gate Review Process. In September of 2016, the project received its Stage Gate #3 endorsement from the Office of the Chief Information Office (OSCIO) and simultaneously received the Legislative Fiscal Office's approval for moving through Stage Gate #3 and into the formal project systems development lifecycle (SDLC) design and development phases. At that time the project's Quality Assurance (QA) vendor provided Deliverable 5.1, the Initial Risk Assessment Report. This assessment indicated very low risk ratings on nearly all major project health risk categories including total cost (budget), schedule, scope, financial business case, business transition, funding, long-term supportability, and long-term maintainability.

Overall, this project has progressed very well since its initiation in 2015 and through the fall of 2016. However, in late November of 2016, the LFO was notified by the ONE IE & ME Project Director, that the project had run into a major "snag" regarding how eligibility was to be determined, including the roles of DHS and OHA in this process. The disconnects arose as a result of joint application development (JAD) sessions that were conducted by the project's integration vendor, DHS, and OHA staff. During these sessions, it became clear that "work-split" agreements that had been made several years before between DHS and OHA management (a number of whom were no longer employed with either of the two agencies), were no longer acceptable to one, or both parties. The result was that for 3-4 months, the two agencies had to sit down and try to resolve these very challenging issues. Ultimately, a mediator was hired to facilitate the discussions and to help find a

middle-ground for doing eligibility work. The mediator worked with both DHS and OHA to come up with a mutually acceptable solution and consummated the agreement in a Memorandum of Understanding (MOU) on March 14, 2017. Part of this agreement was to develop a corresponding governance capability and to set up a plan (including staffing and budget) for transitioning OHA and DHS eligibility operations (scheduled for 03/31/17 - 06/30/17).

Go-Forward Planning

During the timeframe of January through early May 2017, the OSCIO and LFO oversight staff worked directly with the ONE IE & ME Project management team to identify the impacts of these “work-split” discussions and decisions on the project itself. The ONE IE & ME Project management team executed the “major project variance/off-ramp” process below, to help provide the project steering committee, the DHS and OHA agency directors, the QA Vendor (Public Knowledge), and the OSCIO and the LFO oversight analysts with project impacts, go-forward options, updated project risks and mitigation strategies, updated costs and resource needs, and an overall go-forward plan for the recommended option. An overview of the process that was followed is shown in the chart below:



The final outputs of this process included the development of the following documents: 1) an impact analysis; 2) a go-forward options analysis; 3) a go-forward plan (revised scope, schedule, budget, and resource plan); and 4) an updated risk analysis. In addition, the project team identified a number of additional project issues that needed to be dealt with including the need for an improved governance structure, the need to include the legacy effort within the overall ONE IE & ME Project scope, the need to review and validate the “fit-gap” results, the need to update the project scope statement, the need to include a more adequate project contingency fund, the need to update the Stage Gate #3 foundational project management documents, the need to re-validate project estimates, and the need to acquire a new Independent Project Director.

The ONE IE & ME Project management team provided the Project Steering Committee and the Project Governance Board with the results of its go-forward planning in early May 2017 and received approval to go forward with the ONE IE & ME Project (pending legislative, CMS, and Food and Nutrition Services (FNS) concurrence with the go-forward plans and funding needs). The next step is for the ONE IE & ME Project Independent Director, and agency heads for both DHS and OHA to present their go-forward plans and resource needs to the JCLIMT.

LFO Findings

The LFO has worked closely with the ONE IE & ME project team since January of 2017. The major observations and findings from these interactions follow:

1. The project has followed a disciplined approach in dealing with a major change in its business environment, the recent loss of the original ONE IE & ME Project Director, and the four-month delay regarding decisions on how eligibility is to be done (and by whom);
2. The “off-ramp” process that the project followed was disciplined, and the project has come up with a go-forward approach that was objectively selected and can be defended;
3. The project has done a good job in working with its quality assurance vendor, to identify major risks, that left un-mitigated, would adversely affect the project’s chances for success. There are still a significant number of major risks that need to be mitigated;
4. The project has been open and transparent regarding the challenges that it is still faces;
5. During the four-month period where it wasn’t clear exactly how eligibility work would be done (and by whom), the project has worked well with its system integrator to focus the vendor’s staff on work that will definitely be part of the “go-forward” solution;
6. A project of this size, scope, and complexity has many inherent risks, including many risks over which management has a limited amount of control (i.e. the project’s size, the number of state and vendor staff, project complexity, changing scope, etc.). Having to “serve” two major agencies with a shared system, is especially difficult and full of risks (as evidenced by the recent disagreements related to how eligibility will be done, and by whom);
7. The failure to include integration with the legacy system as part of the original scope of the project was a major misstep that would have assuredly resulted in a failed project (or at least major schedule slippage and cost over-runs), had it not been caught and corrected. It was unreasonable to assume that the amount of work required to integrate the new IE & ME System into the existing legacy environment could be done only with existing OIS resources;
8. Project governance prior to April of this year was a significant challenge. The establishment of a Project Governance Board and a new Project Steering Committee should provide improved project oversight and decision-making for the ONE IE & ME Project;
9. The unknowns for this project are still very significant and until they are dealt with, they will continue to cause problems for the project;
10. The scope of the project is still not fully defined;
11. There may be significant data conversion and “dirty data” issues related to the legacy systems;
12. The foundational project management documents for the project will require a significant amount of updating. This work will have to be done in parallel with moving ahead with the project. The project has limited resources to do this type of work;

13. The technical challenges of modifying the Kentucky software (Benefind) that is being imported, while simultaneously modifying the ONE System, and integrating the two at a single point in time, is highly risky;
14. The inclusion of a business continuity plan and a disaster recovery plan into the scope of the project is a wise decision;
15. The resource challenges for shared resources (i.e. subject matter experts) are significant, and have been a problem for the project to date;
16. The history of this project's estimating to date has not been good. Current cost estimates are nearly twice that of the Stage Gate #2 estimates, and are now \$77M above the Stage Gate 3 estimates. Costs at this point in the project should be within +/-10%. While the project team has tried to make sure that there are no more surprises, the short amount of time that they've had to come up with the latest "final" cost estimates, does not bode well for their accuracy (particularly given the questions around the legacy effort);
17. Business process re-engineering and organizational change management will both be real challenges to the successful execution of the project;
18. Potential major changes at the federal level to the Affordable Care Act and other related healthcare services could have a major impact on the ONE IE & ME Project;
19. The OHA/DHS Eligibility Operations Transition (03/31/17 - 06/30/17) is a critical first step for the ONE IE & ME Project. This work will occur simultaneously with a significant amount of other critical project work (including a lot of "catch-up" work that the Legislature will require prior to September 2017). It will also require a significant increase in permanent and limited duration state resources.

Based upon the findings above and the following key factors, the LFO concurs with the overall go-forward plan and justifications (including resource requests) provided by the ONE IE & ME Project team (and subsequently approved by its Governance Review Board and Project Steering Committee). Despite the significant increase in scope, associated cost increases, and the many risks identified in going forward, the project still makes solid business, technical, and financial sense. The following factors are major contributors to the LFO's support of going forward with the ONE IE & ME Project:

1. The business reasons and justifications identified in the original business case (2015) are still valid. There still are strong business, technical, and financial reasons to proceed;
2. The continued availability of 90/10 federal funding via the A87 Cost Allocation Exception through December 31st, 2018, provides a significant opportunity for DHS and OHA to significantly reduce the impact of the costs of this project to the State of Oregon.
3. The go-forward analysis and planning that came out of the Major Project Variance and Off-Ramp process conducted by the ONE IE & ME Project team, make good sense for continuing this project (while still recognizing the major risks and challenges that it faces);
4. The concerted effort by the project team and the QA vendor to identify outstanding risks and to begin to develop and implement mitigation strategies for each;
5. The strong support for, and the recent approvals of, the "go-forward" plan by DHS leadership, OHA leadership, and the State Chief Information Officer;
6. The overall high quality of the work that has been done over the past 4-6 months by the ONE IE & Project team, including the development of a very solid Project Risk Analysis and related mitigation plan;
7. The acquisition of a highly experienced Independent Project Director;

8. The willingness of the ONE IE & ME Project leadership to be transparent about project risks and challenges, and their responsiveness to OSCIO and LFO oversight concerns; and
9. The willingness of the ONE IE & ME Project leadership team to look at all facets of the project and to go back to re-do key elements of Stage Gate #3 (i.e. foundational project management documentation) to make sure that the project is on a firm footing for going forward.

B. LFO Recommendations

Based upon the analysis and findings above, the LFO recommends incremental, conditional approval of Policy Option Package #201, assuming the spending authority and personnel resources are made available to the Department of Human Services (DHS) within SB 5526, and to the Oregon Health Authority (OHA) within HB 5026. JLCIMT further recommends that the entire expenditure limitation be unscheduled by the Department of Administrative Services (DAS), and the Department of Human Services be required to request the Office of the State Chief Information Officer (OSCIO), Chief Financial Office (CFO), and Legislative Fiscal Office (LFO) approval, that a portion, or all of the remaining unscheduled expenditure limitation, be rescheduled for the agency to use to initiate and complete the remaining ONE IE & ME Project execution activities. Specifically, the JLCIMT recommends that the Department of Human Services and the Oregon Health Authority:

Report Progress to JLCIMT by September 2017

1. Obtain Centers for Medicare and Medicaid Services (CMS) and Food and Nutrition Services (FNS) funding and go-forward plan approvals;
2. Update the ONE IE & ME Project “Major Project Variance and Off-Ramp Plan;”
3. Complete the updating of all Stage Gate #3 foundational project management documents identified by DHS and the OSCIO that were affected by the recent changes in scope for the ONE IE & ME Project;
4. Work with the OSCIO to direct the quality assurance vendor to assist in the independent re-validation (preferably by an outside vendor) of all project estimates to assure that those estimates provided to date by the ONE IE & ME Project state staff and the system integration vendor are valid. Provide evidence that the re-validated estimates are based upon a well-defined estimating methodology and associated estimating assumptions. Include in this re-validation a clear definition of the “level of effort” required for each activity estimated by the system integration vendor;
5. Develop a final revised baseline project scope, schedule, budget, and resource plan. Clearly define the scope of the legacy related work. Revise all project estimates accordingly. Provide an “integrated project schedule” across all major elements of the ONE IE & ME Project such that a critical path and resource plan can be developed;
6. Develop a resource management plan to help verify that resource constraints for the Office of Information Services (OIS) support staff (i.e. subject matter experts) have been minimized. Wherever possible, minimize the use of interruptible resources to support the ONE IE & ME Project;
7. Re-negotiate the system integrator contract to provide better protections for all parties, including spending caps, hold-backs, level of efforts for all activities, estimate re-validation, and accountability measures;
8. Provide an updated 5-year total cost of ownership (TCO) based on estimated long-term annual maintenance and operational costs for the new system;

9. Review the major risks identified by the ONE IE & ME Project management team and the quality assurance vendor, and develop an updated mitigation and risk-balancing plan (between the state and the system integrator);
10. Update the foundational assumptions/strategies/constraints document to verify that all key risks are documented and that each has a clearly defined mitigation strategy;
11. Work with the OSCIO to direct the quality assurance vendor to re-validate the recent “fit-gap” process to verify that the most recent scope and requirements are being used. This effort should include an “end-to-end” conceptual business model for the new system. This model should be traceable to system requirements. The quality assurance vendor should lead an end-to-end design review to verify that the most current system design is consistently using the most current project scope and requirements;

Report to JLCIMT by the 2018 Legislative Session

12. Provide a comprehensive project status update with a current baseline scope, schedule, budget (including revised “total cost of ownership”), and a risk management plan;
13. Provide the OSCIO and LFO with a detailed list of goals, deliverables, and key milestones for the balance of the ONE IE & ME Project. Include a timeline with estimated dates for achieving each goal, deliverable, and milestone;
14. Provide an architectural assessment for Stage Gate 3 documents (typically required by OIS on all major IT projects). This assessment would include a conceptual data model as well as an architectural model. These models should include both the ONE IE & ME System and the legacy components that will make up the final system. All products should be provided to the OSCIO and LFO;
15. Develop a business process re-engineering plan and an organizational change management plan;
16. Develop a ONE IE & ME System “code merge plan” and document related strategies.
17. Develop a DHS/OHA independent test plan that goes beyond the testing that will be done by the systems integrator;

Quality Assurance Related

18. Work with the OSCIO to update the quality assurance oversight plan to include the addition of quality assurance and control services for the legacy component of the ONE IE & ME Project;
19. Work with the OSCIO to direct the quality assurance vendor to conduct a quality control (QC) review of all revised key project management deliverables that may have been modified as a result of the recent scope changes to the ONE IE & ME Project (including, but not limited to, the business case, project charter, project requirements, governance plan, project contracts and statements of work (SOW’s), and baseline scope, schedule, budget, and resource plans);
20. Provide both the OSCIO and LFO with copies of all QA vendor deliverables;
21. Continue to utilize independent quality management services. The contractor should:
 - Directly report to the OSCIO which will be responsible for final review, approval, and authorization for payment of all quality assurance and quality control review deliverables.
 - Conduct ongoing risk and performance assessments, and respond to the OSCIO, LFO, and DAS feedback.
 - Perform quality control reviews on the key ONE IE & ME Project execution phase deliverables.
 - Perform ongoing, independent quality management services as directed by the OSCIO;

General

22. Continue to follow the Joint State CIO/LFO Stage Gate Review Process;
23. Continue to utilize a qualified project manager with experience in planning and managing programs and projects of this type, scope, magnitude, and complexity;
24. Regularly report project status to the OSCIO and LFO throughout the project's remaining lifecycle;
25. Utilize the Office of the State CIO's Enterprise Project and Portfolio Management (PPM) System for all project review, approval, and project status and QA reporting activities throughout the life of the ONE IE & ME Project; and
26. Complete a formal "project close out" report upon completion of all ONE IE & ME Project phases.

- Motion on the LFO recommendations

C. Final IT Subcommittee Action

Transmit the Joint Legislative Committee on Information Management and Technology's recommendations to the Human Services Subcommittee of the Joint Committee on Ways and Means.

MEMORANDUM

Legislative Fiscal Office
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FAX 503-373-7807

To: Ways and Means Subcommittee on Human Services

From: Laurie Byerly, Legislative Fiscal Office
Linda Ames, Legislative Fiscal Office

Date: May 31, 2017

Subject: SB 5543 -- Department of Human Services and Oregon Health Authority
2015-17 Budget Rebalance

The Department of Human Services (DHS) and the Oregon Health Authority (OHA) have submitted their 2015-17 budget rebalance plans. The agencies will present their plans to the Human Services Subcommittee on Wednesday, May 31st, and we expect to complete the work session that day.

These rebalance plans reflect program cost increases and savings, revenue changes, and technical adjustments needed to balance each agency's budget. Rebalancing allows the agencies to move General Fund between appropriations and adjust Other and Federal Funds expenditure limitation to carry out legislatively approved programs.

Caseload and cost per case adjustments are based on the Spring 2017 caseload forecast; associated budget changes reflect differences from the Fall 2016 forecast, which was partially incorporated into the budgets through rebalance actions approved by the Emergency Board in December 2016. These actions result in net General Fund savings for each agency; the impact of the two agencies combined is \$63.0 million General Fund.

SB 5543 (a blank appropriation bill) will be the vehicle for the budget adjustments needed to implement the plan; the recommended -1 amendment makes those changes. The Legislative Fiscal Office (LFO) analysis of the agencies' requests and recommendations related to those requests are below.

DEPARTMENT OF HUMAN SERVICES

The rebalance plan for DHS indicates the agency expects to complete the 2015-17 biennium with a surplus of \$51.4 million General Fund. This net estimate is primarily due to fluctuations in caseload and cost per case, but also includes some cost increases and program savings. DHS also projects needing less Other Funds (\$18.0 million) and Federal Funds expenditure limitation (\$14.4 million) to close out the biennium. These net decreases include adjustments (increases)

in two appropriations and technical adjustments that net to zero agency wide. There are no changes to positions or FTE. The LFO recommendation is generally consistent with the agency's request; however, it does recommend disappropriating, rather than reverting, the surplus General Fund and allowing the agency to retain excess expenditure limitation. The latter step should support accounting entries and adjustments needed to close out the 2015-17 budget without further legislative action. The plan also includes a small General Fund cushion to help address potential close-out issues; any additional excess General Fund will be reverted.

The following table shows the General Fund impact of the agency's rebalance plan by program and agency totals:

Department of Human Services <i>General Fund \$\$ in millions</i>	SS	CW	VR	APD	IDD	CS PDS SAEC Shared	Debt	Total
2015-17 Leg Approved Budget (December 2016)	375.4	481.3	24.3	897.0	743.4	253.5	3.9	2,778.7
Rebalance Adjustments:								
Costs	-	18.7	-	15.2	-	0.7	-	34.6
Savings/Revenues	(40.4)	(10.5)	-	(32.7)	-	(2.4)	-	(86.0)
Technical adjustments	20.0	(20.0)	-	-	-	-	-	-
Net Change	(20.4)	(11.8)	-	(17.5)	-	(1.7)	-	(51.4)
2015-17 Leg Approved (After May-17 Rebalance)	354.9	469.5	24.3	879.5	743.4	251.8	3.9	2,727.2

More detail on the changes and LFO's recommendations for each program are outlined in the subsequent narrative. These are grouped by legal appropriations as approved in the agency's 2015-17 budget bill.

Self Sufficiency/Child Welfare/Vocational Rehabilitation (SS/CW/VR)

The rebalance plan for SS/CS/VR reflects net decreases of \$32.2 million General Fund, \$10.1 million Other Funds, and \$9.3 million Federal Funds. However, Other Funds expenditure limitation is not being recommended for reduction to support end of biennium accounting transactions.

For Self Sufficiency programs, the biennial average caseload in the Temporary Assistance to Needy Families (TANF) program has dropped by 873 families from the fall forecast, down to 22,426, which drives savings of \$29.2 million General Fund. This net amount includes a small increase in cost per case for TANF two-parent caseloads and \$1 million General Fund for cost contingencies in the last quarter of the biennium.

In addition to savings in TANF, DHS expects to underspend the Employment Related Day Care (ERDC) budget by \$11.2 million General Fund; there is also an associated projected ending balance of \$9.2 million Other Funds in Child Care Development Fund resources. The program

received a substantial funding increase in 2015-17; the higher funding level coupled with changes in eligibility timeframes and provider requirements made it more challenging to maximize ERDC participation while staying within the program's budget cap.

The rebalance also includes a technical action funding shifting \$20.0 million from Federal Funds to General Fund in Self Sufficiency and making the exact opposite shift in Child Welfare. This allows the General Fund to be counted for TANF Maintenance of Effort (MOE) in Self Sufficiency while keeping the Child Welfare program whole with federal dollars.

In Child Welfare, there are net General Fund savings of \$11.8 million because of overall lower caseloads; the total number of children served decreased by 31 between caseload forecasts. Embedded in the savings amount are higher costs for adoption assistance and due to more children are being placed out of home than previously projected. Another increased cost (\$7.9 million General Fund) is Attorney General legal billings that projected to be over budget; this is an ongoing issue that will likely continue to be a budget problem going forward.

As noted previously, \$20.0 million General Fund is shifted to Federal Funds to address TANF MOE. In addition, dollars (\$9.0 million) are being moved from federal Social Services Block Grant and TANF administration sources to General Fund to preserve federal carryforward and stay under a federal cap on administrative spending. As in the Self Sufficiency program, \$1 million General Fund for cost contingencies in the last quarter of the biennium is also retained in the budget as part of the plan.

No rebalance adjustments are needed for the Vocational Rehabilitation program.

Aging & People with Disabilities/Intellectual & Developmental Disabilities (APD/IDD)

The rebalance request for APD/IDD reflects net decreases of \$17.5 million General Fund and \$8.4 million Other Funds, along with an increase of \$10.7 million Federal Funds. However, the Other Funds expenditure limitation is not being proposed for reduction to support end of biennium accounting transactions.

For the Aging and People with Disabilities' budget, while overall caseloads have increased by 114 clients, the cost associated with that increase have been offset by cost per case savings, primarily in the live-in program. Due to high costs, consumers in this program have been transitioning to other plans, primarily into in home hourly. The number of participants dropped from 500 to 297 between forecasts.

The net \$17.5 million in APD General Fund savings accounts for the cost of both the caseload increases in the hourly program and higher caseloads in nursing facilities. A fundshift from Other Funds to General Fund of \$13.8 million is also included, which allows for nursing facility provider tax revenues to be carried forward.

Other items reducing General Fund need include a fundshift to adjust for increased estate recoveries, better federal match rates on services for some clients, and personnel related actions; collectively these plan components offset \$19.9 million in General Fund expenditures.

No change to the General Fund budget is being requested for the Intellectual and Developmental Disabilities (IDD) program. Spring caseloads are trending with the prior forecast in the short term, but cost have increased as more adults are projected to receive comprehensive in-home services. This activity, together with a funding gap left after the last rebalance and some additional costs tied to program management efforts, drive General Fund costs of about \$5.1 million. Another \$2.9 million in potential costs are associated with caseload volatility and the impacts of unwinding previously implemented reductions in service hours. The latter program change was a cost containment effort that was halted due to legal action.

These costs are offset by a reduced need for General Fund in other areas, primarily in the Stabilization and Crisis Unit (SACU). The unit received a staffing increase for this biennium but labor contract negotiations took longer than anticipated, which delayed the filling of some positions. The agency also began receiving a higher federal match rate on SACU work beginning January 1, 2017; this change reduced General Fund need but does require another \$2.9 million Federal Funds expenditure limitation to book expenditures appropriately.

Central Services/Program Design Services/Statewide Assessments and Enterprise-Wide Costs/Shared Services (CS/PDS/SAEC/Shared)

No changes are requested for the Central, Program Design, or Shared Services programs. The agency does project a potential for \$1.5 million General Fund savings but has retained those in the plan as a hedge against unforeseen issues. In Statewide Assessments and Enterprise-wide Costs, there is \$1.7 million General Fund in net savings for disappropriation. Within this amount are costs of \$0.5 million related to the new DAS telephone system plus another \$0.2 million to cover higher than budgeted mass transit, unemployment, and technology charges. In Other Funds, there is a net overall increase of \$0.5 million in expenditure limitation.

Costs are more than offset by \$2.4 million in General Fund savings, primarily for unspent facility project dollars (\$1.1 million) and changes in cost allocation for shared services functions that shift some costs over to the Oregon Health Authority (\$1.0 million). Federal Funds expenditure limitation is retained for end of biennium transactions.

Debt Service

There are no rebalance adjustments needed for debt-related costs.

OREGON HEALTH AUTHORITY

The plan submitted by the agency shows that OHA expects to complete the 2015-17 biennium with a surplus of \$7.6 million General Fund. This is related to several issues, including lower caseload, Other Fund revenues above forecast, and a mixture of increases and decreases in program costs. The plan would increase Other Funds expenditure limitation by \$16.8 million,

and decrease Federal Funds by \$941.4 million. Technical adjustments net to zero agency wide. There are no changes to positions or FTE. The Legislative Fiscal Office recommendation includes an additional \$4.0 million General Fund savings resulting from underspending in the rural provider insurance subsidy program. The total General Fund savings is then \$11.6 million.

This table shows the agency plan's General Fund impact by program and agency totals:

<i>General Fund \$\$ in millions</i>	HSD	Health Policy	Public Health	OSH	Central/ Shared	Cap Impr	Total
2015-17 Leg. Approved Budget	1,450.5	22.4	43.1	451.3	202.0	0.7	2,169.9
Rebalance Issues							
Costs	5.9	4.8	-	-	11.3	-	22.0
Savings	(23.6)	(2.5)	(3.2)	-	(0.3)	-	(29.6)
Technical Adjustments	(0.1)	(0.0)	-	-	0.1	-	0.0
Net Change	(17.7)	2.3	(3.2)	-	11.0	-	(7.6)

Health Systems Division (HSD)

The OHA rebalance plan includes several adjustments to HSD. Rebalance issues in this program result in overall net savings of \$17.7 million General Fund. The plan includes a net increase in Other Funds of \$14 million, and a decrease in Federal Funds of \$923.7 million.

OHA reports General Fund savings of \$3.6 million from caseload changes, as can be seen in the table below. The updated Spring 2017 caseload forecast resulted in a decrease of 3,637 individuals on the caseload, compared to the Fall 2016 forecast. Most of this decline is in the ACA expansion population and the Children's Medicaid Program, which is offset by an increase in the Children's Health Insurance Program (CHIP). The state receives a better match rate for CHIP than for the Children's Medicaid Program, so the movement of children into CHIP results in a General Fund savings overall. The Parent/Caretaker Relative category has increased since the Fall 2016 forecast. This category is decreasing over time, but not as quickly as was assumed in the last forecast. The financial impact of caseload changes result in a savings to General Fund costs of \$9.5 million. This is offset by the \$6 million of caseload costs that was not funded in the December 2016 rebalance, but rather left as a hole in the agency budget.

The rebalance includes several adjustments that result in savings to the General Fund. This includes an increase of \$5 million in the tobacco tax forecast and \$6 million more in anticipated drug rebate revenues. A savings of \$5.3 million General Fund results from the Special Needs Rate Group settlement from Coordinated Care Organizations (CCOs). This is the final settlement related to a risk-sharing arrangement with CCOs for costs of certain high risk populations when they were moved from Fee-for-Service to CCOs. There is \$3.7 million General Fund savings related to the ONE system. Costs have come in lower than expected, partially due to staff turnover in the processing center. LFO recommends another \$4 million in

General Fund savings as a result of underspending in the rural provider insurance subsidy program. This results in an overall General Fund savings of \$21.7 million in HSD.

2015-17 Biennium	Approved Budget	May 2017	Difference	% Change	\$MM Difference
<i>Medicaid Caseload Eligibility Category</i>					
Affordable Care Act (ACA) Adults	409,098	404,970	(4,128)	-1.0%	(40.1)
Parent/Caretaker Relative	68,770	70,491	1,721	2.5%	22.0
Pregnant Women	16,639	16,471	(168)	-1.0%	(4.8)
Children's Medicaid Program	344,965	341,051	(3,914)	-1.1%	(18.3)
Aid to Blind and Disabled	82,008	82,154	146	0.2%	5.3
Old Age Assistance	42,338	42,133	(205)	-0.5%	(2.0)
Foster/Adoption/BCCP	20,046	20,050	4	0.0%	(0.1)
Children's Health Insurance Program	61,706	65,281	3,575	5.8%	14.0
Medicare Buy-in, CAWEM	71,255	70,587	(668)	-0.9%	(1.6)
TOTAL	1,116,825	1,113,188	(3,637)	-0.3%	(\$25.5)
Total General Fund Impact					(\$9.5)
Unfunded caseload from December 2016 Rebalance					\$6.0
Net General Fund Impact					(\$3.6)

The plan also includes increased costs for the “clawback” for the current biennium of \$5.9 million General Fund. This is the funding that the state is required to pay to our federal partners for the cost of prescription drug benefits under Medicare Part D for clients that are eligible for both Medicaid and Medicare.

The HSD plan includes a decrease in Federal Funds expenditure limitation of \$923.7 million. Most of this was a result of caseload changes in the December 2016 rebalance. The Federal Funds were unscheduled at that time, since the Emergency Board does not have the authority to reduce the agency budget. This empty limitation is now being removed from the budget.

Health Policy and Analytics

The Health Policy and Analytics plan result in overall net costs of \$2.3 million General Fund. The plan includes a net increase in Other Funds of \$2.3 million, and a decrease in Federal Funds of \$76,500. Costs of \$4.8 million are related to legal costs incurred by the agency as a result of the Cover Oregon litigation. Savings of \$2.4 million General Fund resulted from a no cost extension of the State Innovation Model (SIM) grant that was originally awarded in 2013 for the period ending September 2016. The extension allowed the agency to utilize grant funding to complete work that would have otherwise been paid by General Fund.

Public Health

The Public Health plan results in \$3.2 million in General Fund savings. The CARE Assist program has \$3 million General Fund available, because of an increase in Other Funds revenues from

rebates on insurance premiums that are paid through this program. The Breast and Cervical Cancer Screening Program also expects to underspend their General Fund budget by \$227,000. Demand for services through this program has been decreasing since the Affordable Care Act increased the number of Oregonians that have insurance.

Central Services/Shared Services/Statewide Assessments & Enterprise-Wide Costs

The rebalance plan for Statewide Assessments & Enterprise-Wide Costs includes a net increase in General Fund of \$11 million. Higher utilization of Department of Administrative Services (DAS) usage-based services as well as cost allocation changes for State Government Service Charges has resulted in an increase of \$0.3 million. The continued implementation of the new DAS telephone system, MUSIC, is expected to cost \$0.4 million General Fund more than budgeted during the current biennium. Risk charges offset these costs with \$0.3 million in General Fund savings.

Shared Services costs continue to be affected by changes in cost allocation, partially resulting from the inclusion of the Oregon State Hospital in cost allocation. The General Fund cost is expected to be an additional \$6.6 million. Because these are shared services across both OHA and DHS, there is a General Fund savings in DHS related to this item. Finally, costs have increased by \$3.9 million because of increased utilization and cost allocation for Enterprise Technology Services (ETS).

Legislative Fiscal Office Recommendations

LFO recommends the following actions to implement the DHS and OHA 2015-17 rebalance plans with the adjustments as described above.

Department of Human Services

	General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
Self Sufficiency						
Child Welfare						
Vocational Rehabilitation	(32,202,000)	-	(9,254,132)	(41,456,132)	-	-
Adults & People with Disabilities						
Intellectual & Developmental Disabilities	(17,535,382)	-	10,708,805	(6,826,577)		
Central Services						
Program Design Services						
SAEC	(1,700,153)	512,831	-	(1,187,322)	-	-
Debt Service	-	-	-	-	-	-
Shared Services	-	-	-	-	-	-
TOTAL	(51,437,535)	512,831	1,454,673	(49,470,031)	-	-

Oregon Health Authority

	General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
Health Services Programs	(22,582,478)	16,304,929	(924,045,139)	(930,322,688)	-	-
Central/SAEC	11,030,371	475,262	(17,306,106)	(5,800,473)	-	-
TOTAL	(11,552,107)	16,780,191	(941,351,245)	(936,123,161)	-	-

1. Approve the -1 amendment to SB 5543 to adjust General Fund appropriations, and Other Funds and Federal Funds expenditure limitations.

Motion #1: I move to adopt the - 1 amendment to SB 5543

2. Move the bill as amended to the Full Committee on Ways and Means with a “do pass” recommendation, as amended.

Motion #2: I move SB 5543 to the Joint Committee on Ways and Means with a “do pass” recommendation, as amended.

HB 2661 B BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Keny-Guyer

Joint Committee On Ways and Means

Action Date: 06/29/17

Action: Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

House Vote

Yeas: 11 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson

Senate Vote

Yeas: 11 - DeBoer, Devlin, Frederick, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Nays: 1 - Girod

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Laurie Byerly, Legislative Fiscal Office

Department of Human Services

2017-19

Budget Summary

	2015-17 Legislatively Approved Budget	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 57,401	\$ 57,401	
Other Funds Limited	\$ -	\$ -	\$ 56,250	\$ 56,250	
Total	\$ -	\$ -	\$ 113,651	\$ 113,651	

Position Summary

Authorized Positions	0	0	2	2
Full-time Equivalent (FTE) positions	0.00	0.00	0.50	0.50

Summary of Revenue Changes

House Bill 2661 requires people providing long-term care referrals to register with and pay a fee to the Department of Human Services (DHS), every two years. The bill authorizes DHS to establish an initial registration fee of \$750 and to impose civil penalties relating to the registration. DHS is also authorized to establish a renewal fee, by rule, up to \$750. The fees are expected to generate approximately \$56,520 for the 2017-19 biennium, assuming there will be 75 entities required to register with DHS.

Summary of Human Services Subcommittee Action

House Bill 2661 requires people providing long-term care referrals to register with and pay a fee to DHS, every two years. The bill establishes definitions for the industry and requires long-term care providers to meet certain requirements, to include what information must be disclosed to clients, compensation practices and sharing of client information. To register, the agents must demonstrate, to DHS, that they have met the requirements, have liability insurance and must also submit to a background check.

The Subcommittee approved a \$57,401 General Fund appropriation and \$56,250 Other Funds expenditure limitation (\$113,651 total funds) for two permanent part-time positions (0.50 FTE); one Operations and Policy Analyst 3 position and one Administrative Specialist 2 position, to implement and administer the provisions of the bill. Members noted that the mix of General Fund and fee revenue needed to adequately support the program after implementation may vary depending on the number of registered agents and level of agency effort needed to meet statutory requirements.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Human Services
Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 060-08 - Aging and People with Disabilities									
Personal Services	\$ 22,942	\$ -	\$ -	\$ -	\$ -	\$ -	22,942	2	0.50
Services and Supplies	\$ 34,459	\$ -	\$ 56,250	\$ -	\$ -	\$ -	90,709		
SUBCOMMITTEE RECOMMENDATION	<u>\$ 57,401</u>	<u>\$ -</u>	<u>\$ 56,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>113,651</u>	<u>2</u>	<u>0.50</u>

SB 5526 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Steiner Hayward

Joint Committee On Ways and Means

Action Date: 06/30/17

Action: Do pass with amendments. (Printed A-Eng.)

Senate Vote

Yeas: 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

House Vote

Yeas: 7 - Gomberg, Holvey, Nathanson, Rayfield, Smith G, Smith Warner, Williamson

Nays: 4 - Huffman, McLane, Stark, Whisnant

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Laurie Byerly, Legislative Fiscal Office

Department of Human Services

2017-19

Budget Summary*

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 2,723,349,217	\$ 3,270,198,241	\$ 3,102,015,964	\$ 378,666,747	13.9%
General Fund Debt Service	\$ 3,863,400	\$ 4,893,959	\$ 4,893,959	\$ 1,030,559	26.7%
Other Funds Limited	\$ 539,710,476	\$ 546,806,345	\$ 551,495,145	\$ 11,784,669	2.2%
Federal Funds Limited	\$ 4,805,209,969	\$ 5,279,895,699	\$ 5,323,663,179	\$ 518,453,210	10.8%
Federal Funds Nonlimited	\$ 2,514,345,331	\$ 2,214,345,331	\$ 2,214,345,331	\$ (300,000,000)	(11.9%)
Total	\$ 10,586,478,393	\$ 11,316,139,575	\$ 11,196,413,578	\$ 609,935,185	5.8%

Position Summary

Authorized Positions	8,053	8,238	8,224	171
Full-time Equivalent (FTE) positions	7,902.39	8,164.88	8,080.44	178.05

Emergency Board

	2015-17 Legislatively Approved Budget ⁽¹⁾	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 750,000	\$ 750,000	100.0%
Total	\$ -	\$ -	\$ 750,000	\$ 750,000	100.0%

⁽¹⁾Includes adjustments through June 2017

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Human Services (DHS) is funded with a mix of General Fund, Other Funds and Federal Funds revenues. Almost all the General Fund is used as match or to meet state maintenance of effort requirements to receive Federal Funds. Other Funds revenues come from a wide variety of sources, such as nursing home provider taxes, child care development funds, grants, unitary tax assessment, collections of overpayments, estate collections, third party recoveries, fees and charges for services.

The largest single Federal Funds source is the Title XIX Medicaid program, which is expected to supply at least \$3.8 billion to support programs across the agency. The Supplemental Nutrition Assistance Program (SNAP) is the next largest federal contributor; \$2.2 billion in estimated benefits are reflected in the budget as Nonlimited Federal Funds. Other Federal Funds subject to expenditure limitation include Temporary Assistance to Needy Families (TANF); Title IV-B Child Welfare Services; Title IV-E Foster Care and Adoption Assistance; Title XX Social Services

Block Grant; Developmentally Disabled Services Act (DDSA) funds; Family Violence Prevention grant funds; Older Americans Act funds; Nutrition Services Incentive Program (NSIP) funds; Rehabilitation Act grants; and Basic 110, Section 633, and Section 711 Rehabilitation funds. Some of these sources are capped block grants (e.g., TANF, Social Services Block Grant); others provide federal matching funds as partial reimbursement of state costs (e.g., Medicaid, Foster Care, and Adoption Assistance).

Federal Child Care and Development Fund (CCDF) grants are received by the Oregon Department of Education and passed through to the department where they are spent as Other Funds in the Employment Related Day Care program; \$97.0 million in CCDF is anticipated for DHS use in 2017-19.

Three major methodologies are used to project revenues for the department: 1) the category of expenditures based on estimated Average Daily Populations (ADP) and Cost per Case (CPC) is primarily used for federal entitlement grants, 2) grant cycles and where they fall within the biennium are considered for block grants; assumptions based on the results of prior grant averaging and the anticipated effect of the federal budget process are both used to project the amount of funds to be received, and 3) the historical receipt trends method is used for Other Funds sources such as collections of overpayments and fees unless the agency has additional information, such as anticipated special projects, which would increase revenue or a temporary need for additional staff and will change the projections for a specific time period.

The Subcommittee noted the budget authority and revenue projections are based on current law and do not reflect potential adjustments to federal programs and funding streams presently being discussed at the federal level. Many of these proposals would directly affect DHS' ability to provide food assistance and to support programs helping seniors and people with disabilities.

Summary of Human Services Subcommittee Action

The mission of DHS is to help Oregonians, in their own communities, achieve safety, well-being and independence through services that protect, empower, respect choice and preserve dignity. DHS is responsible for the care of some of Oregon's most vulnerable citizens – children, families, people with intellectual and developmental disabilities and seniors. DHS also serves Oregonians at times when they are most in need – when they have experienced abuse, when they are hungry and when they are homeless.

DHS's budget is divided into five distinct programs areas: Child Welfare, Self Sufficiency, Vocational Rehabilitation, Aging and People with Disabilities and Intellectual/Developmental Disabilities. These program areas are supported by Central Services, Shared Services and Program Design Services; the budget includes a reorganization of this last support area, which eliminates the budget unit going forward.

The Subcommittee approved a budget of \$3,106,909,923 General Fund, \$551,495,145 Other Funds expenditure limitation, \$5,323,663,179 Federal Funds expenditure limitation, \$2,214,345,331 Federal Funds Nonlimited (\$11,196,413,578 total funds) and 8,224 positions (8,080.44 FTE). This is a 5.8 percent total funds increase from the 2015-17 Legislatively Approved Budget. To develop the budget, the Subcommittee

discussed and reviewed packages used to build the Governor's Budget, examined stakeholder budget requests, and incorporated the agency's repricing ("reshoot") adjustments for caseload, cost-per-case, and other changes since budget development began in early 2016. Caseload and associated cost adjustments are based on the Spring 2017 forecast. Also included in the Subcommittee's recommended budget are 2015-17 interim actions that have an impact on the agency's 2017-19 budget.

After holding public hearings on the agency's programs and reviewing budget information, the Subcommittee identified three priority areas for action and follow up during the interim. A budget note was subsequently approved to ensure routine communication and formal opportunities for Legislative feedback:

Budget Note

The Department of Human Services (DHS) will provide interim reports to the Legislature on the three topics outlined below; the agency may choose to submit either combined or separate status reports but should be consistent in approach once reporting has begun, unless otherwise instructed. Reports will be submitted for review and approval at each meeting of the appropriate interim budget committee (either Joint Committee on Ways and Means or Emergency Board) throughout the 2017-19 interim; an update during the 2018 legislative session may also be requested by either the agency or budget committee.

1. **Child Welfare** - This program has been struggling to meet legislative and stakeholder expectations around child safety, provider oversight, policy alignment, program performance, and system accountability. To help address this struggle, the recommended budget does contain funding and positions to help support the program, with a focus on foster parents, other providers, and agency caseworkers. However, for the latter group, there continues to be legislative concern that more training and positions alone will not be sufficient to improve agency performance in recruiting, hiring and retaining quality caseworkers. It is also likely that although the new Consultant Educator Trainer (CET) positions are intended to improve safety by providing the clinical consultation and training, the impacts will not be immediate as many of the agency's most experienced casework staff will likely apply for these positions creating the need to backfill those positions with new casework staff that will need to be trained before being fully functioning. Interim reporting is directed to keep the Legislature aware and focused on agency progress in this area.

For the first interim report, the Department will provide information on data and metrics around recruiting, hiring, training and retaining caseworkers, for legislative review and feedback toward developing a uniform reporting framework or dashboard for future meetings. This reporting should include information on staff turnover, such as separation rate and counts, length of service, separation reason and agency strategies to address those reasons. Other related policy, workload, or organizational challenges and potential solutions

should also be outlined. In addition, program changes or progress updates coming out of the Unified Child and Youth Safety Implementation Plan process, particularly those associated with potential budget needs or adjustments, should also be covered in the report.

2. Intellectual and Developmental Disabilities - The recommended budget includes a generic program reduction of \$12 million General Fund in lieu of more specific actions to curb program costs. While the Department has been working on sustainability options to offset program growth (primarily driven by the Community First Choice Option or “K Plan”) over the past two years, the results of that work has been met with a lukewarm response by the Legislature. Recently, it appears there might be other, more tenable program modification alternatives that would, however, require additional time to develop with and receive approval from the federal Medicaid authority. DHS is directed to pursue these alternatives, take management actions to suppress program spending, and implement the new assessment/planning process currently under development, no later than June 1, 2018. At each interim meeting, the Department will provide a status update on both these efforts and the program’s budget.

The program is hoping to achieve budget savings without having to make changes to the “parental income disregard” or other eligibility criteria. However, if the target cannot be met by other actions, the program should consider and bring forward eligibility changes for legislative review and approval during the 2017-19 biennium. In addition, prior to taking any action that would close state operated residential facilities, the Department will report on its plan for that closure at the appropriate interim meeting; along with budget impacts, the report will include a description of how the closure will affect residents, providers, and employees.

3. Position Management - DHS is directed to accelerate the agency’s current effort to improve position management practices; these have typically relied heavily on double filling positions and using funding from holding positions vacant to cover the double fill costs. While perhaps expedient from a program perspective, this approach makes it difficult to externally assess or validate how many positions should be approved in the budget, to calculate any gap between a position’s funding versus actual cost and to determine if a vacant position is no longer needed. It is also not consistent with truth in budgeting and makes it challenging to set baselines for cost containment strategies, budget growth metrics or program capacity analyses.

At a minimum, at each interim meeting, the Department will report on progress, by program, in reducing the number of double filled and vacant positions, along with providing an update on its plan for resolving double fills and cleaning up vacant positions over the next two years. It is anticipated the agency will need to work

through both the administrative position change (permanent finance plan) and legislative position change (rebalance or policy package action) processes to complete the project.

As of June 1, 2017, DHS had 494 double filled positions, 814 vacant positions and 7,767 employees.

Program Design Services

During the 2013-15 biennium, certain staff in each program were consolidated into a single agency-wide budget structure called Program Design Services (PDS). The following offices were set up in the new structure: Licensing and Regulatory Oversight, Information Technology Business Supports, Business Intelligence and Program Integrity. Since that time, the agency has determined some of these functions would be more effective if embedded in the programs; the resulting reorganization is expected to improve client safety and responsiveness to provider oversight issues.

The Subcommittee approved a complete reorganization of this division, which fully redistributes the program to other budget structures, and thus no funding or positions are recommended for PDS. The Subcommittee's budget eliminates this division through a combination of actions in Package 095, December 2016 Rebalance, and Package 801, LFO Analyst Adjustments. Positions (and their commensurate funding) were transferred as outlined in the table below:

	FROM:		Information Technology Business Supports		Business Intelligence		Program Integrity		Total	
	POS	FTE	POS	FTE	POS	FTE	POS	FTE	POS	FTE
	(113)	(113.00)	(37)	(37.00)	(26)	(26.00)	(39)	(39.00)	(215)	(215.00)
TO:										
Aging and People with Disabilities	87	87.00	9	9.00	-	-	-	-	96	96.00
Intellectual and Developmental Disabilities	17	17.00	12	12.00					29	29.00
Child Welfare	9	9.00							9	9.00
Central Services			15	15.00	26	26.00	39	39.00	80	80.00
Shared Services			1	1.00					1	1.00
Total									215	215.00

The reorganization maintains centralized efforts for Business Intelligence and Program Integrity, but moves them into the Central Services budget structure. Central Services will also house some of the resources formerly in Information Technology Business Supports (ITBS); now

called the Office of Technology and Information Supports. This unit consists of business analysts and other staff supporting the agency's enterprise level, cross-program systems or projects such as ONE Integrated Eligibility and Medicaid Eligibility. The other business analyst positions from ITBS were supporting systems specific to the Aging and People with Disabilities (APD) and the Intellectual and Developmental Disabilities (IDD) programs and transfer to those areas.

The program-related Licensing and Regulatory Oversight positions and associated expenditures, including contracts for the Oregon Board of Nursing and the Oregon State Fire Marshall, are moved to the appropriate program: APD, IDD, or Child Welfare. Other changes approved by the Subcommittee include reducing all other differential costs by \$2.5 million General Fund and moving the Mass Transit tax expenditure from PDS to the State Assessments and Enterprise-wide Costs (SAEC) program to recentralize the expenditures for Mass Transit within that budget structure.

Self Sufficiency Programs

Self Sufficiency Programs (SSP) provide assistance for low-income families to help them meet critical needs, while helping them become self-supporting. The major programs in this area are: Supplemental Nutrition Assistance Program (SNAP); Temporary Assistance to Needy Families (TANF); Employment Related Day Care (ERDC); the Refugee Program; and Youth Services.

DHS administers these programs through coordination and collaboration with families and individuals, as well as community partners and through direct services provided by state staff. Field staff provides program services and benefits to clients through more than 100 field and branch offices throughout the state.

General Fund supports 11.2 percent of this budget, Other Funds 3.2 percent, and Federal Funds 85.6 percent. The major source of Other Funds is federal Child Care Development Fund dollars transferred from the Department of Education for the Employment Related Day Care program. The budget also includes child support recoveries and client trust account funds from client resources, such as federal Supplemental Security Income disability payments. Overpayment recovery revenues are also used to offset General Fund.

Funding for SNAP benefits is the single largest source and use of Federal Funds in SSP. SNAP benefits are projected at \$2.2 billion for the 2017-19 biennium. Federal Funds also help pay for program administrative costs on a 50.0 percent state/50.0 percent federal basis. Other Federal Funds come from capped or formula-based block grants, payments for partial reimbursement of eligible state costs and miscellaneous grants for specific amounts and purposes. Oregon receives a base federal TANF block grant, which pays for cash assistance, JOBS services, child care and other self-sufficiency programs, as well as child welfare services such as foster care and residential care.

The Subcommittee approved budget for SSP is \$345,563,959 General Fund, \$100,235,704 Other Funds limitation, \$440,852,155 Federal Funds limitation, \$2,214,345,331 Federal Funds Nonlimited (\$3,100,997,149 total funds) and 2,049 positions (2,048.63 FTE). This is an 8.6 percent total

funds decrease from the 2015-17 Legislatively Approved Budget; while there are some reductions in the budget, the decrease is mostly attributable to a continued decline in the TANF caseload due to improvements in the economy and employment market since the last recession.

The Subcommittee approved a Revenue Shortfall package (Package 070), which decreased the 2017-19 current service level by \$9.2 million Other Funds. This reflects a lower transfer-in of Child Care Development Funds (CCDF) from the Oregon Department of Education (ODE) than what is budgeted for the 2015-17 ERDC program and is equivalent to the loss of about 500 cases. This same amount of CCDF is restored in another action due to the availability of funds unspent in 2015-17; however, it is not enough to offset General Fund reductions due to statewide funding constraints.

Other approved actions include the transfer of a position from Child Welfare into Self Sufficiency, and the transfer of several Electronic Benefit Transfer (EBT) positions from APD to Self Sufficiency, for a net gain of six positions (6.00 FTE) within SSP. These are part of the December 2016 Rebalance (Package 095).

Finally, the Subcommittee approved increasing vacancy savings (hiring slowdown) by three percent, reducing services and supplies by three percent, carrying forward \$20 million in one-time TANF Federal Funds to expend in place of General Fund in 2017-19, moving mass transit tax expenditures from SSP to SAEC (occurring in every program to recentralize these costs), and transferring three positions from Legal and Client Relations Office (LCRO) into SSP.

Other changes include adjustments for caseload and cost per case changes, which reflect about \$60 million in lower projected General Fund costs between the Fall 2016 and Spring 2017 caseload forecasts. For TANF, 2017-19 average caseload projection decrease by more than 3,000 families between forecasts. A policy change saving \$3.4 million General Fund in the TANF program was also approved; Non-Needy Caretaker Relative income will now count in the eligibility calculation, which will reduce or eliminate grants for some families. Regarding TANF, the budget assumes ongoing suspensions to certain TANF requirements put in place via HB 2469 (2007). These program components have set aside for multiple biennia, due to both funding issues and other programs that have evolved over time. The Subcommittee encouraged the agency to review the TANF statutes to see if modifications streamlining or better aligning with current practice should be developed for the 2019 legislative session. More specifically, the HB 2469 (2007) suspensions should be examined for a more permanent approach and for consistency with more recent law changes - known as TANF reinvestment - enacted under HB 3535 (2015).

The approved budget reduces ERDC by \$11.7 million General Fund, which equates to about 650 cases. This is in addition to 500 cases lost due to fewer federal dollars being available for the program. Another \$9.2 million General Fund is pulled from the program on a one-time basis and backfilled with CCDF carryforward from the 2015-17 biennium. Overall, while the program is 11 percent below current service level, it is still expected to serve about 8,900 families in 2017-19.

The total transfer-in for CCDF is estimated at \$97.0 million; while these dollars primarily fund ERDC subsidies, \$2.7 million of the funding will also support the Teen Parent child care subsidy program, which is moving from ODE to DHS effective January 1, 2018. Another program providing child care to parents while they participate in alcohol and drug treatment programs is also being shifted to DHS, but there is no funding coming with it since recent federal rule changes around CCDF usage do not appear to mesh with the intermittent nature of these services. The historical biennial program cost has been about \$1.4 million. The department believes there is a path to continue serving these families through similar programs or by using other funding sources; determining this will require additional analysis and research. Due to concerns about the outcome of the work, the Subcommittee approved the following budget note:

Budget Note

The Department of Human Services is directed to report to the Interim Joint Committee on Ways and Means during Legislative Days in November 2017 on its findings regarding the transition of the Alcohol and Drug Program child care services from the Early Learning Division to the Department. The report should include the adequacy of agency resources to support the program, additional funding needed to account for any resource gaps, a description of the services to be provided, and the number of families expected to be served.

Child Welfare

Child Welfare (CW) program services are provided to children reported to be abused or neglected and families who are impacted by abuse dynamics; typically, substance abuse and domestic violence. DHS is required by statute to assess reports of alleged child abuse or neglect, complete comprehensive safety assessments of children, assess parent or caregiver capacity to protect and determine whether child abuse or neglect has occurred. Primary funding for CW programs (including Child Safety, Well Being, and Permanency) consists of General Fund and various federal resources derived from the United States Department of Health and Human Services.

The Subcommittee approved budget is \$553,248,129 General Fund, \$28,136,610 Other Funds limitation, \$490,146,539 Federal Funds limitation (\$1,071,531,278 total funds) and 2,745 positions (2,686.79 FTE). This is an 11.3 percent total funds increase from the 2015-17 Legislatively Approved Budget.

Adjustments approved as part of the DHS December 2016 Rebalance (Package 095) include moving a position (1.00 FTE) from Child Welfare to Self Sufficiency; and reclassifying/realigning positions within the program to help improve policy and field support for foster care services. These actions result in a net zero funding change and a net abolishment of seven positions (7.00 FTE). The Subcommittee also approved an increase in rates for foster parents (Package 108), which should increase the base rate by an average of 14.0 percent on January 1, 2018. In Package 109, the Subcommittee approved an update to the rate model for the Behavioral Rehabilitation Services (BRS) program, including an increase in rates for BRS providers (a net average increase of 16 percent) to address inflationary cost increases in this program beginning July 1, 2017.

The Subcommittee approved a General Fund appropriation (Package 110) to the department to be used as a block grant to pay the Oregon Department of Justice to represent caseworkers in child dependency cases. This investment is consistent with one of the recommendations from the Interim Task Force on Legal Representation in Childhood Dependency and is expected to improve both the legal process and caseworker workload, job satisfaction and retention.

In connection with SB 102 (2017), the Subcommittee approved, Package 113, which appropriates \$3.3 million General Fund to meet federal requirements by transferring these funds into the new account established by Senate Bill 102. The bulk of these funds, based on savings reported for federal fiscal years 2016 and 2016, will be used to establish a child care stipend to assist working foster parents.

In Package 801, LFO Adjustments, the Subcommittee approved several modifications to the CW budget, which include: associated with caseload and cost per case changes from the Spring 2017 forecast, an increase of \$1.9 million General Fund (\$3.9 million total funds); reducing services and supplies; moving the Mass Transit tax payment to the SAEC program; not backfilling \$9.9 million General Fund for flat funded Federal grants; adjusting for the new Federal Medicaid Assistance Percentage (FMAP) rate, which determines the federal share of eligible program expenditures and saves \$1.0 million General Fund; assuming a three percent vacancy rate (hiring slowdown), which saves \$8.3 million General Fund; transferring in nine positions (9.00 FTE) from ORLO; transferring one position out to SSP (1.00 FTE); and making some technical adjustments to clean up positions and correct budget entries.

The Subcommittee approved the addition of 50 Consultant, Educator, Trainer (CET) positions (44.00 FTE) totaling \$6.5 million General Fund (\$9.3 million total funds) to provide training, role playing and hands on support of child welfare frontline workers (Package 802, Other Child Welfare Needs). In the same package, the Subcommittee added \$2.3 million General Fund to mitigate against the three percent vacancy savings (hiring slowdown) assumptions to assist the agency in filling its most critical vacancies. Also, related to workforce structure and capacity, the Subcommittee approved an adjustment to the current service level staffing model, which allows for fewer positions, but for a longer period. This change frees up \$6.1 million General Fund for other budget needs (Package 801).

Additionally, in Package 802, the Subcommittee approved \$1.0 million General Fund for workforce professional development and \$2.0 million General Fund for supervisor training. DHS is expected to report on its plan for these efforts as part of the required interim reporting on Child Welfare and, where possible, the program will maximize federal funding for these initiatives. The Subcommittee's recommendation also includes \$0.3 million General Fund (\$0.4 million total funds) and one limited duration position (0.50 FTE) to support the requirements of SB 243 (2017).

SB 5526 includes a section establishing a \$750,000 General Fund appropriation to the Emergency Board for foster parent supports; the Subcommittee expects the agency to request these funds when it has worked with stakeholders to determine the highest need/best use for the dollars.

Vocational Rehabilitation

Vocational Rehabilitation (VR) works with businesses, schools and community programs to assist youth and adults with disabilities (other than blindness) to obtain, maintain or advance in employment.

The Subcommittee approved budget is \$29,129,564 General Fund, \$2,331,562 Other Funds limitation, \$81,820,748 Federal Funds limitation (\$112,741,874 total funds) and 259 positions (258.25 FTE). This is a 1.8 percent increase in total funds from the 2015-17 Legislatively Approved Budget.

The budget includes a technical adjustment to correct a keying error; \$2.1 million General Fund for 11 positions (11.00 FTE) are moved from IDD back to VR, as part of the agency's December 2016 rebalance (Package 95). These are positions associated with a 2015 policy package that added resources to improve employment outcomes for people with intellectual and developmental disabilities; the positions were rekeyed into the wrong program during 2017-19 current service level development. As with other programs, the Subcommittee approved a reduction in services and supplies, a three percent increase in the assumed vacancy rate (hiring slowdown), and movement of the Mass Transit tax payment to the SAEC program (Package 801). This package also expends \$4.9 million Federal Funds, from one-time reallocation dollars, in lieu of General Fund; although these funds are one-time in nature the agency has been successful in repeatedly drawing down these funds in recent biennia. The elimination of two long-term vacant positions (2.00 FTE) is approved in Package 812, Vacant Position Elimination.

Aging and People with Disabilities

The Aging and People with Disabilities (APD) program assists seniors and people with disabilities of all ages to achieve well-being through opportunities for community living, employment, family support and services that promote independence, choice and dignity. APD administers Oregon's Medicaid long-term care program primarily under the Community First Choice Option (K Plan) under Section 1915(k) of the Social Security Act. Oregon Project Independence (OPI) provides in-home services outside of the Medicaid program. Federal Older American Act services include help with abuse prevention, caregiver supports, medication management, nutrition services, legal issues and other services.

The Subcommittee approved a \$3,547,218,226 total funds budget, which is 14.7 percent higher than the 2015-17 Legislatively Approved Budget. The budget contains \$1,030,457,768 General Fund, \$227,622,469 Other Funds limitation, \$2,289,137,989 Federal Funds limitation and 1,452 positions (1,388.21 FTE).

Tied to the PDS reorganization, the Subcommittee's approval includes \$10.2 million General Fund (\$28.0 million total funds) for the transfer of 83 positions (83.00 FTE) licensing and regulatory positions, as part of the agency's December 2016 rebalance (Package 95). As with other programs, the Subcommittee approved: reducing services and supplies; a three percent increase in the assumed vacancy rate (hiring slowdown), allowing \$3.0 million General Fund to be repurposed for other budget needs; moving the Mass Transit tax payment to the SAEC program; not backfilling \$0.6 million General Fund for flat funded Federal grants; adjusting for the new Federal Medicaid Assistance Percentage (FMAP) rate,

which determines the federal share of eligible program expenditures, saving \$7.8 million General Fund. The Subcommittee also approved the transfer of nine positions (9.00 FTE) from PDS into APD; and a correction to the funding split for the General Assistance program (Package 801).

The Subcommittee, in Package 801, also approved reshoot adjustments to account for caseload growth and cost per case changes based on the spring 2017 forecast. Savings in Community Based Care (CBC) and In Home programs help offset other costs, including a rate increase specifically for Assisted Living, Residential Care, Memory Care and In-home agency providers at \$17.1 million General Fund (\$56.2 million total funds). In the nursing facilities program, \$13.8 million in one-time Other Funds (long-term care facility assessment carryforward revenues) cover most of a reshoot gap of \$15.3 million General Fund (\$49.8 million total funds) to cover caseload increases and set the nursing facility rate per the statutory methodology. The daily rate for year one rate is set at \$301.70 (7.3 percent increase), with the year two rate estimated to be \$320.40.

To finish the project and move to training/operations for the Centralized Abuse Management (CAM) system, the Subcommittee approved \$1.7 million General Fund (plus \$2 million from remaining bond proceeds) and two full-time, permanent positions (1.50 FTE); an operations and policy analyst and one trainer (Package 102).

The Subcommittee approved an adjustment to the current service level staffing workload model that shifts position start dates out further into the biennium. Twelve positions are removed from the model and used to create 6 positions (5.28 FTE) to catch up and keep up with facility surveys and corrective action work (Package 801).

Current service level also includes an ongoing caregiver training initiative, at a cost of \$3.4 million General Fund. The Subcommittee approved this expenditure and expects the agency will continue its relationship with Oregon Care Partners to deliver this training. Since it began in 2013-15, the program has provided training to more than 11,800 individuals; participants include family caregivers, public safety workers, volunteers and employees of various care facilities.

The Subcommittee approval (Package 801) also contains the following reductions or projected cost savings:

- Eliminating the live in program effective October 1, 2017. The program has been phasing out over the last biennium due to high costs resulting from federal overtime rule changes. This action reduces the budget by \$4.5 million General Fund (\$14.8 million total funds).
- Capturing an estimated four percent caseload reduction expected to occur from strengthening the assessment used to determine an individual's level of service need. This action reduces the budget by \$10.0 million General Fund (\$31.0 million total funds).
- Reducing hours of care authorized once updated timings are implemented based on a recent time study indicating that task times need to be both increased and decreased, but will ultimately result in a net reduction of hours. This assumption is expected to result in \$12.5 million General Fund (\$40.5 million total funds) being eliminated.

- Eliminating the discontinued Home Care Choice program, which reduces the budget by close to \$1 million General Fund (\$16.4 million total funds) and five positions (5.00 FTE).

Intellectual and Developmental Disabilities

The Intellectual and Developmental Disabilities (IDD) program area serves children and adults with intellectual and developmental disabilities throughout their life span. This program's mission is to help individuals be fully engaged in life and, at the same time, address any critical health and safety needs. The state, counties, brokerages, providers, families and self-advocates are all critical parts of Oregon's Developmental Disabilities service system that focuses on individuals with IDD, living in the community and having the best quality of life at any age. All clients are served in the community and most of these services are administered under Medicaid waivers.

General Fund makes up 32.6 percent of the IDD budget, with most of the General Fund used to match federal Title XIX Medicaid dollars. Other Funds revenue supports 1.0 percent of the overall budget, coming primarily from clients' contributions towards their care. Federal matching funds for the Medicaid program are determined by the FMAP rate, which determines the federal share of eligible program expenditures. The program match rate changes each federal fiscal year.

The Subcommittee approved budget is \$886,869,630 General Fund, \$27,960,269 Other Funds limitation, \$1,809,055,259 Federal Funds limitation (\$2,723,885,158 total funds) and 903 positions (902.00 FTE). This is a 17.0 percent total funds increase from the 2015-17 Legislatively Approved Budget.

As part of the December 2016 Rebalance (Package 095), the Subcommittee approved \$2.2 million General Fund (\$4.5 million total funds) for the transfer of 18 positions (18.00 FTE) from other areas, primarily licensing and regulatory positions from PDS; correcting positions and keying errors related to position movements; and updating the PERS rate for Stabilization and Crisis Unit (SACU) staff - these employees receive a higher rate due to police and fire level benefits authorized by HB 2618 (2015). As with other programs, the Subcommittee approved: reducing services and supplies; a three percent increase in the assumed vacancy rate (hiring slowdown), allowing \$1.8 million General Fund to be repurposed for other budget needs; moving the Mass Transit tax payment to the SAEC program; adjusting for the new Federal Medicaid Assistance Percentage (FMAP) rate, which determines the federal share of eligible program expenditures and saving \$13.0 million General Fund.

The Subcommittee also: increased General Fund (\$3.3 million) related to the Medicaid participation rate for County Developmental Disability Programs (CDDP) and Brokerages as fewer individuals are projected to be eligible for Medicaid; approved the transfer of 13 positions (13.00 FTE) from both PDS and APD into IDD; removed unfunded positions and expenditures related the Developmental Disability Council; and corrected employee representation codes in SACU (Package 801).

The Subcommittee, in Package 801, approved reshoot adjustments to account for caseload growth and cost per case changes based on the spring 2017 forecast. While the reshoot request contained \$20.8 million General Fund (\$43.2 million total funds) to update CDDP and Brokerage workload models, the recommended budget funds this component at \$5.8 million General Fund. Overall, including a current service increase, these entities will receive an increase of \$21.3 million General Fund (\$50.5 million totals fund) over the 2015-17 level; CCDPs and Brokerages will still be able to add staff to help with workload demands.

The budget approved by the Subcommittee also contains the following program reductions in Package 801:

- Eliminating regional programs (\$4.1 million General Fund, \$7.1 million total funds) supporting crisis services. With the shift to the K Plan, clients are more likely to already be receiving services decreasing the need for crisis placements. The program may have to reprioritize internally to fill service gaps if this trend does not materialize.
- Reducing the family support program by half (\$1.3 million General Fund). This action could affect approximately 500 children and their families.
- Capping bed hold payments at 21 days, instead of 45. This action saves \$1.0 million General Fund.
- Decreasing the budget by \$2.2 million (\$4.7 million total funds) based on an effort to review inactive client records and remove clients from the caseload, if they no longer need services.
- Reducing \$12.0 million General Fund (\$24.0 million total funds) through implementing a new assessment tool and other actions helping curb cost growth. These efforts will be reported on as part of the agency's budget note on interim reporting.

The Subcommittee approved \$13.5 million General Fund (\$45.5 million total funds) to increase provider rates by five percent effective October 1, 2017.

Central Services, Shared Services, State Assessments and Enterprise-Wide Costs

Central Services includes functions directly related to policy and program, in the agency, such as the Director's Office, communications, portions of budget and human resources, and the Governor's Advocacy Office. With the approved PDS reorganization action, it also contains the Business Intelligence, Program Integrity, and Technology and Information Supports offices.

Shared Services provides several support functions, including information technology, financial services, budget, human resources, facilities, and procurement. Some of these functions are housed in the Oregon Health Authority (OHA) and some in DHS, but all shared services units support both agencies. The two agencies have a joint governance model under which service-level agreements define the relationship between the

agency providing the service and the agency receiving the service. Shared Services funding is all Other Funds, based on revenues received from other parts of DHS and from OHA for purchased services. DHS' Shared Services budget includes the Shared Services Administration; Budget Center; Office of Forecasting, Research and Analysis; Office of Financial Services; Office of Human Resources; Office of Facilities; Office of Imaging and Records Management; Office of Contracts and Procurement; Internal Audit and Consulting Unit; Office of Payment Accuracy and Recovery; Rules Coordinator; and the Office of Adult Abuse Prevention and Investigations.

SAEC contains statewide assessments including various Department of Administrative Services' assessments/charges (e.g., State Data Center, Risk Management, Chief Financial Office), Central Government Services Charges, Oregon State Library and Secretary of State audits. It also includes the budgets for rent, debt service and computer replacements.

For these three programs, the Subcommittee approved a budget of \$261,640,873 General Fund, \$165,208,531 Other Funds expenditure limitation, \$213,190,489 Federal Funds limitation (\$640,039,893 total funds) and 816 positions (796.56 FTE). This is a 10.1 percent total funds increase from the 2015-17 Legislatively Approved Budget. A large portion of this increase is due to an agency reorganization and the movement of 80 positions (80.00 FTE) from the PDS program (being eliminated) into Central Services.

The Subcommittee approved Package 095, December 2016 Rebalance, which accounts for the movement of positions between programs in the agency and increased costs for telecommunications and APD Waiver Case Management. As with other programs, the Subcommittee approved: reducing services and supplies; a three percent increase in the assumed vacancy rate (hiring slowdown), allowing \$1.6 million General Fund to be repurposed for other budget needs; recentralizing the Mass Transit tax payment to the SAEC program; not backfilling General Fund for flat funded Federal grants; and correcting the funding related to positions (Package 801).

Additionally, in Package 801, the Subcommittee: reduced the Oregon Enterprise Data Analytics program by 2.61 FTE (1.0 million total funds), leaving a total of nine positions between DHS and the Oregon Health Authority (OHA); reduced funding (\$0.6 million total funds) for DHS Shared Services Payments to OHA as a result of information technology positions being transferred from OHA to the Department of Administrative Services for a centralized Information Security program; and increasing total funds by \$25.8 million total funds for the transfer of 80 positions (80.00 FTE) from PDS to Central Services.

In Shared Services, to finish the project and move to training/operations for the Centralized Abuse Management (CAM) system (Package 102) the Subcommittee approved \$0.2 million General Fund (\$0.3 million total funds) and one position (0.75 FTE). In SAEC, \$3.7 million General Fund (\$5.8 total funds) increase was approved to address higher costs related to Enterprise Technology Services (ETS) received from the Department of Administrative Services, however, this amount was reduced from the amount DHS requested (Package 801).

An additional \$1.2 million General Fund was approved to cover anticipated billings from the Secretary of State for performance audits. Federal rule changes no longer allow federal dollars to be used for this purposes, however, Federal Funds can still cover financial audits related to federally funded programs (Package 801).

Between Central and Shared Services (Package 812), the Subcommittee eliminated fourteen vacant positions (14.00 FTE), which results in saving \$0.8 million General Fund (\$2.3 million total funds).

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Human Services
Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE			
			LIMITED	NONLIMITED	LIMITED	NONLIMITED						
2015-17 Legislatively Approved Budget at June 2017 ^{(1)*}	\$ 2,727,212,617	\$	-	\$ 539,710,476	\$	-	\$ 4,805,209,969	\$ 2,514,345,331	\$ 10,586,478,393	8,053	7,902.39	
2017-19 Current Service Level (CSL)*	\$ 3,275,092,200	\$	-	\$ 546,806,345	\$	-	\$ 5,279,895,699	\$ 2,214,345,331	\$ 11,316,139,575	8,238	8,164.88	
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>												
SCR 010-55 - Program Design Services												
Package 095 December 2016 Rebalance												
Transfer Positions from OLRO to APD	\$ (10,065,310)	\$	-	\$ (1)	\$	-	\$ (14,711,946)	\$	-	\$ (24,777,257)	(87)	(87.00)
Transfer Positions from OLRO to IDD	\$ (2,058,670)	\$	-	\$ (10,105)	\$	-	\$ (2,249,926)	\$	-	\$ (4,318,701)	(17)	(17.00)
Move OBN and Fire Marshal Contracts to APD	\$ (161,050)	\$	-	\$ (1,385,878)	\$	-	\$ (1,992,399)	\$	-	\$ (3,539,327)		
Package 801 LFO Analyst Adjustments												
Reorganization												
From ITBS to APD	\$ (1,858,350)	\$	-	\$ (4,730)	\$	-	\$ (46,440)	\$	-	\$ (1,909,520)	(9)	(9.00)
From ITBS to IDD	\$ (2,425,226)	\$	-	\$ (927)	\$	-	\$ (61,920)	\$	-	\$ (2,488,073)	(12)	(12.00)
From ITBS to Central Services	\$ (7,915,733)	\$	-	\$ (44,675)	\$	-	\$ (2,721,544)	\$	-	\$ (10,681,952)	(15)	(15.00)
From ITBS to Shared Services	\$ (216,918)	\$	-	\$ -	\$	-	\$ -	\$	-	\$ (216,918)	(1)	(1.00)
From Business Intelligence to Central Services	\$ (4,002,838)	\$	-	\$ (173,695)	\$	-	\$ (3,204,130)	\$	-	\$ (7,380,663)	(26)	(26.00)
From Program Integrity to Central Services	\$ (4,132,466)	\$	-	\$ (53,393)	\$	-	\$ (3,543,066)	\$	-	\$ (7,728,925)	(39)	(39.00)
From OLRO to Child Welfare	\$ (1,073,444)	\$	-	\$ (139)	\$	-	\$ (966,741)	\$	-	\$ (2,040,324)	(9)	(9.00)
Mass Transit Recentralization	\$ (132,021)	\$	-	\$ (1,569)	\$	-	\$ -	\$	-	\$ (133,590)		
Reduce all other differential	\$ (2,500,000)	\$	-	\$ -	\$	-	\$ -	\$	-	\$ (2,500,000)		
SCR 060-01 - Self Sufficiency - Program												
Package 070 Revenue Shortfall	\$ -	\$	-	\$ (9,183,772)	\$	-	\$ -	\$	-	\$ (9,183,772)		
Package 095 December 2016 Rebalance												
Position Transfers	\$ 528,081	\$	-	\$ -	\$	-	\$ 503,273	\$	-	\$ 1,031,354	6	6.00
Package 801 LFO Analyst Adjustments												
Caseload forecast/cost per case	\$ (59,993,464)	\$	-	\$ -	\$	-	\$ -	\$	-	\$ (59,993,464)		
Reorganization	\$ 579,082	\$	-	\$ 8,458	\$	-	\$ 443,684	\$	-	\$ 1,031,224	3	3.00
Mass Transit Recentralization	\$ (619,916)	\$	-	\$ (2,364)	\$	-	\$ -	\$	-	\$ (622,280)		
Reduce Services & Supplies by 3%	\$ (372,894)	\$	-	\$ (4,620)	\$	-	\$ (562,925)	\$	-	\$ (940,439)		
Vacancy Savings @ 3%	\$ (3,047,913)	\$	-	\$ (21,882)	\$	-	\$ (3,892,899)	\$	-	\$ (6,962,694)		
Apply TANF Carryforward	\$ (20,000,000)	\$	-	\$ -	\$	-	\$ 20,000,000	\$	-	\$ -		
TANF Count NNCR income	\$ (3,413,214)	\$	-	\$ -	\$	-	\$ -	\$	-	\$ (3,413,214)		
ELD keep 3rd party, move teen parent to DHS	\$ -	\$	-	\$ (355,510)	\$	-	\$ -	\$	-	\$ (355,510)		
Move balance of shift to ERDC standard	\$ -	\$	-	\$ 355,510	\$	-	\$ -	\$	-	\$ 355,510		
ELD A&D treatment child care to DHS	\$ -	\$	-	\$ -	\$	-	\$ -	\$	-	\$ -		
ERDC reduce caseload due to GF constraints	\$ (11,716,187)	\$	-	\$ -	\$	-	\$ -	\$	-	\$ (11,716,187)		
ERDC use CCDF carryforward	\$ (9,183,772)	\$	-	\$ 9,183,772	\$	-	\$ -	\$	-	\$ -		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCRs 060-02, 060-03, 060-04, 060-06 - Child Welfare									
Package 095 December 2016 Rebalance									
Position Transfers	\$ (208,649)	\$ -	\$ -	\$ -	\$ (151,091)	\$ -	\$ (359,740)	(1)	(1.00)
Position restructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	(7)	(7.00)
Pkg 108: Family Foster Care Rate Reimbursement									
Rate increase effective 1/1/2018	\$ 6,000,000	\$ -	\$ -	\$ -	\$ 3,692,070	\$ -	\$ 9,692,070		
Pkg 109: BRS Rates									
Update rates per model review	\$ 2,116,547	\$ -	\$ -	\$ -	\$ 3,823,804	\$ -	\$ 5,940,351		
Pkg 110: Legal Representation in Child Welfare									
Block grant + caseworkers fully represented	\$ 6,916,041	\$ -	\$ -	\$ -	\$ 12,957,561	\$ -	\$ 19,873,602		
Pkg 113: Applicable Child Fed Reqs/SB 102									
GF Payment to OF Account; 15-17 savings calc	\$ 3,303,810	\$ -	\$ 3,303,810	\$ -	\$ -	\$ -	\$ 6,607,620		
Pkg 801: LFO Analyst Adjustments									
Caseload forecast/Cost per case	\$ 1,901,511	\$ -	\$ 407,106	\$ -	\$ 1,597,107	\$ -	\$ 3,905,724		
From OLRO to Child Welfare + 1 pos to SS	\$ 861,712	\$ -	\$ 139	\$ -	\$ 855,703	\$ -	\$ 1,717,554	8	8.00
Mass Transit Recentralization	\$ (1,038,681)	\$ -	\$ (6,562)	\$ -	\$ -	\$ -	\$ (1,045,243)		
Reduce Services & Supplies by 3%	\$ (640,747)	\$ -	\$ (13,295)	\$ -	\$ (544,611)	\$ -	\$ (1,198,653)		
Vacancy Savings @ 3%	\$ (8,283,027)	\$ -	\$ (45,120)	\$ -	\$ (5,948,406)	\$ -	\$ (14,276,553)		
Deny GF backfill for capped federal grants	\$ (9,909,989)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,909,989)		
FMAP Rate Change	\$ (977,800)	\$ -	\$ -	\$ -	\$ 977,800	\$ -	\$ -		
Position clean up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(1)	0.00
Correct FF negative entry	\$ (684)	\$ -	\$ -	\$ -	\$ 684	\$ -	\$ -		
Modify CSL staffing increase	\$ (6,101,918)	\$ -	\$ -	\$ -	\$ (1,225,819)	\$ -	\$ (7,327,737)	(31)	(40.36)
Pkg 802: Other Child Welfare Program Needs									
Consultant, Educator, Trainer (CET) positions	\$ 6,494,170	\$ -	\$ -	\$ -	\$ 2,774,980	\$ -	\$ 9,269,150	50	44.00
Mitigate vacancy savings in the field	\$ 2,344,674	\$ -	\$ -	\$ -	\$ 1,004,860	\$ -	\$ 3,349,534		
Professional development	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000		
Supervisor Training	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000		
SB 243	\$ 314,000	\$ -	\$ -	\$ -	\$ 134,606	\$ -	\$ 448,606	1	0.50
SCR 060-07 - Vocational Rehabilitation									
Pkg 095: December 2016 Rebalance									
Fix keying error; positions from IDD to VR	\$ 2,143,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,143,674	11	11.00
Pkg 801: LFO Analyst Adjustments									
Mass Transit Recentralization	\$ (40,533)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (40,533)		
Vacancy Savings @ 3% of Personal Services	\$ (305,610)	\$ -	\$ (12,414)	\$ -	\$ (1,096,335)	\$ -	\$ (1,414,359)		
Reduce Services & Supplies by 3%	\$ (21,329)	\$ -	\$ -	\$ -	\$ (99,667)	\$ -	\$ (120,996)		
Use federal reallotment dollars (one-time)	\$ (4,900,000)	\$ -	\$ -	\$ -	\$ 4,900,000	\$ -	\$ -		
Pkg 812: Vacant Position Elimination									
	\$ (167,823)	\$ -	\$ (778)	\$ -	\$ (122,505)	\$ -	\$ (291,106)	(2)	(2.00)

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 060-08 - Aging and People with Disabilities									
Pkg 095: December 2016 Rebalance									
Move OLRO to APD + other transfers	\$ 10,176,299	\$ -	\$ 1,364,893	\$ -	\$ 16,480,931	\$ -	\$ 28,022,123	83	83.00
Pkg 102: Centralized Abuse Management (CAM) System									
Finish project, training, operations & maintenance	\$ 1,694,922	\$ -	\$ 2,050,000	\$ -	\$ 147,945	\$ -	\$ 3,892,867	2	1.50
Pkg 801: LFO Analyst Adjustments									
Caseload forecast/Cost per case CBC and in Home	\$ (13,157,570)	\$ -	\$ -	\$ -	\$ (31,248,674)	\$ -	\$ (44,406,244)		
Caseload forecast/Cost per case Nursing Facilities	\$ 15,312,793	\$ -	\$ 2,988,834	\$ -	\$ 31,512,272	\$ -	\$ 49,813,899		
Workload model update spring forecast	\$ 1,596,671	\$ -	\$ -	\$ -	\$ 1,593,483	\$ -	\$ 3,190,154	1	1.00
FMAP Rate Change	\$ (7,808,676)	\$ -	\$ (13,518)	\$ -	\$ 7,822,194	\$ -	\$ -		
Reorganization (PDS)	\$ 1,903,127	\$ -	\$ 7,517	\$ -	\$ 108,221	\$ -	\$ 2,018,865	9	9.00
Mass Transit Recentralization	\$ (350,387)	\$ -	\$ (3,165)	\$ -	\$ -	\$ -	\$ (353,552)		
Reduce Services & Supplies by 3%	\$ (351,488)	\$ -	\$ (325,064)	\$ -	\$ (336,892)	\$ -	\$ (1,013,444)		
Vacancy Savings @ 3%	\$ (3,047,913)	\$ -	\$ (21,882)	\$ -	\$ (3,892,899)	\$ -	\$ (6,962,694)		
Deny GF backfill for capped federal grants	\$ (548,791)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (548,791)		
Correct CSL for General Assistance	\$ (153,350)	\$ -	\$ -	\$ -	\$ 153,350	\$ -	\$ -		
Modify CSL staffing increase	\$ (16,684,645)	\$ -	\$ -	\$ -	\$ (12,077,503)	\$ -	\$ (28,762,148)	0	(58.00)
Further reduce state field staff in CSL	\$ (570,983)	\$ -	\$ -	\$ -	\$ (569,101)	\$ -	\$ (1,140,084)	(12)	(6.00)
Repurpose APD field positions reduced above	\$ 570,983	\$ -	\$ -	\$ -	\$ 569,101	\$ -	\$ 1,140,084	6	5.28
Eliminate live in program; effective 10/1/17	\$ (4,502,000)	\$ -	\$ (41,302)	\$ -	\$ (10,290,379)	\$ -	\$ (14,833,681)		
Strengthen assessment	\$ (10,000,000)	\$ -	\$ -	\$ -	\$ (21,000,000)	\$ -	\$ (31,000,000)		
Implement new in home algorithm, per time study	\$ (12,500,000)	\$ -	\$ -	\$ -	\$ (28,000,000)	\$ -	\$ (40,500,000)		
Use provider tax balance to offset NF costs	\$ (13,854,831)	\$ -	\$ 13,854,831	\$ -	\$ -	\$ -	\$ -		
Increase CBC and in home agency rates	\$ 17,143,417	\$ -	\$ -	\$ -	\$ 39,010,478	\$ -	\$ 56,153,895		
Eliminate discontinued Home Care Choice Program	\$ (960,737)	\$ -	\$ (15,436,070)	\$ -	\$ -	\$ -	\$ (16,396,807)	(5)	(5.00)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
SCR 060-09- Intellectual and Developmental Disabilities									
Pkg 095: December 2016 Rebalance									
Move OLRO to IDD + 1 other position transfer	\$ 2,166,637	\$ -	\$ 10,105	\$ -	\$ 2,357,890	\$ -	\$ 4,534,632	18	18.00
Position clean up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(1)	(0.50)
Fix keying error; positions from IDD to VR	\$ (2,143,674)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,143,674)	(11)	(11.00)
SACU Interest Arbitration + PERS Police & Fire	\$ 1,041,140	\$ -	\$ -	\$ -	\$ 1,920,731	\$ -	\$ 2,961,871		
Pkg 801: LFO Analyst Adjustments									
Caseload forecast/Cost per case	\$ 7,579,485	\$ -	\$ -	\$ -	\$ 16,100,965	\$ -	\$ 23,680,450		
CDDP/Brokerage workload model update	\$ 20,810,283	\$ -	\$ -	\$ -	\$ 22,341,938	\$ -	\$ 43,152,221		
Modify CDDP/Brokerage model increase	\$ (15,002,432)	\$ -	\$ -	\$ -	\$ (17,463,214)	\$ -	\$ (32,465,646)		
FMAP Rate Change	\$ (6,802,153)	\$ -	\$ (63,354)	\$ -	\$ 6,865,507	\$ -	\$ -		
SACU FMAP Adjustment	\$ (6,196,463)	\$ -	\$ (646,875)	\$ -	\$ 6,843,338	\$ -	\$ -		
CDDP/Brokerage participation rate	\$ 1,886,836	\$ -	\$ -	\$ -	\$ (1,886,836)	\$ -	\$ -		
Reorganization	\$ 2,512,528	\$ -	\$ 927	\$ -	\$ 149,219	\$ -	\$ 2,662,674	13	13.00
Position clean up	\$ 43,642	\$ -	\$ (353,250)	\$ -	\$ (278,822)	\$ -	\$ (588,430)	(3)	(3.00)
Mass Transit Recentralization	\$ (215,165)	\$ -	\$ (1,924)	\$ -	\$ -	\$ -	\$ (217,089)		
Reduce Services & Supplies by 3%	\$ (171,115)	\$ -	\$ (41,649)	\$ -	\$ (232,558)	\$ -	\$ (445,322)		
Vacancy Savings @ 3%	\$ (1,782,867)	\$ -	\$ (42,885)	\$ -	\$ (2,644,269)	\$ -	\$ (4,470,021)		
Eliminate regional staff	\$ (4,189,855)	\$ -	\$ -	\$ -	\$ (2,901,270)	\$ -	\$ (7,091,125)		
Reduce family support program by 1/2	\$ (1,317,352)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,317,352)		
Cap bed hold payments at 21 days	\$ (1,045,347)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,045,347)		
Higher match rate for CDDP/Brokerage admin	\$ (3,322,675)	\$ -	\$ -	\$ -	\$ 3,322,675	\$ -	\$ -		
Perform QA on caseload records	\$ (2,181,824)	\$ -	\$ -	\$ -	\$ (2,535,435)	\$ -	\$ (4,717,259)		
More robust assessment + other actions	\$ (12,000,000)	\$ -	\$ -	\$ -	\$ (12,000,000)	\$ -	\$ (24,000,000)		
Rate increase for IDD providers	\$ 13,480,024	\$ -	\$ -	\$ -	\$ 29,034,299	\$ -	\$ 42,514,323		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCRs 010-040, 010-045, 010-050 - Central Svcs, Shared Svcs, SAEC									
Pkg 095: December 2016 Rebalance									
Position transfers; waived CM limitation	\$ (16,710)	\$ -	\$ 1,841,742	\$ -	\$ (128,159)	\$ -	1,696,873	(1)	(1.00)
Pkg 102: Centralize Abuse Management (CAM) System									
Funding for Shared Services position	\$ 157,072	\$ -	\$ 157,072	\$ -	\$ -	\$ -	314,144	1	0.75
Pkg 801: LFO Analyst Adjustments									
Mass Transit Recentralization	\$ 2,397,147	\$ -	\$ 15,584	\$ -	\$ -	\$ -	2,412,731		
Mass Transit, UI, Telecom Reprojection	\$ (978,393)	\$ -	\$ (466,674)	\$ -	\$ (233,182)	\$ -	(1,678,249)		
Facilities Reprojection	\$ -	\$ -	\$ 1,135,000	\$ -	\$ (10,501,747)	\$ -	(9,366,747)		
Enterprise Technology Services projection	\$ 3,714,137	\$ -	\$ 14,138	\$ -	\$ 2,029,259	\$ -	5,757,534		
SOS Performance Audits and CGSC projection	\$ 2,380,651	\$ -	\$ (36,702)	\$ -	\$ (2,343,949)	\$ -	-		
Adjustment for Shared Services position changes	\$ 184,899	\$ -	\$ -	\$ -	\$ 31,299	\$ -	216,198		
Vacancy Savings @ 3% of Personal Services	\$ (1,579,291)	\$ -	\$ (1,781,648)	\$ -	\$ (1,454,558)	\$ -	(4,815,497)		
Reduce Services & Supplies by 3%	\$ (1,447,989)	\$ -	\$ (208,983)	\$ -	\$ (1,347,188)	\$ -	(3,004,160)		
Deny GF backfill for capped federal grants	\$ (3,189,403)	\$ -	\$ -	\$ -	\$ -	\$ -	(3,189,403)		
Reduce Oregon Enterprise Data Analytics capacity	\$ (265,275)	\$ -	\$ (540,236)	\$ -	\$ (203,173)	\$ -	(1,008,684)	0	(2.61)
Position transfers; various	\$ (499,429)	\$ -	\$ 222,058	\$ -	\$ (481,726)	\$ -	(759,097)	(2)	(2.00)
ISPO Move to DAS	\$ (347,732)	\$ -	\$ (10,703)	\$ -	\$ (266,327)	\$ -	(624,762)		
PDS Dissolution:	\$	\$ -	\$	\$ -	\$	\$ -	-		
From ITBS to Central Services	\$ 7,915,733	\$ -	\$ 44,675	\$ -	\$ 2,721,544	\$ -	10,681,952	15	15.00
From Business Intelligence to Central	\$ 4,002,838	\$ -	\$ 173,695	\$ -	\$ 3,204,130	\$ -	7,380,663	26	26.00
From Program Integrity to Central	\$ 4,132,466	\$ -	\$ 53,393	\$ -	\$ 3,543,066	\$ -	7,728,925	39	39.00
Pkg 812: Vacant Position Elimination	\$ (816,618)	\$ -	\$ (1,147,146)	\$ -	\$ (302,256)	\$ -	(2,266,020)	(14)	(14.00)
TOTAL ADJUSTMENTS	\$ (168,182,277)	\$ -	\$ 4,688,800	\$ -	\$ 43,767,480	\$ -	(119,725,997)	(14)	(84.44)
SUBCOMMITTEE RECOMMENDATION *	\$ 3,106,909,923	\$ -	\$ 551,495,145	\$ -	\$ 5,323,663,179	\$ 2,214,345,331	\$ 11,196,413,578	8,224	8,080.44
% Change from 2015-17 Leg Approved Budget	13.9%	0.0%	2.2%	0.0%	10.8%	(11.9%)	5.8%	2.1%	2.3%
% Change from 2017-19 Current Service Level	(5.1%)	0.0%	0.9%	0.0%	0.8%	0.0%	(1.1%)	(0.2%)	(1.0%)

⁽¹⁾Includes adjustments through June 2017

*Excludes Capital Construction Expenditures

EMERGENCY BOARD

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS
			LIMITED	NONLIMITED	LIMITED	NONLIMITED	
Special Purpose Appropriation for Foster Parents	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000

Legislatively Approved 2017 - 2019 Key Performance Measures

Published: 6/28/2017 3:56:06 PM

Agency: Human Services, Department of

Mission Statement:

Assisting people to become independent, healthy and safe.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. OVRS CLOSED - EMPLOYED – The percentage of Office of Vocational Rehabilitation Services (OVRS) consumers with a goal of employment who are employed.		Approved	62.34%	63%	65%
2. TANF FAMILY STABILITY - Rate per 1,000 of TANF recipient children entering child welfare (foster care or in home)		Approved	No Data	TBD	TBD
3. TANF RE-ENTRY - The percentage of Temporary Assistance for Needy Families (TANF) cases who have not returned within 18 months after exit due to employment.		Approved	65.10%	66%	67%
4. SNAP (Supplemental Nutrition Assistance Program) UTILIZATION - The ratio of Oregonians served by SNAP to the number of low-income Oregonians.		Approved	94.20%	90%	90%
5. SNAP (Supplemental Nutrition Assistance Program) ACCURACY - The percentage of accurate SNAP payments		Approved	94.89%	95%	95%
6. ENHANCED CHILD CARE - The percentage of children receiving care from providers who are receiving the enhanced or licensed rate for child care subsidized by DHS		Approved	63.70%	65%	65%
7. ABSENCE OF REPEAT MALTREATMENT - The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization.		Approved	94.60%	96%	97%
8. TIMELY REUNIFICATION - The percentage of foster children exiting to reunification within 12 months of foster care entry.		Approved	66.10%	75%	76%
9. TIMELINESS OF ADOPTION ONCE LEGALLY FREE - Percent of Legally free children adopted in less than 12 months		Approved	46.10%	53.70%	54%
10. LTC NEED PREVENTION - Percentage of seniors (65+) needing publicly-funded long term care services.		Approved	3.09%	3.10%	3.08%
11. LTC RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES - The percentage of Oregonians accessing publicly-funded long-term care services who are living outside of nursing facilities.		Approved	86.90%	88%	89%
12. DEVELOPMENTAL DISABILITY SUPPORT SERVICES - The percentage of eligible adults who are receiving adult support services within 90 days of request.		Approved	61.84%	86%	86%
13. PEOPLE WITH DISABILITIES LIVING AT HOME - The percentage of individuals enrolled in the Intellectual/Developmental disabilities program who are receiving services in their own home.		Approved	73.52%	80%	80%
14. SUPPORTED EMPLOYMENT - Increase the number of individuals who receive developmental disability services in supported employment.		Approved	2,971	3,020	3,140
15. ABUSE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES - The percentage of people with developmental disabilities experiencing abuse.		Approved	1.83%	1.80%	1.70%

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Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
16. Abuse Investigation Timeliness - Percent of abuse reports assigned for field contact that meet policy timelines.		Approved	No Data	95%	95%
17. CUSTOMER SERVICE - Percentage of customers rating their satisfaction with DHS above average or excellent: overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved	74%	75%	75%
	Accuracy		84%	85%	85%
	Overall		82%	82%	82%
	Helpfulness		83%	85%	85%
	Expertise		84%	85%	82%
	Availability of Information		86%	88%	88%
18. Disparity in foster youth achieving permanency within 2 years by race/ethnicity - Disparity is calculated by taking the ratio of two percentages: Percent of Non-White & Hispanic children achieving permanency goals / Percent of Non-Hispanic White children achieving permanency goals. The permanency goal is the percent of foster youth achieved permanency within 24 months (of those that entered 24 months ago)	Disparity of Non-Hispanic African American Youth	Approved	No Data	1	1
	Disparity of Non-Hispanic Asian/Pacific Islander Youth		No Data	1	1
	Disparity of Non-Hispanic White Youth (always=1)		No Data	1	1
	Disparity of Non-Hispanic Native American/Alaska Native Youth		No Data	1	1
	Disparity of Hispanic (any race) Youth		No Data	1	1
19. CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME - The percent of children served in Child Welfare on an average daily basis (In Home and Foster Care) who were served while residing in their parent's home.		Approved	23.90%	33%	33%
20. TANF JOBS PLACEMENTS - The percentage of clients who achieve job placement each month compared to those anticipated to achieve placement.		Approved	122.40%	100%	100%
2. TANF FAMILY STABILITY - The percentage of children receiving TANF who entered foster care.		Legislatively Deleted	0.67%	0.50%	0%
16. ABUSE OF SENIORS AND PEOPLE WITH DISABILITIES - The percentage of seniors and adults with physical disabilities experiencing abuse.		Legislatively Deleted	0.73%	2.20%	0%
18. PLACEHOLDER: SERVICE EQUITY		Legislatively Deleted	No Data	0%	0%

LFO Recommendation:

Approve the Key Performance Measures (KPMs) and targets as proposed; this includes new measures replacing #2, #16, and #18. Data for the new measures should be available in reporting year 2018; with targets for KPM #2 to be developed from that data for the next biennial report.

Direct the Department to review existing key performance measures for all programs and propose changes for the 2019-21 biennium as needed or based on legislative feedback; please note the current customer service KPM should not be modified as that is a standardized, statewide measure.

Due to legislative concerns about Child Welfare workforce retention and training adequacy, the agency is directed to propose at least two KPMs that will help measure results in this area; such as measures around turnover rates or number of annual training hours received. The agency should be able to distinguish between trends for the newer workforce (for example, one year of service or less) and the more established segment.

In addition to legislative interest, this direction is driven by a pending agency head change and new program leaders that want to relook at the current measures for possible improvements or to develop measures more in line with evolving programs. The Department will provide a written progress update to the Legislative Fiscal Office by February 1, 2018 and may be asked to present that work to the Subcommittee during the 2015-2016 A

legislative session or at an interim meeting, based on agency progress and committee workload.

SubCommittee Action:

The Subcommittee approved the LFO Recommendation.

The Subcommittee also expressed interest in seeing data on disparity in foster youth achieving permanency with regard to mental illness and intellectual/developmental disability. In addition, there was discussion about ensuring the agency is adequately demonstrating its performance in the areas of abuse prevention and investigation.

HB 3359 C BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Gelser

Joint Committee On Ways and Means

Action Date: 07/06/17

Action: Do pass with amendments to resolve conflicts. (Printed C-Eng.)

Senate Vote

Yeas: 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

House Vote

Yeas: 10 - Gomberg, Holvey, Huffman, McLane, Nathanson, Rayfield, Smith Warner, Stark, Whisnant, Williamson

Nays: 1 - Smith G

Prepared By: Tamara Brickman, Department of Administrative Services

Reviewed By: Laurie Byerly, Legislative Fiscal Office

Department of Human Services

2017-19

Budget Summary

	2015-17 Legislatively Approved Budget	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 1,274,528	\$ 1,274,528	
Federal Funds Limited	\$ -	\$ -	\$ 1,271,273	\$ 1,271,273	
Total	\$ -	\$ -	\$ 2,545,801	\$ 2,545,801	

Position Summary

Authorized Positions	0	0	10
Full-time Equivalent (FTE) positions	0.00	0.00	8.80

Summary of Revenue Changes

House Bill 3359 updates licensing fees for residential care and long term care facilities and changes civil penalties the Department of Human Services (DHS) is authorized to impose on facilities. The bill creates a new license for “conversion” facilities wishing to convert from a long-term care facility to a residential care facility. The civil penalty changes are estimated to generate approximately \$200,000; the updates to application and licensing fees are expected to generate \$425,940 (long term care facilities) and \$502,900 (residential care facilities) for a total of \$1.1 million. The revenue generated from establishing the new conversion fee in the bill, is indeterminate at this point, but will be additive to the total amount of revenue depending on how many facilities convert. DHS will use funds from the increase in initial licensing application fees as well as current balances in the Quality Care Fund (QCF) to support the work required by this bill. Funds existing in the QCF, derived from licensing fees, will be used to fund licensing activities and the revenue derived from fines will be used to fund one-time information technology costs of \$550,000. For the 2017-19 biennium, \$478,055 from QCF will be needed to subsidize the startup work required by this bill.

Summary of Human Services Subcommittee Action

HB 3359 modifies statutes related to licensing and supervision of residential care facilities. It authorizes the creation and imposition of civil penalties and establishes different penalty levels, based on the type of harm caused. The bill establishes the Residential Care Quality Measurement Program in DHS, and creates an eight-member Quality Measurement Council to advise the department regarding the operation of this program.

The bill authorizes DHS to impose a condition on the license of a facility in response to a substantiated finding and requires re-inspection and re-evaluation of a facility within 15 business days of receipt of the facility's written assertion of substantial compliance. DHS must also respond, within five days, to providers with results of the inspections, abuse or a rule violation, whether or not the finding of immediate jeopardy is substantiated at the time the license condition is imposed.

The bill requires DHS to establish a uniform system for residential care facilities to report quality metrics, publish annual reports on performance metrics and develop online training modules to address top issues identified in surveys or other licensing actions. In addition, HB 3359 requires DHS to develop an enhanced oversight and supervision program for residential care facilities; and to develop, in collaboration with residential care facilities, an objective, technology-based, acuity-based staffing tool used to evaluate whether a residential care facility has adequate staffing to meet the 24-hour scheduled and unscheduled needs of each resident. Finally, the bill requires the Oregon Medical Board to encourage physicians to obtain continuing education in the detection and early diagnosis of Alzheimer's disease.

Aging and People with Disabilities

The Subcommittee approved Other Funds expenditure limitation of \$1,274,528, Federal Funds expenditure limitation of \$1,271,273 (\$2,545,801 total funds), and 10 positions (8.80 FTE) to implement and administer the provisions of the bill.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Human Services
Tamara Brickman -- (503) 378-4709

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
<u>SUBCOMMITTEE ADJUSTMENTS</u>										
Aging and People with Disabilities										
Personal Services	\$ -	\$ -	\$ 803,861	\$ -	\$ 803,861	\$ -	\$ 1,607,722	10	8.80	
Services and Supplies	\$ -	\$ -	\$ 470,667	\$ -	\$ 467,412	\$ -	\$ 938,079			
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 1,274,528	\$ -	\$ 1,271,273	\$ -	\$ 2,545,801	10	8.80	
SUBCOMMITTEE RECOMMENDATION	\$ -	\$ -	\$ 1,274,528	\$ -	\$ 1,271,273	\$ -	\$ 2,545,801	10	8.80	

HB 5006 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Devlin

Joint Committee On Ways and Means

Action Date: 07/03/17

Action: Do pass the A-Eng bill.

Senate Vote

Yeas: 11 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Winters

Nays: 1 - Thomsen

House Vote

Yeas: 7 - Gomberg, Holvey, Huffman, Nathanson, Rayfield, Smith Warner, Williamson

Nays: 1 - McLane

Exc: 3 - Smith G, Stark, Whisnant

Prepared By: Laurie Byerly and Gregory Jolivet, Legislative Fiscal Office

Reviewed By: Paul Siebert, Legislative Fiscal Office

Emergency Board

2017-19

Various Agencies

2015-17

Budget Summary*

Emergency Board

	2015-17 Legislatively Approved Budget	2017-19 Committee Recommendation	Committee Change
General Fund - General Purpose	-	\$ 50,000,000	\$ 50,000,000
General Fund - Special Purpose Appropriations			
State Agencies for state employee compensation	-	\$ 100,000,000	\$ 100,000,000
State Agencies for non-state worker compensation	-	\$ 10,000,000	\$ 10,000,000
Reduction to SB 505 special purpose appropriation	-	\$ (600,000)	\$ (600,000)

ADMINISTRATION PROGRAM AREA

Department of Administrative Services

General Fund	-	\$ 9,091,000	\$ 9,091,000
General Fund Debt Service	-	\$ (4,962,907)	\$ (4,962,907)
Lottery Funds	-	\$ 180,000	\$ 180,000
Lottery Funds Debt Service	-	\$ (2,317,505)	\$ (2,317,505)
Other Funds	-	\$ 23,939,750	\$ 23,939,750
Other Funds Debt Service	-	\$ 1,080,828	\$ 1,080,828

Advocacy Commissions Office

General Fund	-	\$ 10,471	\$ 10,471

Employment Relations Board

General Fund	-	\$ (29,574)	\$ (29,574)
Other Funds	-	\$ (16,497)	\$ (16,497)

Oregon Government Ethics Commission

Other Funds	-	\$ (28,614)	\$ (28,614)

Office of the Governor

General Fund	-	\$ (525,236)	\$ (525,236)
Lottery Funds	-	\$ (138,447)	\$ (138,447)
Other Funds	-	\$ (110,630)	\$ (110,630)

Oregon Liquor Control Commission

Other Funds	-	\$ (1,458,427)	\$ (1,458,427)

Budget Summary***Public Employees Retirement System,**

	<u>2015-17 Legislatively Approved Budget</u>	<u>2017-19 Committee Recommendation</u>	<u>Committee Change</u>
Other Funds	-	\$ (2,508,616)	\$ (2,508,616)

Racing Commission

Other Funds	-	\$ (89,929)	\$ (89,929)

Department of Revenue

General Fund	-	\$ (5,581,902)	\$ (5,581,902)

General Fund Debt Service	-	\$ (6,870,670)	\$ (6,870,670)

Other Funds	-	\$ 7,676,661	\$ 7,676,661

Secretary of State

General Fund	-	\$ (346,704)	\$ (346,704)

Other Funds	-	(1,030,747)	\$ (1,030,747)

Federal Funds	-	\$ (472,720)	\$ (472,720)

State Library

General Fund	-	\$ 128,123	\$ 128,123

Other Funds	-	\$ (137,871)	\$ (137,871)

Federal Funds	-	\$ (1,625)	\$ (1,625)

State Treasurer

General Fund	-	\$ 1,013,497	\$ 1,013,497

Other Funds	-	\$ (1,557,357)	\$ (1,557,357)

CONSUMER AND BUSINESS SERVICES PROGRAM AREA**State Board of Accountancy**

Other Funds	-	\$ (56,046)	\$ (56,046)

Chiropractic Examiners Board

Other Funds	-	\$ (51,085)	\$ (51,085)

Budget Summary***Consumer and Business Services**

Other Funds	-	\$ (5,252,286)	\$ (5,252,286)
Federal Funds	-	\$ (475,260)	\$ (475,260)

Construction Contractors Board

Other Funds	-	\$ (461,875)	\$ (461,875)

Board of Dentistry

Other Funds	-	\$ (38,848)	\$ (38,848)

Health Related Licensing Boards

Other Funds	-	\$ (83,199)	\$ (83,199)

Bureau of Labor and Industries

General Fund	-	\$ (127,909)	\$ (127,909)
Other Funds	-	\$ (278,736)	\$ (278,736)
Federal Funds	-	\$ (960)	\$ (960)

Licensed Professional Counselors and Therapists. Board of

Other Funds	-	\$ (24,871)	\$ (24,871)

Licensed Social Workers, Board of

Other Funds	-	\$ (25,841)	\$ (25,841)

Medical Board

Other Funds	-	\$ (345,981)	\$ (345,981)

Board of Nursing

Other Funds	-	\$ (450,604)	\$ (450,604)

Board of Pharmacy

Other Funds	-	\$ (261,147)	\$ (261,147)

Budget Summary***Psychologist Examiners Board**

	2015-17 Legislatively Approved Budget	2017-19 Committee Recommendation	Committee Change
Other Funds	-	\$ (26,589)	\$ (26,589)

Public Utility Commission

Other Funds	-	\$ (1,156,876)	\$ (1,156,876)
Federal Funds	-	\$ (6,858)	\$ (6,858)

Real Estate Agency

Other Funds	-	\$ (276,826)	\$ (276,826)

Tax Practitioners Board

Other Funds	-	\$ (18,835)	\$ (18,835)

ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA**Oregon Business Development Department**

General Fund	-	\$ 3,628,465	\$ 3,628,465
General Fund Debt Service	-	\$ (1,481,045)	\$ (1,481,045)
Lottery Funds	-	\$ (247,934)	\$ (247,934)
Lottery Funds Debt Service	-	\$ (1,410,613)	\$ (1,410,613)
Other Funds	-	\$ 151,174,323	\$ 151,174,323
Other Funds Nonlimited	-	\$ 30,000,000	\$ 30,000,000
Federal Funds	-	\$ (13,232)	\$ (13,232)

Employment Department

Other Funds	-	\$ (3,490,798)	\$ (3,490,798)
Federal Funds	-	\$ (4,403,080)	\$ (4,403,080)

Housing and Community Services Department

General Fund	-	\$ 21,433,916	\$ 21,433,916
General Fund Debt Service	-	\$ 2,640,239	\$ 2,640,239
Lottery Funds	-	\$ 350,000	\$ 350,000
Other Funds	-	\$ 25,972,449	\$ 25,972,449
Federal Funds	-	\$ (7,227,385)	\$ (7,227,385)

Budget Summary***Department of Veterans' Affairs**

	2015-17 Legislatively Approved Budget	2017-19 Committee Recommendation	Committee Change
General Fund	-	\$ (136,724)	\$ (136,724)
Lottery Funds	-	\$ -	\$ -
Other Funds	-	\$ (140,617)	\$ (140,617)
Federal Funds	-	\$ -	\$ -

EDUCATION PROGRAM AREA**Department of Education**

General Fund	-	\$ (1,685,086)	\$ (1,685,086)
General Fund Debt Service	-	\$ (1,587,898)	\$ (1,587,898)
Other Funds	-	\$ 270,433,393	\$ 270,433,393
Federal Funds	-	\$ (957,295)	\$ (957,295)

State School Fund

General Fund	-	\$ (30,372,945)	\$ (30,372,945)
Lottery Funds	-	\$ 12,465,745	\$ 12,465,745
Other Funds	-	\$ 17,907,200	\$ 17,907,200

Higher Education Coordinating Commission

General Fund	-	\$ 8,532,950	\$ 8,532,950
General Fund Debt Service	-	\$ (13,840,783)	\$ (13,840,783)
Lottery Funds Debt Service	-	\$ (73,975)	\$ (73,975)
Other Funds	-	\$ 6,614,787	\$ 6,614,787
Federal Funds	-	\$ (430,293)	\$ (430,293)

Chief Education Office

General Fund	-	\$ (369,306)	\$ (369,306)

Teacher Standards and Practices

Other Funds	-	\$ (214,668)	\$ (214,668)

Budget Summary*

HUMAN SERVICES PROGRAM AREA

Commission for the Blind

General Fund	-	\$ (41,304)	\$ (41,304)
Other Funds	-	\$ (11,467)	\$ (11,467)
Federal Funds	-	\$ (157,969)	\$ (157,969)

Oregon Health Authority

General Fund	-	\$ (59,956,387)	\$ (59,956,387)
General Fund Debt Service	-	\$ 4,001	\$ 4,001
Lottery Funds	-	\$ (4,617)	\$ (4,617)
Other Funds	-	\$ 71,374,612	\$ 71,374,612
Federal Funds	-	\$ (9,456,614)	\$ (9,456,614)

Department of Human Services

General Fund	-	\$ (8,487,786)	\$ (8,487,786)
General Fund Debt Service	-	\$ 10,521,010	\$ 10,521,010
Other Funds	-	\$ 45,175,634	\$ 45,175,634
Federal Funds	-	\$ 138,153,153	\$ 138,153,153

Long Term Care Ombudsman

General Fund	-	\$ (272,509)	\$ (272,509)
Other Funds	-	\$ (2,593)	\$ (2,593)

Psychiatric Security Review Board

General Fund	-	\$ (33,233)	\$ (33,233)

JUDICIAL BRANCH

Judicial Department

General Fund	-	\$ (7,171,498)	\$ (7,171,498)
General Fund Debt Service	-	\$ (2,555,411)	\$ (2,555,411)
Other Funds	-	\$ 195,971,790	\$ 195,971,790

Budget Summary*

Commission on Judicial Fitness and Disability

	2015-17 Legislatively Approved Budget	2017-19 Committee Recommendation	Committee Change
General Fund	-	\$ (577)	\$ (577)

Public Defense Services Commission

General Fund	-	\$ 1,060,699	\$ 1,060,699

LEGISLATIVE BRANCH

Legislative Administration Committee

General Fund	-	\$ 4,109,449	\$ 4,109,449
General Fund Debt Service	-	\$ (445,481)	\$ (445,481)
Other Funds	-	\$ 239,358	\$ 239,358
Other Funds Debt Service	-	\$ (28,305)	\$ (28,305)

Legislative Assembly

General Fund	-	\$ (1,324,394)	\$ (1,324,394)

Legislative Commission on Indian Services

General Fund	-	\$ (1,750)	\$ (1,750)

Legislative Counsel

General Fund	-	\$ (232,754)	\$ (232,754)
Other Funds	-	\$ (59,154)	\$ (59,154)

Legislative Fiscal Office

General Fund	-	\$ (183,583)	\$ (183,583)
Other Funds	-	\$ (124,420)	\$ (124,420)

Legislative Revenue Office

General Fund	-	\$ (18,516)	\$ (18,516)

Legislative Policy and Research Office

General Fund	-	\$ (45,374)	\$ (45,374)

Budget Summary***NATURAL RESOURCES PROGRAM AREA****State Department of Agriculture**

General Fund	-	\$ (1,066,655)	\$ (1,066,655)
Lottery Funds	-	\$ (231,617)	\$ (231,617)
Other Funds	-	\$ (2,054,053)	\$ (2,054,053)
Federal Funds	-	\$ (388,340)	\$ (388,340)

Columbia River Gorge Commission

General Fund	-	\$ 24,081	\$ 24,081

State Department of Energy

Other Funds	-	\$ (538,561)	\$ (538,561)
Federal Funds	-	\$ (72,012)	\$ (72,012)

Department of Environmental Quality

General Fund	-	\$ (352,190)	\$ (352,190)
Lottery Funds	-	\$ (77,348)	\$ (77,348)
Other Funds	-	\$ (3,614,762)	\$ (3,614,762)
Federal Funds	-	\$ (461,243)	\$ (461,243)

State Department of Fish and Wildlife

General Fund	-	\$ 182,646	\$ 182,646
Lottery Funds	-	\$ (167,378)	\$ (167,378)
Other Funds	-	\$ (3,153,172)	\$ (3,153,172)
Federal Funds	-	\$ (3,058,576)	\$ (3,058,576)

Department of Forestry

General Fund	-	\$ (1,201,103)	\$ (1,201,103)
General Fund Debt Service	-	\$ (410,919)	\$ (410,919)
Lottery Funds Debt Service	-	\$ (5,594)	\$ (5,594)
Other Funds	-	\$ 96,885,643	\$ 96,885,643
Other Funds Debt Service	-	\$ 79,996	\$ 79,996
Federal Funds	-	\$ (495,371)	\$ (495,371)

Budget Summary***Department of Geology and Mineral Industries**

General Fund	-	\$ (104,725)	\$ (104,725)
Other Funds	-	\$ (141,422)	\$ (141,422)
Federal Funds	-	\$ (65,496)	\$ (65,496)

Department of Land Conservation and Development

General Fund	-	\$ (395,929)	\$ (395,929)
Other Funds	-	\$ (1,373)	\$ (1,373)
Federal Funds	-	\$ (108,803)	\$ (108,803)

Land Use Board of Appeals

General Fund	-	\$ 266	\$ 266

Oregon Marine Board

Other Funds	-	\$ (335,800)	\$ (335,800)
Federal Funds	-	\$ (1,373)	\$ (1,373)

Department of Parks and Recreation

Lottery Funds	-	\$ (1,881,005)	\$ (1,881,005)
Lottery Funds Debt Service	-	\$ (895,019)	\$ (895,019)
Other Funds	-	\$ 3,232,341	\$ 3,232,341
Federal Funds	-	\$ (7,925)	\$ (7,925)

Department of State Lands

General Fund	-	\$ 5,000,000	\$ 5,000,000
Other Funds	-	\$ 11,149,657	\$ 11,149,657
Federal Funds	-	\$ (3,183)	\$ (3,183)

Water Resources Department

General Fund	-	\$ (748,813)	\$ (748,813)
Lottery Funds Debt Service	-	\$ (2,078,875)	\$ (2,078,875)
Other Funds	-	\$ 21,943,095	\$ 21,943,095
Federal Funds	-	\$ -	\$ -

Budget Summary***Watershed Enhancement Board**

Lottery Funds	-	\$ (205,451)	\$ (205,451)
Federal Funds	-	\$ (1,136)	\$ (1,136)

PUBLIC SAFETY PROGRAM AREA**Department of Corrections**

General Fund	-	\$ (23,762,896)	\$ (23,762,896)
General Fund Debt Service	-	\$ 1,268,059	\$ 1,268,059
Other Funds	-	\$ 272,630	\$ 272,630
Federal Funds	-	\$ (10,323)	\$ (10,323)

Oregon Criminal Justice Commission

General Fund	-	\$ (87,794)	\$ (87,794)
Other Funds	-	\$ (1,137)	\$ (1,137)
Federal Funds	-	\$ (3,503)	\$ (3,503)

District Attorneys and their Deputies

General Fund	-	\$ (23,359)	\$ (23,359)

Department of Justice

General Fund	-	\$ (3,386,309)	\$ (3,386,309)
General Fund Debt Service	-	\$ 3,235,629	\$ 3,235,629
Other Funds	-	\$ 15,825,892	\$ 15,825,892
Federal Funds	-	\$ 29,064,361	\$ 29,064,361

Oregon Military Department

General Fund	-	\$ 932,333	\$ 932,333
General Fund Debt Service	-	\$ (802,765)	\$ (802,765)
Other Funds	-	\$ 4,796,923	\$ 4,796,923
Other Funds Debt Service	-	\$ 448,429	\$ 448,429
Federal Funds	-	\$ (1,156,392)	\$ (1,156,392)

Budget Summary***Oregon Board of Parole**

	2015-17 Legislatively Approved Budget	2017-19 Committee Recommendation	Committee Change
General Fund	-	\$ (340,944)	\$ (340,944)

Oregon State Police

General Fund	-	\$ (2,667,382)	\$ (2,667,382)
Lottery Funds	-	\$ (240,268)	\$ (240,268)
Other Funds	-	\$ (26,542)	\$ (26,542)
Federal Funds	-	\$ (142,526)	\$ (142,526)

Department of Public Safety Standards and Training

Other Funds	-	\$ (1,183,157)	\$ (1,183,157)
Federal Funds	-	\$ 464,466	\$ 464,466

Oregon Youth Authority

General Fund	-	\$ (4,902,061)	\$ (4,902,061)
General Fund Debt Service	-	\$ 1,925,787	\$ 1,925,787
Other Funds	-	\$ 567,980	\$ 567,980
Federal Funds	-	\$ (218,984)	\$ (218,984)

TRANSPORTATION PROGRAM AREA**Department of Aviation**

Other Funds	-	\$ (39,973)	\$ (39,973)
Federal Funds	-	\$ (1,538)	\$ (1,538)

Department of Transportation

General Fund	-	\$ (389,942)	\$ (389,942)
General Fund Debt Service	-	\$ (1,037,553)	\$ (1,037,553)
Lottery Funds Debt Service	-	\$ (6,039,258)	\$ (6,039,258)
Other Funds	-	\$ (1,415,838)	\$ (1,415,838)
Other Funds Debt Service	-	\$ 10	\$ 10
Federal Funds	-	\$ (227,030)	\$ (227,030)

Budget Summary*

	<u>2015-17 Legislatively Approved Budget</u>	<u>2017-19 Committee Recommendation</u>	<u>Committee Change</u>
2017-19 Budget Summary			
General Fund Total	-	\$ 58,172,743	\$ 58,172,743
General Fund Debt Service	-	\$ (14,400,707)	\$ (14,400,707)
Lottery Funds Total	-	\$ 9,801,680	\$ 9,801,680
Lottery Funds Debt Service	-	\$ (12,820,839)	\$ (12,820,839)
Other Funds Total	-	\$ 938,856,278	\$ 938,856,278
Other Funds Debt Service	-	\$ 1,580,778	\$ 1,580,778
Other Funds Nonlimited	-	\$ 30,000,000	\$ 30,000,000
Federal Funds Total	-	\$ 137,654,935	\$ 137,654,935

* Excludes Capital Construction

	<u>2015-17 Legislatively Approved Budget</u>	<u>2015-17 Committee Recommendation</u>	<u>Committee Change</u>
<u>2015-17 Supplemental Appropriations</u>			
<u>Commission on Judicial Fitness and Disability</u>			
General Fund	-	\$ 35,000	\$ 35,000
<u>Department of Transportation</u>			
Other Funds	-	\$ 45,500,000	\$ 45,500,000
Federal Funds	-	\$ 8,100,000	\$ 8,100,000

2017-19 Position Summary

ADMINISTRATION PROGRAM AREA

Department of Administrative Services

Authorized Positions	-	6	6
Full-time Equivalent (FTE) positions	-	6.00	6.00

Public Employees Retirement System

Authorized Positions	-	1	1
Full-time Equivalent (FTE) positions	-	0.92	0.92

Department of Revenue

Authorized Positions	-	33	33
Full-time Equivalent (FTE) positions	-	9.00	9.00

State Treasurer

Authorized Positions	-	2	2
Full-time Equivalent (FTE) positions	-	2.34	2.34

CONSUMER AND BUSINESS SERVICES PROGRAM AREA

Consumer and Business Services

Authorized Positions	-	11	11
Full-time Equivalent (FTE) positions	-	9.68	9.68

Bureau of Labor and Industries

Authorized Positions	-	3	3
Full-time Equivalent (FTE) positions	-	2.50	2.50

ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA

Housing and Community Services Department

Authorized Positions	-	3	3
Full-time Equivalent (FTE) positions	-	0.75	0.75

2017-19 Position Summary

HUMAN SERVICES PROGRAM AREA

Oregon Health Authority

Authorized Positions	-	63	63
Full-time Equivalent (FTE) positions	-	51.46	51.46

Department of Human Services

Authorized Positions	-	113	113
Full-time Equivalent (FTE) positions	-	74.33	74.33

JUDICIAL BRANCH

Judicial Department

Authorized Positions	-	4	4
Full-time Equivalent (FTE) positions	-	2.00	2.00

NATURAL RESOURCES PROGRAM AREA

Oregon Department of Agriculture

Authorized Positions	-	(1)	(1)
Full-time Equivalent (FTE) positions	-	(1.00)	(1.00)

Department of Fish and Wildlife

Authorized Positions	-	6	6
Full-time Equivalent (FTE) positions	-	5.33	5.33

Department of Forestry

Authorized Positions	-	4	4
Full-time Equivalent (FTE) positions	-	3.50	3.50

Department of State Lands

Authorized Positions	-	1	1
Full-time Equivalent (FTE) positions	-	1.00	1.00

2017-19 Position Summary

Water Resources Department

Authorized Positions	-	1	1
Full-time Equivalent (FTE) positions	-	1.00	1.00

PUBLIC SAFETY PROGRAM AREA

Department of Justice

Authorized Positions	-	68	68
Full-time Equivalent (FTE) positions	-	54.99	54.99

Oregon Military Department

Authorized Positions	-	2	2
Full-time Equivalent (FTE) positions	-	2.00	2.00

Oregon State Police

Authorized Positions	-	27	27
Full-time Equivalent (FTE) positions	-	25.32	25.32

Summary of Revenue Changes

The General Fund appropriations made in the bill are within resources available as projected in the May 2017 economic and revenue forecast by the Department of Administrative Services, Office of Economic Analysis, supplemented by transfers from various agency accounts to the General Fund for general governmental purposes as authorized in HB 3470, plus other actions to reduce state agency expenditures.

Summary of Capital Construction Subcommittee Action

HB 5006 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations, and makes other adjustments to individual agency budgets and position authority as described below.

Emergency Board

The Emergency Board allocates General Fund and provides Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated \$50 million General Fund to the Emergency Board for general purposes.

HB 5006 makes two special purpose appropriations to the Emergency Board, totaling \$110 million General Fund; the bill also adjusts a special purpose appropriation already approved in a different bill:

- \$100 million General Fund for state employee compensation changes.
- \$10 million General Fund for allocation to state agencies for compensation changes driven by collective bargaining for workers who are not state employees.
- Reduces the special purpose appropriation made by SB 505 for costs associated with the requirement to record grand jury proceedings, by \$600,000 General Fund. The budget for the Judicial Department is increased by this amount.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2018, any remaining funds become available to the Emergency Board for general purposes.

Adjustments to Approved 2017-19 Agency Budgets

STATEWIDE ADJUSTMENTS

Statewide adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services assessments and charges for services, Attorney General rates, certain services and supplies, and additional vacancy savings expected as a result of a hiring slowdown. Statewide adjustments also reflect net reductions to debt service realized through interest rate savings on bond sales and refunding of outstanding general obligation and lottery revenue bonds. Total savings are \$135.8 million General Fund, \$16.7 million Lottery Funds, \$105.5 million Other Funds, and \$35.6 million Federal Funds.

Specific adjustments include \$126 million total funds savings from implementing a hiring slowdown implemented across all three branches of government; \$25 million in General Fund and Lottery Funds savings from eliminating most inflation on services and supplies implemented across all three branches of government; \$9.3 million total funds from a 10% reduction to travel in Executive Branch agencies to implement the Governor's previously announced cost containment effort; \$68 million total funds reduction from lower Department of Administrative Services assessments and service rates; and \$13 million total funds from lower Attorney General rates.

Section 145 of the budget bill reflects the changes, as described above, for each agency. These adjustments are not addressed in the individual agency narratives, although they are included in the table at the beginning of the budget report.

ADMINISTRATION

Department of Administrative Services

The Subcommittee approved various one-time General Fund appropriations to the Department of Administrative Services (DAS) for the following purposes:

- \$1,895,000 for disbursement to the Rogue River Valley Irrigation District for the Bradshaw Drop Irrigation Canal project to pipe over three miles of irrigation canal to conserve water and provide pressurized water to district patrons.
- \$1,836,000 for disbursement to the City of John Day to extend a fiber optic line along US 395 from US 20 to John Day.
- \$1,000,000 for disbursement to the JPR Foundation, Inc. for the Holly Theater restoration project in Medford.
- \$1,000,000 for disbursement to the Deschutes Rim Clinic Foundation for the Rim Health Clinic in Maupin to supplement capacity at the current facility.
- \$750,000 for disbursement to the Medford Youth Baseball Society for improvements at Harry and David Baseball Park.
- \$500,000 for disbursement to the City of Mosier for a joint use facility, encompassing a city hall, main fire station, and multi-use community space to be built on land donated by Union Pacific Railroad.
- \$500,000 for disbursement to the Oregon Wine Board for marketing and increasing the market access of Oregon produced wine.
- \$420,000 for disbursement to the City of John Day for operations of a public safety answering point through the 2017-19 biennium.
- \$400,000 for disbursement to the Greater Portland YWCA for the Family Preservation Project.
- \$250,000 for disbursement to the Southern Oregon Veterans Benefit organization for construction of a replica of the Vietnam Memorial Traveling Wall.
- \$200,000 for disbursement to the Mid-Columbia Health Foundation for a hospital modernization and expansion project involving a regional rural community hospital in The Dalles that was built in 1859.
- \$50,000 for disbursement to the World of Speed organization as transition funding for the High School Automotive Career Technical Education program as the organization seeks other support for the program.
- \$50,000 for disbursement to the Family YMCA of Marion and Polk Counties for the YMCA Youth and Government program.
- \$50,000 for disbursement to the Bag and Baggage Productions, a professional theater located in Hillsboro, for its Cultural Innovation Project involving the purchase and installation of a 360 degree digitally immersive projection system.
- \$40,000 for disbursement to the Cities of Turner, Aumsville, and Salem, for use as flood mitigation planning match.

A total of \$28,177,202 Other Funds expenditure limitation was added by the Subcommittee for the one-time cost of issuance and special payments associated with the disbursement of proceeds from Lottery Bond sales; projects are detailed below and approved in SB 5530. Cost of issuance for these projects totals \$707,202. There is no debt service allocated in the 2017-19 biennium, as the bonds will not be sold until the

spring of 2019. Total debt service on all the projects described below is estimated at a total of \$4,743,599 Lottery Funds for the 2017-19 biennium and \$47,153,969 over the life of the bonds.

- \$12,235,018 Other Funds for disbursement to the YMCA of Marion and Polk counties for construction of a new YMCA facility in Salem.
- \$6,125,396 Other Funds for disbursement to the Eugene Civic Alliance to redevelop the site of the former Civic Stadium into a community sports and recreation complex.
- \$2,050,587 Other Funds for disbursement to the Gresham Redevelopment Commission for the construction of an innovation and workforce training center in the Rockwood neighborhood in Gresham.
- \$2,050,587 Other Funds for disbursement to the Family Nurturing Center (Rogue Valley Children's Relief Nursery) to purchase and rehabilitate affordable housing adjacent to the Center's campus.
- \$1,042,655 Other Funds for disbursement to the Cascade AIDS Project for the acquisition and renovation of a primary care and mental health center for the lesbian, gay, bisexual, transgender, queer, and other minority gender identities and sexual orientation community.
- \$1,041,303 Other Funds for disbursement to the City of Independence for the Independence Landing Revitalization Project.
- \$1,041,303 Other Funds for disbursement to Klamath County for construction of the Klamath Youth Inspiration Program residential treatment center in Klamath Falls.
- \$1,041,303 Other Funds for disbursement to the City of Woodburn to develop a community center in Woodburn.
- \$784,922 Other Funds for disbursement to The Dalles Civic Auditorium Preservation Commission to continue reconstruction of The Dalles Civic Auditorium theater.
- \$764,128 Other Funds for disbursement to the City of Spray to construct a public safety and emergency services center, which includes fire protection and emergency medical services.

The Subcommittee approved two one-time increases to existing subsidy programs funded through the DAS budget: \$150,000 General Fund was added to the special payments made to the Oregon Historical Society, increasing its total state support in 2017-19 to \$900,000 General Fund. The Subcommittee also approved increasing the 2017-19 special payments to county fairs by \$180,000 Lottery Funds, which provides county fairs with a total of \$3,828,000 Lottery Funds in 2017-19.

To complete projects approved in SB 5506, the capital construction bill, the Subcommittee approved the establishment of five limited duration Project Manager 2 positions (5.00 FTE) and one limited duration Project Manager 3 position (1.00 FTE) within the DAS Planning and Construction Management program. This is position establishment authority only, as all position costs will be charged against project funding.

The Subcommittee approved \$1,080,818 in additional Other Funds Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5505 for renovations at the Portland State Office Building, and an Other Funds expenditure limitation increase of \$214,000 for the cost of issuance of the bonds.

Public Employees Retirement System

An Other Funds expenditure limitation increase of \$209,443 was approved by the Subcommittee, which supports one permanent full-time Principal Executive Manager G (0.92 FTE) to serve as the agency's Chief Financial Officer, with the understanding that the agency competitively recruit for, and hire, a Certified Public Accountant for this position.

Department of Revenue

The Subcommittee approved funding for the final project phase to replace most of the agency's core information technology systems (Core Systems Replacement project). The final phase includes: Timber tax; electrical cooperative tax; rail car tax; gas and oil production tax; County Assessment Funding Assistance; Green Light; Non-profit homes; court fines and assessments; and revenue accounting. The scheduled implementation date is November 13, 2017.

The Subcommittee approved \$8,383,109 of Other Funds expenditure limitation and the establishment of 32 limited duration positions (8.00 FTE), which is to be mostly financed with Article XI-Q bonds approved in SB 5505 (\$4,781,944). Project revenues also include an estimated \$3,501,165 in bond proceeds that were authorized and issued during the 2015-17 biennium, but remained unexpended, and \$100,000 of state marijuana tax revenue. The Department of Administrative Services is directed to unschedule \$276,599 of Other Funds expenditure limitation associated with the Core Systems Replacement project, which may be rescheduled upon the approval of the Legislative Fiscal Office.

The Subcommittee appropriated \$1,000,000 General Fund for vendor contract maintenance costs to support the ongoing maintenance of the vendor product after installation and \$60,000 General Fund for non-bondable expenditures related to the project; these are one-time costs that should be phased out for 2019-21.

To support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5505 for the project, the Subcommittee appropriated \$796,311 in additional General Fund Debt Service and added \$73,056 Other Funds expenditure limitation for the cost of issuance of the bonds.

The Subcommittee increased the General Fund appropriation by \$276,906 and Other Funds expenditure limitation by \$24,079 for one permanent full-time Principal Executive Manager F position (1.00 FTE) to restore funding for the agency's Finance Manager position, a long-term vacancy that was eliminated in SB 5535, with the understanding that the agency competitively recruit for, and fill, this position.

To balance available revenues with Other Funds expenditure limitation, the Subcommittee decreased Other Funds expenditure limitation by \$187,277 for services and supplies in the Property Tax Division.

The Subcommittee increased Other Funds expenditure limitation by \$244,058 for services and supplies in the Marijuana Program. Of the increase, \$200,000 is for a remodel of the cash transaction space in the Salem headquarters building. This will bring the total estimated project

costs to \$1.33 million, of which \$1 million will be funded during the 2017-19 biennium. This is a one-time expense. The remaining \$44,058 is for services and supplies approved by the Emergency Board in May of 2016.

Oregon Advocacy Commissions Office

To restore a reduction in services and supplies included in the budget bill for the Oregon Advocacy Commissions Office (SB 5501), the Subcommittee approved \$17,000 General Fund.

State Library

The Subcommittee approved a \$197,488 General Fund appropriation to restore a reduction to the Ready to Read Grant program included in the budget bill for the State Library (HB 5018). The Ready to Read Grant program provides grants to public libraries for early literacy services and summer reading programs.

State Treasurer

For the Oregon Retirement Savings Board, the Subcommittee increased General Fund by \$1,056,224 and established three permanent full-time positions (2.84 FTE) for additional implementation work. The positions are: one permanent full-time Operations and Policy Analyst 4 to serve as a Public Engagement Manager (1.00 FTE); one permanent full-time Operations and Policy Analyst 3 to serve as a Compliance Manager (0.92 FTE); and one permanent full-time Executive Support Special 1 (0.92 FTE). The Subcommittee abolished one permanent part-time Program Analyst 1 position, a long-term vacant position (-0.50 FTE). A General Fund appropriation is required to fund the Board's operating expenses until the Retirement Savings Plan Administrative Fund has sufficient revenue to support the Board. General Fund expenditures are to be repaid with future administrative fees.

CONSUMER AND BUSINESS SERVICES

Department of Consumer and Business Services

The Subcommittee approved an increase in Other Funds expenditure limitation of \$154,056 for the Department of Consumer and Business Services (DCBS), Division of Financial Regulation and authorized the establishment of a limited duration Operation and Policy Analyst 3 position (0.88 FTE). This position will support work required by the passage of HB 2391, which requires DCBS to establish a reinsurance program for individual and group health insurance policies. The position will assist existing staff at the agency with the additional rulemaking process required to establish the reinsurance program and with the application to the US Department of Health and Human Services for a 1332 waiver to implement the Oregon Reinsurance Program.

The Subcommittee approved an increase in Other Funds expenditure limitation of \$1,748,149 for the DCBS Building Codes Division and the establishment of 10 positions (8.80 FTE). Three of the positions, two Operations and Policy Analyst 3 and a Professional Engineer 2, are for building code development. These positions will provide policy and technical research, analysis, and subject matter expertise related to developing statewide standards, and provide support on special projects related to statewide consistency and uniformity within the building

code. Two Administrative Specialist 2 positions will support analysts, engineers, and subject matter experts in the process of statewide code development, and facilitate and coordinate on special projects, permit services, and project tracking. Two Plans Examiner 2 positions will provide technical expertise and support to special projects, by reviewing plans and specifications for those projects and providing additional support to operational programs in the Pendleton and Coos Bay field offices. One Structural and Mechanical Inspector, a Plumbing Inspector, and one Electrical Inspector will provide field support for site-built construction in the Pendleton and Coos Bay field offices.

Bureau of Labor and Industries

General Fund in the amount of \$413,787 is added to the budget of the Bureau of Labor and Industries for anticipated investigatory and enforcement provisions related to the passage of SB 828. The funding supports a permanent Civil Rights Field Representative (0.75 FTE), and a Permanent Compliance Specialist (0.75 FTE). In addition, funding to support a limited duration Training and Development Specialist 2 position (1.00 FTE) is also included; this position will develop notice materials for posting in the work place, and provide employer training opportunities on the new requirements.

ECONOMIC AND COMMUNITY DEVELOPMENT

Oregon Business Development Department

The Subcommittee established a one-time \$1,650,000 General Fund appropriation for the Arts Commission to distribute grants to the following cultural institutions in the following amounts:

- APANO Cultural Center - \$300,000
- Benton County Historical Society & Museum - Corvallis Museum - \$500,000
- Cottage Theatre Expansion - \$125,000
- High Desert Museum - By Hand Through Memory Exhibit - \$125,000
- Liberty Theatre Foundation - Theatre Restoration in La Grande - \$200,000
- Oregon Coast Council for the Arts - Newport Performing Arts Center - \$300,000
- Portland Institute of Contemporary Art - Capital Campaign NE Hancock \$100,000

The Subcommittee established a one-time \$2,000,000 General Fund appropriation for a grant to the Crescent Sanitary District to support a sewer system/wastewater treatment facility project. To supplement support for the Regional Accelerator Innovation Network (RAIN), the Subcommittee increased the one-time Lottery Funds expenditure limitation by \$500,000. With the expenditure increase in this bill, total support in the budget for RAIN will total \$1,000,000. The Subcommittee also established a one-time Other Funds expenditure limitation of \$3,000,000 to support operating and research expenses of the Oregon Manufacturing Innovation Center (OMIC). The source of these funds are moneys transferred from the Connect Oregon Fund in the Department of Transportation. With the expenditure increase in this bill, support in the Oregon Business Development Department budget for OMIC operations will total \$6.6 million of combined Lottery Funds and Other Funds expenditures.

The Subcommittee increased Other Funds expenditures for distribution of bond proceeds authorized in SB 5505 and SB 5530, and HB 2278 (2015 Session). These expenditures include expenditures for the following projects for the following amounts:

- Seismic Rehabilitation Grants - \$120 million total, including \$100 million for school facilities and \$20 million for emergency services facilities.
- Port of Coos Bay - Channel Deepening Project - \$15,000,000
- Oregon Manufacturing Innovation Center Roads - \$3,390,000
- City of Sweet Home - Wastewater Treatment Plant Upgrade - \$2,000,000
- Crescent Sanitary District Sewer System - \$3,000,000
- Portland Art Museum 0 Connection Campaign - \$1,000,000
- Eugene Ballet Company - Midtown Arts Center - \$700,000
- Friends of the Oregon Caves & Chateau - Balcony Restoration Project - \$750,000
- Regional Solutions - \$1

Regarding Regional Solutions, SB 5530 authorizes \$4 million of lottery bond proceeds for the Regional Infrastructure Fund for Regional Solutions projects. After the Department presents a funding request with identified Regional Solutions projects, the Legislature or Emergency Board will increase the Other Funds expenditure limitation to allow funding of the approved projects. The expenditure limitation applies solely to lottery bond proceeds received in the 2017-19 biennium. Proceeds from previously issued bonds that have been transferred to the Regional Infrastructure Fund, and any earnings in the Fund, are not subject to the \$1 expenditure limitation.

The Subcommittee also increased Nonlimited Other Funds expenditures by \$30 million for distribution of lottery bond proceeds authorized for the Special Public Works Fund. The \$30 million include \$20 million for adding capital to the base Fund, and \$10 million restricted to levee projects.

Other Funds expenditures are increased by a total of \$2,746,249 to pay costs of issuing the general obligation and lottery revenue bonds authorized for the above projects. Proceeds of bonds are used to finance these costs.

Finally, the General Fund appropriation for debt service is increased by \$2,836,985 to pay 2017-19 biennium debt service costs for approved Seismic Rehabilitation Grant bonds. This supports debt service costs for \$25 million of seismic school bonds, and \$10 million of seismic emergency services facility bonds, issued in spring 2018. The remaining seismic bonds, and all lottery bonds authorized for projects in this budget, will be issued in spring 2019, and related debt service will not be paid until the 2019-21 biennium.

Housing and Community Services Department

The Housing and Community Services Department budget is adjusted by the Subcommittee as follows:

Local Innovation and Fast Track (LIFT) housing program - Other Funds expenditure limitation is increased by \$1,090,000 attributable to the cost of issuance for \$80 million in Article XI-Q Bonds for affordable housing development; the housing developed with the bonds will be targeted to low income individuals and families. It is assumed that this investment will result in an additional 1,200 - 1,500 units of new housing, depending on economic factors and the extent to which the program is modified (specifically, to include single family home ownership). Expenditure limitation for a period of six years for the project amount (\$80 million) is in SB 5506. Administration of the \$80 million in additional bond proceeds drives the need for additional expenditure limitation and General Fund support in the 2017-19 biennium, as follows: Two limited duration Loan Specialist positions (0.75 FTE) and two permanent Compliance Specialist positions (1.00 FTE) are authorized to add appropriate underwriting and project monitoring for affordable housing units developed through the LIFT housing program, as authorized by the 2017 Legislative Assembly. The compliance specialist positions are funded through fees charged to the projects, while the loan specialists are supported by General Fund. Finally, General Fund of \$3.4 million is appropriated for debt service, assuming half of the total authorized amount (\$40 million) is issued in the spring of 2018.

Preservation of Affordable Housing - Other Funds expenditure limitation in the amount of \$25,395,235 is included to enable the Housing and Community Services Department (HCSD) to expend lottery bond proceeds for preservation of affordable housing. Of this amount, \$25 million is attributable to project costs, and \$395,235 is related to cost of issuance. Eligible projects for which these funds can be expended will be defined by HCSD and include activities such as: multi-family rental properties where at least 25% of the units are subsidized by a project-based rental assistance contract through the USDA Rural Development or the US Department of Housing and Urban Development; existing manufactured housing communities and affordable housing units to be acquired by a mission-based non-profit organization, resident cooperative, tenants' association, housing authority, or local government; existing multifamily projects with affordability restrictions in need of rehabilitation and contract renewal; and public housing projects undergoing a preservation transaction which involves a comprehensive recapitalization and which will secure ongoing rental subsidies.

Oregon Foreclosure Avoidance Program - General Fund of \$1.3 million is included for the program. This 2017-19 funding is intended to be the final installment for the program, with the expectation that HCSD will cease administration and payment reimbursement by June 30, 2019, or the time at which funds are fully expended, whichever comes first.

Emergency Housing Account and State Homeless Assistance Program - An additional \$13,200,000 General Fund is added to the Emergency Housing Account (EHA) program, and an additional \$6,800,000 General Fund is included for the State Homeless Assistance Program (SHAP). These are one-time enhancements that bring the total 2017-19 budget for EHA to \$27,893,832 (a 93% increase over the 2015-17 legislatively approved budget) and SHAP to \$12,226,228 (a 129% increase over the 2015-17 legislatively approved budget).

Oregon Commission for Voluntary Action and Service - Federal Funds expenditure limitation is reduced by \$7.1 million and one position (1.00 FTE) to reflect funding associated with transfer of administration of the Commission from HCSD to the Office of the Governor. The statutory changes to accomplish the transfer of the program are included in HB 3470.

Measure 96 Lottery Funds Allocation - Lottery Funds expenditure limitation, attributable to the 2016 passage of Measure 96, in the amount of \$350,000 is added for emergency housing assistance to veterans, as provided through the Emergency Housing Account program. The funds are allocated to the Department in SB 140. A budget note in HB 5012 (the HCSD budget bill) directs HCSD and the Department of Veterans' Affairs to report back to the Joint Committee on Ways and Means in February 2018 with advice on strategic investments of available funds that will result in long-term housing stability for veterans.

Oregon Department of Veterans' Affairs

The Subcommittee approved increasing Other Funds expenditure limitation by \$310,000 for costs of issuance on Article XI-Q general obligation bonds authorized in SB 5505 for a parking lot at the Lebanon Veterans' Home, an educational and daycare facility at The Dalles Veterans' Home, and a new veterans' home in Roseburg. Costs of issuance will be paid with bond proceeds. Bonds are scheduled to be sold in spring 2019, with debt service of \$2.2 million General Fund in the 2019-21 biennium.

Due to the shortage of nurses and medical technicians in the City of Roseburg and Douglas County that would be required to staff the approved Veterans' Home, the Subcommittee adopted the following budget note:

Budget Note:

The Oregon Department of Veterans' Affairs, in collaboration with the Oregon Health Authority and the Oregon State Board of Nursing, is directed to convene a rural medical training facilities workgroup that will investigate issues related to alleviating a shortage of skilled and experienced nurses and medical technicians in the City of Roseburg and in Douglas County. Representatives from the City of Roseburg, Douglas County, local hospital or medical facilities, including the Roseburg VA Medical Center, and local medical practitioners with experience in training nursing and medical technician students should be included in the workgroup membership. The workgroup should consider issues related to establishing a medical training facility in partnership with local academic programs and methods of reintegrating veterans who are transitioning out of military service into society through higher education and career training. The Department shall report the results of the workgroup and recommendations to the Legislature by September 15, 2018.

EDUCATION

State School Fund

The Subcommittee approved a decrease of \$30,372,945 General Fund and an increase of \$12,465,745 Lottery Funds for the State School Fund, which reflects the balancing of available Lottery Funds across the entire state budget. In addition, Other Funds expenditure limitation was

increased by \$17,907,200 to account for the total amount of Marijuana revenues dedicated to the State School Fund. Overall, the net change to the State School Fund is zero from the \$8.2 billion included in SB 5517, the State School Fund budget bill.

Department of Education

The Subcommittee approved \$480,517 General Fund for debt service on Article XI-Q bonds sold for deferred maintenance projects at the Oregon School for the Deaf. The bond proceeds will be used to address long standing deferred maintenance issues including replacement or repair of roofs (\$2.5 million) and various improvements (\$1.8 million) to address accessibility issues at the facility necessary to comply with the Americans with Disabilities Act (ADA). For the sale of Article XI-P bonds for the Oregon School Capital Improvement Matching program, \$100 million Other Funds expenditure limitation is included. The XI-P bonds will be sold later in the biennium, so no debt service is required. For both the sale of XI-Q bonds for the Oregon School for the Deaf and the Article XI-P bonds for school district facilities, an increase of \$1,052,442 in Other Funds expenditure limitation is included for the issuance costs of the bonds.

An Other Funds expenditure limitation of \$170.0 million is included for payments to school districts under Ballot Measure 98. A \$170 million General Fund appropriation was made in SB 5516, the budget bill for the Oregon Department of Education, but payments out of the new High School Graduation and College and Career Readiness Fund must be budgeted as an Other Funds expenditure under the language of Ballot Measure 98 and for accounting practices.

Higher Education Coordinating Commission

The Subcommittee approved an increase of \$6,831,534 in Other Funds expenditure limitation for the Higher Education Coordinating Commission (HECC) for the issuance costs of general obligation bonds sold for public universities and community colleges. These include both Article XI-G and XI-Q bonds for the seven public universities and Article XI-G bonds for community colleges.

A General Fund appropriation of \$1.2 million was approved for a one-time grant to Eastern Oregon University for the construction of a new dedicated technology infrastructure equipment facility. This facility will be the campus hub for communications and network infrastructure. Also approved was \$490,000 General Fund for a one-time grant to Oregon State University for the renovation of the Graduate and Research Center at the Cascades Campus in Bend. This will create office space for teaching and research at the campus as it offers new programs and courses.

An additional \$5.3 million General Fund was approved for the Oregon Promise program which provides financial assistance to recent high school graduates with tuition waivers or subsidies at a community college. The increase, along with \$34.7 million General Fund included in the HECC budget bill (SB 5524), brings 2017-19 funding for this program to \$40 million General Fund. At this funding level, the Commission will need to implement policies limiting participation, including restricting program eligibility based on Earned Family Contribution. The intent is to “grandfather” in the first year’s students who started in the program during the 2016-17 academic year under the former requirements and implement any changes for those students who start during or after the fall quarter of the 2017-18 academic year. SB 1032 will include authority for HECC to limit the number of Oregon Promise participants by setting a maximum Earned Family Contribution for program eligibility.

The Subcommittee also approved a budget note related to community colleges:

Budget Note:

The Higher Education Coordinating Commission shall convene a workgroup to develop recommendations for enabling community colleges to offer an associate's degree that is completed in coordination with credits earned in registered apprenticeship or training programs that are at least four years long. The commission shall report their findings and recommendations to the appropriate legislative interim committee.

For College Possible, the Subcommittee approved a one-time \$350,000 General Fund appropriation to HECC for a one-time grant to the organization. This program provides mentoring, coaching, and other assistance to low income students to encourage them to go to college and help them apply for college and financial aid.

One-time funding for two Agricultural Experiment Station positions are added in this bill. One is located at the Hermiston Agricultural Research and Extension Center for potato research and one is at the North Willamette Research and Extension Center. The costs are \$260,000 and \$120,000 General Fund, respectively. Funding for the Renewable Energy Center at the Oregon Institute of Technology was approved in the amount of \$500,000 General Fund.

The Subcommittee approved one-time funding for two projects through Oregon State University resulting, in part, from the work of the Oregon Shellfish Task Force. The first is \$570,000 General Fund for the Molluscan Broodstock program at the Hatfield Marine Science Center in conjunction with the Whiskey Creek Shellfish Hatchery. The second project is \$280,000 General Fund for monitoring the effects of ocean acidification and conducting ocean acidification research at the Whiskey Creek Shellfish Hatchery.

HUMAN SERVICES

Oregon Health Authority

HB 5006 includes \$10,000,000 General Fund for costs related to treating Hepatitis C - Stage 2 for members of the Oregon Health Plan (OHP). Coverage is already included for Stages 3 and 4. It is estimated that roughly 3,200 OHP members have Hepatitis C at Stage 2, and if all these members pursue treatment, the 2017-19 estimated cost is about \$21.6 million General Fund. The agency will include data on current treatment patterns and costs in its first 2017-19 rebalance, and may need to request additional funding during the 2018 legislative session. A portion of this funding is expected to be one-time, as the existing OHP population is treated and only new cases will need treatment in the following biennium.

The Subcommittee approved \$200,000 General Fund for providing fresh Oregon-grown fruits, vegetables, and cut herbs from farmers' markets and roadside stands to eligible low-income seniors under the Senior Farm Direct Nutrition Program. Another \$1,000,000 General Fund was

added for the same purpose for eligible individuals through the Women, Infants and Children Program. Both program enhancements are one-time.

Additional one-time Tobacco Master Settlement Agreement (TMSA) resources of \$63,250,000 are available because of a series of legal settlements. Other Funds expenditure limitation is increased for OHP by \$63,250,000, and General Fund is reduced by a like amount. Other TMSA resources in the OHP budget include funding that had previously been used for tobacco prevention and cessation programs. The Subcommittee approved the following budget note:

Budget Note:

The Oregon Health Authority, in collaboration with the Tobacco Reduction Advisory Committee, shall make recommendations to the Public Health Advisory Board on reductions to the Tobacco Prevention and Education Program, based on the loss of Tobacco Master Settlement Agreement (TMSA) funding, that reflects best practices for tobacco control, to minimize programmatic disruption. The Oregon Health Authority shall report to the Legislature the impact of the loss of TMSA funding to tobacco prevention in Oregon, across state and local programs, health communications, tobacco cessation, and data and evaluation.

In order to balance to the final revenue forecast, an additional \$375,000 of recreational marijuana proceeds are expected to be distributed to the Oregon Health Authority (OHA) for alcohol and drug prevention and treatment programs. Other Funds expenditure limitation is increased by \$375,000 and General Fund is reduced by that same amount.

HB 5006 reduces General Fund by \$401,413 for the Oregon State Hospital, and reduces one FTE. SB 65 consolidates all persons found guilty except for insanity of a felony and committed to the Oregon State Hospital, under the jurisdiction of the Psychiatric Security Review Board. As a result, the State Hospital Review Panel (SHRP) will no longer be needed after June 30, 2018. The Subcommittee approved \$3,226,060 General Fund for rural provider incentive programs. This is funding that was mistakenly taken out of the current service level at Governor's Budget.

HB 5006 increases General Fund by \$10,000 to make the necessary changes to the Medicaid Management Information System (MMIS) to ensure that children who are placed in substitute care are enrolled in a coordinated care organization (CCO). This would apply to children in the legal custody of the Department of Human Services, and eligible for medical assistance. The new MMIS coding would allow a child who changes placement to remain in the original CCO until the transition of the child's care to another CCO has been completed.

The bill includes \$196,111 Other Funds expenditure limitation and one position (0.75 FTE) to implement HB 3440, which will open up the Prescription Drug Monitoring Program to out-of-state practitioners. This will create additional workload as the program will need to implement and manage a process of auditing out-of-state users' credentials and use of the system.

To support the ongoing DHS effort to develop and implement an integrated eligibility system, now called the ONE Integrated Eligibility and Medicaid Eligibility (ONE IE & ME), the Subcommittee approved \$322,233 General Fund, \$13,595,873 Other Funds expenditure limitation,

\$1,306,605 Federal Funds expenditure limitation, and 62 positions (51.71 FTE); 41 of the positions are limited duration. The 21 permanent positions are associated with a core need for legacy system integration, as well as system maintenance and operations.

Department of Human Services

The Subcommittee approved \$1,300,000 General Fund, on a one-time basis, to increase funding for the Oregon Hunger Response Fund, which is a 26.2% increase from the 2015-17 funding level. This additional support will help the Oregon Food Bank, through its 20 regional food banks, acquire and distribute a higher volume of food to over 950 local agencies.

Another adjustment in the Self Sufficiency program is a change to a budget reduction included in SB 5526, the primary budget bill for the Department of Human Services (DHS). Instead of a \$3.4 million General Fund reduction in the Temporary Assistance for Needy Families (TANF) program, which affected households with a Non-Needy Caretaker Relative, the Subcommittee decreased funding in the Employment Related Day Care program by \$3.4 million General Fund, which reduces the caseload by about 200 cases.

Regarding TANF, the DHS budget approved in SB 5526, assumes \$22.2 million in General Fund cost avoidance related to program restrictions that have been in place since the 2009-11 biennium; this requires statutory date changes that are included in HB 3470. In addition, \$60.0 million General Fund in TANF program caseload savings was used to help balance the agency-wide budget. These savings were due to the projected 2017-19 caseload decreasing by more than 3,000 families between the fall 2016 and spring 2017 caseload forecasts. The Subcommittee noted that, ideally, TANF savings would be retained within the TANF program to help improve services to families and client outcomes. To help institute this practice, the Subcommittee approved the budget note set out below.

Budget Note:

During the 2017-19 biennium, after each biannual caseload forecast, the Department of Human Services is directed to calculate any General Fund or Federal Funds savings resulting from a decrease in the TANF caseload below the level assumed in the 2017-19 legislatively adopted budget. As part of its first rebalance report to or request of the Legislature following that calculation, the agency will present a proposal for directing any savings to either increase the TANF grant amount or invest in the JOBS program.

For the Intellectual and Developmental Disabilities (IDD) program, the Subcommittee discussed the need to ensure individuals with IDD receive information about all service setting options. Accordingly, DHS is directed to present to all adults with IDD the option to receive in-home services as described in ORS 427.101(3)b. The Subcommittee also approved the following budget note related to IDD group homes:

Budget Note:

The Department of Human Services will convene a workgroup to review rules and statutes regarding substantiated abuse findings, fines, and enforcement for Intellectual and Developmental Disability (IDD) group homes. The workgroup shall include representation from IDD providers, clients served in the IDD system, employees working in IDD group homes, and other stakeholders. The workgroup shall report

their findings and recommended statutory changes to the appropriate legislative interim policy committees no later than February 1, 2018. The workgroup shall discuss and report on:

- Recommendations for rule or statutory changes to abuse definitions and substantiated abuse findings.
- A review of current enforcement statutes and recommended changes that result in consistent applications of fines across the IDD group home system.
- Recommendations for mandatory minimum fines for substantiated abuse.

The Subcommittee approved funding for the continued development and implementation of an integrated eligibility system, now called the ONE Integrated Eligibility and Medicaid Eligibility (ONE IE & ME) project. This effort will integrate eligibility determinations for DHS programs; Non-MAGI Medicaid, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Employment Related Day Care (ERDC); into the OregonONEligibility (ONE) system used by OHA.

While a 2017-19 funding request was always expected, the 2017-19 cost estimate for the project has increased over the budget development timeframe; the current project estimate and approved amount for 2017-19 is \$203,272,716 total funds. (The former estimate for 2017-19 spending was \$132.0 million total funds). This budget includes: state staff costs of \$42.3 million; \$128.2 million for contracted information technology services; \$21.0 million for software costs and hosting charges; \$2.2 million for training; and \$9.5 million for debt service. Cost allocation, contingencies, legacy system integration work, and payments to OHA for its project work are accounted for in these estimates. The state staffing component consists of 113 positions (74.33 FTE) and primarily supports business analytics and training activities; 88 positions (50.83 FTE) are limited duration.

The bulk of the project budget, at \$146.3 million or 72% of 2017-19 costs, is supported by Federal Funds; this is due to enhanced federal funding for the project. Some of that higher match expires on December 31, 2018, but the Medicaid portion at a 90% federal/10% state share does not have a set end date. The current project timeline and updated budget estimates account for these match rates. General Fund supports \$11.5 million of project costs and debt service; the bulk of the state share will be covered by \$45.0 million in proceeds from Article XI-Q bonds.

In SB 5505, the Joint Ways and Means Subcommittee on Capital Construction approved \$34,045,000 Article XI-Q bonds to finance \$33,523,000 of project costs and \$522,000 for costs of issuing the bonds. The Subcommittee also approved additional funding of \$11,477,000 for this project through the repurposing of bond proceeds originally issued for the Oregon Military Department (OMD).

The Joint Legislative Committee on Information Management and Technology (JLCIMT) reviewed the project on May 25, 2017, and recommended incremental, conditional approval of the project and set out detailed next steps in its recommendation, which was adopted. In addition to completion of 26 specific actions, the recommendation requires a minimum of two progress reports to JLCIMT; one in September 2017 and another in February 2018. The agency will also work closely with and regularly report project status to the Office of the State Chief Information Officer (OSCIO) and the Legislative Fiscal Office (LFO) throughout the project's lifecycle. It is likely additional formal reporting may

be required by JCLIMT or interim budget committees, depending on agency progress and any need to address project or budget issues flagged by LFO or OSCIO. The Subcommittee approved the project with the understanding that the funding will be unscheduled until LFO and the Chief Financial Office of the Department of Administrative Services approve rescheduling; agency compliance with the JLCIMT recommendations will be key to making funding available.

Since this project will result in eligibility determinations for multiple programs in both OHA and DHS being done through one system, to perform these determinations most efficiently, eligibility functions (responsibility for the work and staffing) from both agencies will be centralized at DHS. The following budget note was approved by the Subcommittee:

Budget Note:

The Department of Human Services and the Oregon Health Authority are currently planning to centralize eligibility processing at DHS in the fall of 2017. DHS has begun an assessment of current processes and will need 9-12 months to complete a comprehensive assessment and business plan that meets Medicaid requirements. DHS will report to the Interim Joint Committee on Ways and Means by June 30, 2018, and will include in its report a plan to increase jobs in rural Oregon including the option of outsourcing, in order to provide the highest quality, most efficient and cost effective Medicaid enrollment services to Oregonians.

JUDICIAL BRANCH

Judicial Department

The Subcommittee increased General Fund for the Judicial Department by \$600,000, and established four full-time positions (2.00 FTE) for additional workloads associated with an increased number of preliminary hearings anticipated as a result of SB 505. SB 505 requires grand jury proceeding to be recorded. A special purpose appropriation in SB 505 to the Emergency Board for additional costs associated with the measure was reduced by the same amount.

The Subcommittee also established a \$1,200,000 General Fund appropriation to provide a grant to Clackamas County for planning costs associated with a project to replace the county's courthouse. The county must spend at least an equal amount of matching funds for planning costs. The provision of this support does not establish a commitment or expectation for any additional state support for the capital project.

The Subcommittee added Other Funds expenditures to the budget associated with the authorization, in SB 5505, of Article XI-Q bonds for grants and capital construction projects. This limitation will allow the Judicial Department to provide grants to counties for courthouse capital construction projects through the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF), and pay costs associated with issuing the bonds for both the OCCCIF grants, and for capital construction projects approved in SB 5506. A \$195.2 million Other Funds limitation is established for the OCCCIF, for transfer of \$97.6 million of Article XI-Q proceeds, and an equal amount of county matching funds, for the following two county courthouse replacement projects:

- Multnomah County Courthouse - \$185.2 million (including \$92.6 million of bond proceeds) for the Multnomah County Courthouse replacement project. The funds will permit the county to complete construction of the courthouse project. With these moneys, the state will have provided a total of \$125 million of bond proceeds for the project over a three-biennium period.
- Lane County Courthouse - \$10 million (including \$5 million of bond proceeds) for the Lane County Courthouse replacement project. These funds will provide support for planning and development of the project. With these moneys, the state will have provided a total of \$6.4 million of bond proceeds for the project over a two-biennium period. The provision of this support does not establish a commitment or expectation for any additional state support for the capital project.

Other Funds expenditures were increased by \$1,235,000 for costs of issuing Article XI-Q bonds for the OCCCIF-supported projects, and for two capital construction projects approved in SB 5506. Proceeds of bonds are used to finance these costs.

Finally, the Subcommittee established a distinct Other Funds expenditure limitation for the State Court Technology Fund (SCTF), and transferred \$17,942,354 from the Operations expenditure limitation to the newly established SCTF expenditure limitation. The SCTF receives revenues from court filing fees, charges for technology services, and the Criminal Fine Account, and its use is restricted to providing support state court electronic systems.

Public Defense Services Commission

The Subcommittee approved a \$1,800,000 increase in General Fund for the Professional Services Account. This appropriation brings total General Fund support for the program to the current service level. The Professional Services Account finances the costs of all trial-level and certain appellate-level public defense services.

LEGISLATIVE BRANCH

Legislative Administration Committee

General Fund of \$5,145,277 for Legislative Administration was approved by the Subcommittee for security enhancements to the Oregon State Capitol. The increased funds include: \$20,000 for a mass communication system, \$528,000 for third party monitoring services, and \$4,597,277 for security cameras and networks, independent distribution facility (network closet) upgrade, safety film installation, garage gate replacement, and other security needs.

The Subcommittee also approved \$906,053 General Fund for debt service on Article XI-Q bonds sold for the Capitol Accessibility, Maintenance, and Safety project. Bonds are scheduled to be sold in spring 2018. In addition, Other Funds expenditure limitation was increased by \$239,358 for costs of issuance on the bonds, which will be paid with bond proceeds.

NATURAL RESOURCES

Department of Agriculture

In the Agricultural Development and Marketing program, the Subcommittee reduced General Fund by \$250,000 due to elimination of a marketing position. This action eliminates one of three permanent full-time positions added to the program during the 2011-13 biennium to increase economic activity in the agriculture sector.

Columbia River Gorge Commission

The Subcommittee added \$24,081 General Fund to the Columbia River Gorge Commission budget to match the amount provided by the State of Washington as required by interstate compact; \$14,686 of the increase is provided for the Joint Expenses Program and the remaining \$9,395 is for Commissioner Expenses.

Department of Environmental Quality

The Subcommittee approved a \$500,000 one-time General Fund appropriation to complete an inventory of non-road diesel engines with the expectation that DEQ would use a third-party contractor to conduct a state-wide and multi-sector inventory of non-road diesel engines currently in use by private and public fleets for the purposes of informing and refining air quality models. This inventory is expected to be completed no later than May 1, 2019. To ensure the survey results are representative of the statewide inventory, data collection shall be conducted using a mix of sampling techniques, including, but not limited to whole fleet inventories (census style counts), representative sampling of fleets by fleet-size, and industry surveying. Results and assumptions should be verified using existing relevant and complementary data, such as fuel use and business asset data collected by county tax assessors. The Department is to consult with interested stakeholders during various phases of the inventory work including, but not limited to, prior to releasing the inventory request-for-proposal and upon the development of preliminary results. The Department shall make the results of this inventory available to interested stakeholders but only in aggregate form.

Department of Fish and Wildlife

The Subcommittee approved three General Fund increases for the Department of Fish and Wildlife (ODFW) totaling \$1,325,000 for several program changes. First, \$425,000 General Fund was added to fund a permanent Natural Resources Specialist 5 position to serve as the Department's Sage Grouse Mitigation Program Coordinator. Approximately \$175,000 of the \$425,000 is for professional services contracts to assist in implementation of the sage grouse mitigation program. Next, \$250,000 General Fund was added to restore and make permanent two positions (1.67 FTE) to work on the Integrated Water Resources Strategy involving water flows necessary to maintain fish habitat and in-stream water rights consultations. In addition, it is expected that the positions would also examine the need for a sediment study of the lower Rogue River. Finally, \$650,000 General Fund was added to restore three of the five permanent full-time positions eliminated from the Western Oregon Stream Program as part of the General Fund reductions taken in HB 5018, the ODFW budget bill. The three positions that were restored work in Clackamas, Roseburg, and Tillamook. Along with the funding for position costs, \$40,839 was added for services and supplies.

The Subcommittee also established a one-time Other Funds expenditure limitation of \$215,000 for the cost of issuance of Article XI-Q General Obligation bonds approved in SB 5505 for repairs and capital improvements at ODFW facilities.

Department of Forestry

The Subcommittee approved a \$57,568 increase in the General Fund appropriation made to the Oregon Department of Forestry (ODF) for the payment of debt service on General Obligation bonds issued for the replacement of a shared facility at Toledo. The Subcommittee also approved an increase in Other Funds expenditure limitation of \$1,114,991 to accommodate the payment of \$79,991 for debt service and \$50,000 in bond issuance costs related to bonds issued for the Toledo facility; the remaining \$985,000 is for the cost of issuance of Certificates of Participation related to the Elliott State Forest.

In addition, the Subcommittee approved the establishment of an Other Funds expenditure limitation for ODF, in the amount of \$100 million, for the payment, from the net proceeds from the sale of Certificates of Participation, of monies to finance the release of all or a portion of the Elliott forest from restrictions resulting from ownership of that forest by the Common School Fund, or to compensate the Common School Fund for the preservation of non-economic benefits of the forest through the imposition, transfer, or sale of restrictions such as easements, use requirements or restrictions, or other methods that preserve non-economic benefits of the forest for the public such as recreation, aesthetics, wildlife or habitat preservation, or other environmental and quality of life considerations.

For the initial work required for the development of a federal Habitat Conservation Plan (HCP), the Subcommittee approved a \$300,000 increase in Other Funds expenditure limitation pursuant to an agreement with the Department of State Lands for the development of the plan. ODF will use this funding to establish four limited duration positions (3.50 FTE) including a project leader, a HCP coordinator, a threatened and endangered species coordinator, and a data manager/analyst to work with federal agencies to develop a Request for Proposal to complete all the technical work needed for completing the HCP. The Department is also expected to apply for a federal grant to help with the cost of developing the Environmental Impact Statement required for completion of the HCP. It is anticipated that the agency will seek additional expenditure limitation once the remaining project costs are better known.

Land Use Board of Appeals

For the Land Use Board of Appeals, the Subcommittee added \$11,650 General Fund to reclassify a position from Executive Support Specialist I to Executive Support Specialist II.

Department of Parks and Recreation

The Subcommittee approved an increase in the Other Funds expenditure limitation for the Oregon Department of Parks and Recreation of \$5,111,682 for the expenditure of lottery bond proceeds for the Oregon Main Street Revitalization program. The funding will be used to provide competitive grants to organizations participating in the Oregon Main Street Network. The program focuses on projects that acquire, rehabilitate, and construct buildings on properties in designated downtown areas and facilitate community revitalization leading to additional private

investment, job creation or retention, expansion or establishment of viable businesses, or creating a stronger tax base. The expenditure limitation increase includes \$111,682 for bond issuance costs.

Department of State Lands

For work related to the Elliott State Forest, the Subcommittee established an Other Funds expenditure limitation of \$3,985,377 and the establishment of a Project Manager 3 position (1.0 FTE). Specifically, \$1,608,930 of the total is for paying costs associated with a custodial forest management contract for the Elliott State Forest. Under the contract, the manager will be responsible for four primary tasks: maintaining road systems for safe public access and fire protection activities; ensuring compliance with all applicable laws; conducting reforestation activities to comply with Oregon's Forest Practices Act; and providing general forest management and oversight. The manager will be the first point of contact for any questions; responsible for identifying problems specific to the property and coordinating with local officials and DSL as necessary; and manage access to the property and coordinate proper disposal of trash and removal of abandoned property.

Other components include \$608,000 for estimated cost of fire patrol assessments to be paid to the Oregon Department of Forestry (ODF) for wildfire protection, \$268,447 for a Project Manager 3 position (1.00 FTE) that will provide general coordination for the Elliott Forest as well as providing project management for the Portland Harbor Superfund Site and Goble cleanup site. Also included is \$1,500,000 for development of a federal Habitat Conservation Plan (HCP) and an Environmental Impact Statement (EIS). The HCP development will be via an agreement with ODF; that agency will lead the collaborative work with other state, federal, and private entities. The initial ODF work is anticipated to cost \$300,000, the remaining \$1,200,000 is to be administratively unscheduled until a better estimate of the total cost to develop the HCP and EIS can be established. ODF anticipates that it will apply for federal grant funding for at least a portion of the cost to develop the EIS.

The Subcommittee approved \$5,000,000 General Fund for the Department of State Lands to deposit into the Portland Harbor Cleanup Fund established in SB 5530; after deposit (payment), the money is available to be spent as Other Funds. In SB 5530, \$3,000,000 in lottery bond proceeds is also allocated for deposit into the Cleanup Fund. To spend the \$8,000,000 total subsequently available, a new \$8,000,000 Other Funds expenditure limitation is established. To pay costs associated with the issuance of the lottery bonds, the Subcommittee approved an increase in Other Funds expenditure limitation of \$57,587.

Monies in the Cleanup Fund are for the coordination and participation in any contracts or agreements relating to or arising out of the Portland Harbor Superfund Site that may include investigation of baseline conditions, investigation of key sediment sites, potential infrastructure needs related to contaminated sediments, development and administration of a comprehensive data management system for the site, satisfaction of obligations under any settlement or administrative order, work required by the United States Environmental Protection Agency in connection with the site, and other activities directly related to minimizing the state's liability for costs related to the Portland Harbor Superfund Site.

Water Resources Department

The Subcommittee approved a General Fund appropriation of \$333,677 for the Water Resources Department (WRD) to fund two Assistant Watermaster positions and an Office Specialist position in Umatilla County, in the Pendleton and Milton-Freewater offices. The former Umatilla

County positions were authorized in the agency's primary budget bill (SB 5542) using Other Funds expenditure limitation of \$433,677. This action assumed Umatilla County would be covering the cost of the positions via contract with WRD. However, available county resources are projected to be able to provide only \$100,000 of this amount, so General Fund will cover the remaining cost. To complete the fundshift, the Subcommittee also approved a \$333,677 reduction in Other Funds expenditure limitation.

To support pilot programs in several locations throughout the state, the Subcommittee approved an increase of \$203,870 General Fund and the establishment of a limited duration, Natural Resource Specialist 4 position (1.00 FTE). The Department was allocated \$750,000 in lottery bond proceeds during the 2015-17 biennium to make grants and provide technical assistance to local governments to establish place-based water resource planning pilot programs. Of that grant funding, \$600,000 is carried forward into the 2017-19 biennium; \$56,000 of that amount remains unobligated. The position authorized by the Subcommittee is a continuation of the limited duration position that was established in the prior biennium to assist in the administration of the program and the distribution of the grant funding.

The Subcommittee approved an increase of \$1,547,235 Other Funds expenditure limitation for making grants, loans, or providing technical assistance for feasibility studies, and for the payment of bond issuance costs from lottery bond sale proceeds deposited into the Water Conservation, Reuse, and Storage Investment Fund. Of the amount allocated to the Fund, \$47,235 is for the payment of bond issuance costs.

For water supply projects, the Subcommittee approved a total increase of \$21,075,301 Other Funds expenditure limitation for making grants, loans, and paying the cost of bond issuance from lottery bond proceeds deposited into the Water Supply Development Fund established under section 3, chapter 784, Oregon Laws 2013. At \$15,000,000, the bulk of the additional limitation provided for the expenditure of net bond proceeds allocated to the fund is for Water Supply Development grants and loans to evaluate, plan, and develop in-stream and out-of-stream water development projects that repair or replace infrastructure to increase the efficiency of water use; provide new or expanded water storage; improve or alter operations of existing water storage facilities in connection with newly developed water; create new, expanded, improved, or altered water distribution, conveyance, or delivery systems in connection with newly developed water; allocate federally stored water; promote water reuse or conservation; provide streamflow protection or restoration; provide for water management or measurement in connection with newly developed water; and, determine seasonally varying flows in connection with newly developed water. To pay for bond issuance costs, \$375,301 Other Funds expenditure limitation is needed.

The remaining expenditure limitation approved by the Subcommittee is for three specific projects that, while comporting to the other requirements of grants made from the Water Supply Development Fund, are not subject to any application process, public benefit scoring, or ranking. The projects and amounts are:

- City of Carlton, Panther Creek Reservoir sediment reduction and water storage capacity increase project - \$2,500,000
- City of Carlton, Finished water supply line loss reduction project - \$2,000,000
- Santiam Water Control District, Mill Creek Corporate Center irrigation conversion and efficiency project - \$1,200,000

PUBLIC SAFETY

Department of Corrections

To purchase two new transport buses to replace vehicles at the end of their service life, the Subcommittee approved a one-time appropriation of \$708,788 General Fund in the Department of Corrections' Operations Division.

The Subcommittee approved an increase in Other Funds expenditure limitation of \$721,466 for cost of issuance of \$39,215,000 in Article XI-Q bonds authorized in SB 5506 for the Department of Corrections' deferred maintenance program and for technology infrastructure upgrades. Bonds will be issued in May 2018 and in March 2019.

The agency's General Fund appropriation for debt service was increased by \$1,926,252 for new debt service estimated to be paid in 2017-19. Debt service for bonds issued in 2017-19 is estimated to be \$7,616,448 General Fund in 2019-21.

Oregon Department of Justice

The Subcommittee approved \$16,573,792 Other Funds expenditure limitation for project costs, which is to be financed with \$16,267,633 of Article XI-Q bonds approved in SB 5505 and \$306,159 in bond proceeds that were authorized and issued during the 2015-17 biennium but remained unexpended. The Subcommittee also approved \$32,136,210 Federal Funds expenditure limitation and the establishment of 32 permanent full-time positions (23.81 FTE). This includes personal services of \$5.8 million and services and supplies of \$43.0 million. The amount for services and supplies includes \$35.8 million total funds of contractor payments for: project management, including organization change management services; implementation; independent quality assurance; and independent verification and validation.

Unless otherwise approved by the Legislature or the Emergency Board, the positions budgeted for the project are established as permanent full-time under the following conditions: (a) the positions will be abolished on or before the completion of the project; (b) the positions are to remain in the CSEAS program (i.e., CSEAS summary cross reference) and may not be transferred to any other program or used for any purpose other than the development of the CSEAS project; and (c) the positions may not be included in any permanent finance plan action.

Other Funds expenditure limitation of \$317,367 is included for the cost of issuance of the bonds. The Subcommittee appropriated \$3,391,920 in additional General Fund Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5505.

The Subcommittee approved \$6,916,041 Other Funds expenditure limitation and 35 permanent full-time positions (30.80 FTE) for the Civil Enforcement Division - Child Advocacy Section to represent Child Welfare caseworkers in court and provide full access to legal representation, legal counsel, legal advice, litigation support, and training. The revenue to support this package was approved in SB 5526, the primary budget bill for the Department of Human Services (DHS). DHS will be billed by DOJ no more than \$6.9 million for the increase in juvenile dependency workload using DOJ's traditional fee-for-service billing model. DOJ will also provide DHS with a monthly billing summary of the legal work performed. DOJ has committed to tracking quality assurance measures, including outcome measures.

Statewide implementation will be through a three-phase approach across all 36 counties: Phase-I will be completed by January 1, 2018 for: Benton; Coos; Gilliam; Grant; Hood River; Josephine; Lane; Lincoln; Linn; Morrow; Polk; Sherman; Tillamook; Wasco; and Wheeler Counties. Phase-II will be completed by July 1, 2018 for: Columbia; Crook; Deschutes; Douglas; Harney; Jackson; Jefferson; Klamath, Lake; Malheur; Umatilla; and Yamhill counties. Phase-III will be completed by January 1, 2019 for: Baker; Clackamas; Clatsop; Curry; Marion; Multnomah; Union; Washington; and Wallowa counties. The final implementation schedule, however, may change depending upon the needs of a specific county. Both DOJ and DHS will work collaboratively with county District Attorneys to ensure juvenile dependency cases are handled in a consistent and coordinated manner with as much continuity as possible throughout the legal proceedings.

This investment in legal services was, in part, the result of work completed by the Task Force on Legal Representation in Childhood Dependency, which was established by SB 222 (2015). While, due to limited General Fund resources, the Legislature was unable to fund most Task Force recommendations, the affected state agencies and legal partners are committed to continuing to work on system improvements. In recognition of this commitment, the Subcommittee approved the following budget note:

Budget Note:

The Department of Human Services, Department of Justice, Oregon Judicial Department, and Public Defense Services Commission shall work collaboratively, at both the state and local levels, to solicit input on, develop, and implement strategies to improve the effectiveness and efficiency of Oregon's juvenile dependency systems and to determine the appropriate level of legal services. Potential strategies should include standardizing forms, streamlining processes, conforming practices, and adopting administrative or court rules. The agencies are expected to identify and begin implementing strategies no later than July 1, 2018. Options for providing more effective and cost-efficient legal and other services should also be reviewed and analyzed. The agencies will submit a joint report on the progress of these efforts to the Interim Joint Committee on Ways and Means or the Emergency Board by October 2018. In addition, each agency shall include an update, in its budget presentation to the Joint Committee on Ways and Means during the 2019 session, on its specific roles, activities, strategies, and costs to improve the effectiveness and efficiency of Oregon's juvenile dependency system.

In addition, the Legislature, under separate legislation (HB 3470), extended the sunset on the provision authorizing DHS to appear as a party in a juvenile court proceeding without appearance of an Attorney General from June 30, 2018 to June 30, 2020 to accommodate the planned implementation schedule.

The Department of Administrative Services is directed to unschedule \$4.0 million of the General Fund in the DHS budget and \$4.0 million of the Other Funds expenditure limitation in the DOJ budget pending demonstration to the Legislative Fiscal Office that the work performed, billing, reporting, and communication between the agencies is consistent with the budget cap, implementation schedule, and service level expectations for the caseworker legal representation program.

For SB 243, the Subcommittee approved implementation costs of \$123,932 Other Funds and established one permanent part-time Assistant Attorney General position (0.38 FTE) in DOJ's Civil Enforcement Division. The Division provides services to train caseworkers and certifiers on the new legal standard of abuse, advises Department of Human Services (DHS) in the preparation and adoption of administrative rules, as well as child protective services investigations, confidentiality laws, and release of records. The Division also provides advice and legal representation to DHS in all administrative appeals of those investigations and related certification actions for certified foster homes. The revenue source to fund this expense is legal service charges billed to DHS. The roll-up costs are estimated to be \$89,084 Other Funds and one position (0.25 FTE) for the 2019-21 biennium.

The Subcommittee approved \$500,000 General Fund to support Community Assessment Centers, as a one-time increase, in order to provide child abuse medical assessments. The funding will be administered through the Oregon Department of Justice, Crime Victims Services Division, as pass through funds distributed to the statewide Community Assessment Centers network association, which will ensure equitable distribution.

To support the Oregon Crime Victims Law Center, the Subcommittee also appropriated \$175,000 General Fund as a one-time increase. This will bring total funding for the Law Center from the Department of Justice to \$554,559, including \$504,599 General Fund and \$50,000 Other Funds; the latter is from the renewal of a state grant funded from punitive damage awards.

Oregon Military Department

The Subcommittee approved an increase in Other Funds expenditure limitation of \$448,244 for cost of issuance of \$23,730,000 in Article XI-Q bonds authorized in SB 5506 for three Regional Armory Emergency Enhancement projects in Salem, Newport, and Coos Bay; an Armory Service Life Extension project at the Grants Pass armory; and to re-issue bonds for the Regional Training Institute and Youth Challenge capital construction projects in 2017-19. Bonds are planned to be issued in October 2017, and in March 2019.

The agency's General Fund appropriation for debt service was decreased by \$378,344 for debt service estimated to be paid in 2017-19 due to anticipated debt service savings. Debt service in 2019-21 for bonds issued in 2017-19 is estimated to be \$4,305,134 General Funds.

The Subcommittee approved a one-time appropriation of \$1,000,000 General Fund for construction of or repairs to the Oregon Military Museum at Camp Withycombe in Clackamas, Oregon.

To operationalize the provisions of HB 2687, the Subcommittee increased Other Funds expenditure limitation in the Oregon Military Department, Office of Emergency Management by \$5,000,000 to capitalize the Resiliency Grant Fund, and increased Other Funds expenditure limitation by \$70,000 to pay for the cost of bond issuance. Other Funds limitation is funded by the sale of Article XI-Q bonds authorized in SB 5506. The Subcommittee added \$181,178 General Fund and increased Federal Funds expenditure limitation by \$181,178 and approved two permanent positions (2.00 FTE) to administer the program and the grant-making process.

Department of Public Safety Standards and Training

The Department of Public Safety Standards and Training's Federal Funds expenditure limitation was increased by \$469,566 to allow the expenditure of grant funds from the federal Assistance to Firefighters grant program on a new mobile fire training unit, to replace equipment at the end of its service life.

Oregon State Police

The Subcommittee increased Other Funds expenditure limitation in the Patrol Division by \$2,521,711 to support the addition of six troopers and one sergeant (7.00 FTE) in the Capitol Mall Security Unit.

The Subcommittee approved \$6,230,000 General Fund and established twenty sworn positions (18.32 FTE) to increase highway patrol coverage statewide, and to provide additional drug enforcement detectives in central and southern Oregon counties.

Oregon Youth Authority

To continue the installation of video monitoring systems to supplement the Oregon Youth Authority's sexual abuse prevention, detection, and response efforts for adherence to the US Prison Rape Elimination Act of 2003 (PREA), the Subcommittee approved a one-time appropriation of \$771,000 General Fund.

The Subcommittee approved an increase in Other Funds expenditure limitation of \$676,086 for cost of issuance of \$39,995,000 in Article XI-Q bonds authorized in SB 5506 to remodel five living unit cottages at the MacLaren Youth Correctional Facility, to remodel two dormitory spaces at the Rogue Valley Youth Correctional Facility, and to undertake deferred maintenance projects in 2017-19. Bonds are planned to be issued in May 2018 and in March 2019.

The agency's General Fund appropriation for debt service was increased by \$1,695,236 for new debt service estimated to be paid in 2017-19. Debt service for bonds issued in 2017-19 is estimated to be \$6,104,546 General Fund in 2019-21.

TRANSPORTATION

Department of Transportation

Other Funds expenditure limitation for the Oregon Department of Transportation (ODOT) for the 2017-19 biennium is decreased by \$406,813 as an adjustment to Central Services to account for the transfer of positions from ODOT to the Office of the State Chief Information Officer.

The Subcommittee approved an increase in Other Funds expenditure limitation in ODOT's Transportation Program Development section of \$30 million in lottery bond proceeds for ConnectOregon VII. In addition, the Other Funds expenditure limitation is increased by \$433,693 for cost of issuance expenses. There is no debt service in the 2017-19 biennium as the bonds will not be sold until the spring of 2019.

The Subcommittee approved an increase in Other Funds expenditure limitation in ODOT's Public Transit Program of \$5 million in lottery bond proceeds for the Lane Transit District's expansion of the EmX Bus Rapid Transit network. In addition, the limitation is increased by \$119,541 for cost of issuance expenses. There is no debt service in the 2017-19 biennium as the bonds will not be sold until the spring of 2019.

The Subcommittee approved an increase in Other Funds expenditure limitation in ODOT's Local Government Program of \$2 million in lottery bond proceeds for City of Portland SW Capitol Highway safety improvements. In addition, the Other Funds expenditure limitation is increased by \$50,587 for cost of issuance expenses. There is no debt service in the 2017-19 biennium as the bonds will not be sold until the spring of 2019.

Adjustments to 2015-17 Budgets

Commission on Judicial Fitness and Disability

The Subcommittee increased the 2015-17 biennium General Fund appropriation for extraordinary expenses by \$35,000 to fund costs incurred for the investigation and prosecution of cases of judicial misconduct.

Oregon Department of Transportation

Other Funds expenditure limitation for the Oregon Department of Transportation for the 2015-17 biennium was increased by \$45.5 million for Highway Division programs for costs associated with winter storms, implementation of an ADA-related settlement agreement, and for increased project payout.

Federal Funds expenditure limitation for the Oregon Department of Transportation for the 2015-17 biennium was increased by \$8.1 million to complete commitments carried over from the 2013-15 biennium.

Legislative Fiscal Office

900 Court St. NE, H-178
Salem OR 97301
503-986-1828



Oregon Legislative Emergency Board

Sen. Peter Courtney, Senate Co-Chair
Rep. Tina Kotek, House Co-Chair

Certificate

September 26, 2018

Pursuant to the provisions of ORS 291.328, and acting under the authority of ORS 276.390; ORS 291.326(1)(a), (b), (c), and (d); and ORS 291.375; this hereby certifies that the Emergency Board, meeting on September 26, 2018, took the following actions:

1. Treasurer of State

Acknowledged receipt of a report on investment expenses related to the Oregon Public Employees Retirement Fund.

2. Secretary of State

Acknowledged receipt of a report on Help America Vote Act funds, with the understanding that the agency will include an update on the actions taken to enhance elections security with its 2019-21 biennium agency request budget.

3. Department of Education

Department of Human Services

Increased the Federal Funds expenditure limitation established for the Department of Education by section 5(1), chapter 590, Oregon Laws 2017, Early learning programs, by \$7,207,837 and authorized the establishment of 12 limited duration positions (3.96 FTE) for the expenditure of additional federal Child Care Development Block Grant funding.

4. Department of Education

Allocated \$13,547 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Education by section 1(1), chapter 590, Oregon Laws 2017, Operations, and allocated \$338,687 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Education by section 2(4), chapter 590, Oregon Laws 2017, Other K-12 grant-in-aid programs, for grants to school districts for connecting schools to high-speed telecommunications and the internet and for related administrative costs.

5. Department of Education

Increased the Other Funds expenditure limitation established for the Department of Education by section 3(1), chapter 590, Oregon Laws 2017, Operations, by \$163,889 and authorized the establishment of three limited duration positions (0.87 FTE) to increase the capacity of business services staff.

- 6. Department of Education**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Agriculture, Food Nutrition Service in the amount of \$100,000 for the Child and Adult Care Food Program Meal Service Training grant.
- 7. Department of Education**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Education in the amount of up to \$750,000 for the Grants to States for School Emergency Management Program.
- 8. Department of Education**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Education in the amount of \$642,435 for the Pathways to STEM Apprenticeship for High School Career and Technical Students grant.
- 10. Higher Education Coordinating Commission**
Acknowledged receipt of a report on the statewide criteria developed to evaluate and prioritize public university capital requests proposed in the Commission's agency request budget.
- 11. Higher Education Coordinating Commission**
Approved, retroactively, the submission of a federal grant application to the Corporation for National Community Services Training and Technical Assistance in the amount of \$161,537 for the Oregon Volunteers AmeriCorps program.
- 12. Department of Human Services**
Acknowledged receipt of a report on the agency's workforce-related efforts in the child welfare program.
- 13. Department of Human Services**
Acknowledged receipt of a report on efforts to curb costs in the Intellectual and Developmental Disabilities program.
- 14. Department of Human Services**
Approved, retroactively, the submission of a federal grant application to the Administration for Community Living in the amount of up to \$560,000 annually over two years, to support business case development for the No Wrong Door System within the Aging and People with Disabilities Program.
- 15. Department of Human Services**
Approved, retroactively, the submission of a federal grant application to the Administration for Community Living in the amount of \$350,000 over 18 months, to expand dementia-capable services offered in home and community-based settings by the Aging and People with Disabilities Program.
- 16. Department of Human Services**
Acknowledged receipt of a report on the agency's work to improve position management practices.

17. Department of Human Services

Acknowledged receipt of a report and allocated \$300,000 from the special purpose appropriation made to the Emergency Board by section 132(1), chapter 99, Oregon Laws 2018, to supplement the appropriation made to the Department of Human Services by section 1(3), chapter 597, Oregon Laws 2017, Aging and people with disabilities and intellectual/developmental disabilities programs, for ventilator-assisted services in nursing facilities.

18. Department of Human Services

Approved, retroactively, the submission of a federal grant application to the Administration on Children, Youth and Families for one-time funding in the amount of \$301,558 to support kinship navigator efforts for the Child Welfare program.

19. Department of Human Services

Acknowledged receipt of a report on increasing rural jobs in Oregon.

20. Department of Justice

Department of Human Services

Acknowledged receipt of a report on the phased-in implementation of full legal representation for child welfare caseworkers.

21. Oregon Health Authority

Allocated \$160,450 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Oregon Health Authority by section 1(1), chapter 545, Oregon Laws 2017, Programs, for the Drinking Water Services Program and authorized the establishment of one permanent Natural Resources Specialist 4 position and one limited duration Natural Resources Specialist 3 position for a total of 0.66 FTE to work on emerging contaminants and emergency preparedness related to water quality.

22. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application to the Centers for Disease Control and Prevention, State Physical Activity and Nutrition (SPAN) Program, in the amount of up to \$1.3 million annually over five years, to support the state in its continued efforts to improve nutrition and increase safe and accessible physical activities.

23. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application to the Centers for Disease Control and Prevention, State Actions to Improve Oral Health Outcomes, in the amount of up to \$3,125,000 over five years, to support the state in its efforts to decrease dental caries and oral health disparities.

24. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application to the Substance Abuse and Mental Health Services Administration, Improving Life Trajectories for Youth and Young Adults with Serious Mental Disorders Program, in the amount of up to \$1 million per year for up to five years, to improve access to developmentally appropriate

and culturally and linguistically competent treatment and support services for Oregonians between the ages of 16 and 25 who have serious mental disorders.

25. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application to the Substance Abuse and Mental Health Services Administration in the amount of up to \$400,000 per year for four years to identify youth who are at high risk for developing psychosis and to provide early interventions.

26. Oregon Health Authority

Approved, retroactively, the submission of a federal grant application to the Centers for Disease Control and Prevention in the amount of up to \$80,000 over a 19-month period to supplement the current Pregnancy Risk Assessment Monitoring System grant.

27. Department of State Police

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, Office of Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking (SMART) program in the amount of \$397,166 over a three-year period to improve Oregon's sex offender registration and notification processes and systems.

28. Department of State Police

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, National Institute of Justice in the amount of \$288,605 to improve the quality and timeliness of forensic science and medical examiner's office services.

29. Department of State Police

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, National Institute of Justice in the amount of \$841,009 over a two-year period to increase the ability of the state's forensic laboratory to process and analyze DNA samples more quickly and efficiently.

30. Department of State Police

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, National Institute of Justice in the amount of \$805,650 over a three-year period to increase the ability of the state's forensic laboratory to analyze and identify skeletal, decomposed, and/or partial human remains in the possession of the Department of State Police.

31. Department of State Police

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, Bureau of Justice Statistics in the amount of \$848,741 over a two-year period to improve the completeness, automation, and transmittal of records to state and federal systems used by the National Instant Criminal Background Check System for firearm background checks.

- 32. Department of State Police**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, Bureau of Justice Statistics in the amount of \$159,520 over a two-year period to purchase finger- and palm-print biometric scanning equipment for local criminal justice agencies.
- 33. Department of State Police**
Allocated \$134,709 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of State Police by section 1(4), chapter 581, Oregon Laws 2017, Administrative services, agency support, criminal justice information services and office of the State Fire Marshal, to pay for the balance of the agency's implementation costs for the technology solution chosen for the STOP program.
- 34. Department of State Police**
Allocated \$9,865,644 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of State Police by section 1(4), chapter 581, Oregon Laws 2017, Administrative services, agency support, criminal justice information services and office of the State Fire Marshal, and increased the expenditure limitation established for the Department of State Police by section 2(4), chapter 581, Oregon Laws 2017, Administrative services, agency support, criminal justice information services and office of the State Fire Marshal, by \$7,104,707, to address costs incurred during the 2018 wildfire season, with instructions.
- 35. Military Department**
Acknowledged receipt of a report on the agency's assessment of its processes, policies, and practices for internal control over grants management.
- 36. Military Department**
Allocated \$123,275 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Military Department by section 1 (4), chapter 566, Oregon Laws 2017, Community Support, to reimburse the agency for costs associated with state activation of the Oregon National Guard to support two drinking water delivery missions for the City of Salem during May and June 2018.
- 37. Military Department**
Deferred action on the request for a \$50,000 Emergency Fund allocation and a limited duration position to coordinate emergency drinking water resources until the 2019 legislative session.
- 38. Department of Justice**
Authorized the transfer of \$87,193 from the General Fund appropriation established for the Department of Justice, by section 1(2), chapter 576, Oregon Laws 2017, Civil Enforcement Division, to the General Fund appropriation established for the Department of Justice, by section 1(3), chapter 576, Oregon Laws 2017, Criminal Justice Division, for the Regional Automated Information Network (RAIN) coordinator position.

39. Department of Justice

Allocated \$2,640,456 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Justice by section 1(6), chapter 576, Oregon Laws 2017, Division of Child Support, for a revenue shortfall in Temporary Assistance for Needy Families (TANF) recoveries and additional various program budget shortfalls, with the understanding that the Department of Administrative Services will unschedule \$1,250,000 for the TANF shortfall.

40. Department of Justice

Increased the Federal Funds expenditure limitation for the Department of Justice established by section 3(3), chapter 576, Oregon Laws 2017, Crime Victims' Services Division, by \$14,430,275; authorized the transfer of \$5,000,000 from the Federal Funds expenditure limitation established by section 3(4), chapter 576, Oregon Laws 2017, Division of Child Support, to the Federal Funds expenditure limitation established by section 3(3), chapter 576, Oregon Laws 2017, Crime Victims' Services Division; and authorized the transfer of \$553,521 from the Federal Funds expenditure limitation established by section 36, chapter 702, Oregon Laws 2017, for the child support enforcement automated system in the child support enforcement automated program, to the Federal Funds expenditure limitation established by section 3(3), chapter 576, Oregon Laws 2017, Crime Victims' Services Division, for expenditure of federal grant funding.

41. Department of Human Services

Department of Justice

Judicial Department

Public Defense Services Commission

Acknowledged receipt of a report on progress made toward implementing strategies to improve juvenile dependency systems.

42. Department of Justice

Increased the Other Funds expenditure limitation established for the Department of Justice by section 2(2), chapter 576, Oregon Laws 2017, Appellate Division, by \$507,367; increased the Other Funds expenditure limitation established for the Department of Justice by section 2(3), chapter 576, Oregon Laws 2017, Civil Enforcement Division, by \$356,936; increased the Other Funds expenditure limitation established for the Department of Justice by section 2(6), chapter 576, Oregon Laws 2017, General Counsel Division, by \$1,185,059; increased the Other Funds expenditure limitation established for the Department of Justice by section 2(7), chapter 576, Oregon Laws 2017, Trial Division, by \$444,547; authorized the transfer of \$196,115 General Fund from the appropriation made to the Department of Justice by section 1(2), chapter 576, Oregon Laws 2017, Civil Enforcement Division, to the appropriation made to the Department of Justice by section 1(3), chapter 576, Oregon Laws 2017, Criminal Justice Division; and authorized, within the Other Funds expenditure limitations established for the Department of Justice by section 2, chapter 576, Oregon Laws 2017, the transfer of \$500,000 from subsection (5), Crime Victims' Services Division, to subsection (3), Civil Enforcement Division; for intra-agency charges to fund the Administration Division.

43. Department of Justice

Allocated \$1,343,260 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Justice by section 1(6), chapter 576, Oregon Laws 2017, Division of Child Support, for the Child Support Enforcement Automated System Project; authorized the transfer of \$553,521 from the Other Funds expenditure limitation established for the Department of Justice by section 2(5), chapter 576, Oregon Laws 2017, Crime Victims' Services Division, to supplement the expenditure limitation established for the Department of Justice by section 33, chapter 702, Oregon Laws 2017, for the child support enforcement automated system in the child support enforcement automated program; authorized the transfer of \$886,798 from the Other Funds expenditure limitation established for the Department of Justice by section 2(8), chapter 576, Oregon Laws 2017, Division of Child Support, to supplement the expenditure limitation established for the Department of Justice by section 33, chapter 702, Oregon Laws 2017, for the child support enforcement automated system in the child support enforcement automated program; for project expenditures.

44. District Attorneys and Their Deputies

Deferred action on the request to allocate funds from the special purpose appropriation made to the Emergency Board for costs related to grand jury recordation until the December 2018 meeting of the Emergency Board.

45. Department of Public Safety Standards and Training

Increased the Federal Funds expenditure limitation established for the Department of Public Safety Standards and Training by section 3, chapter 583, Oregon Laws 2017, by \$325,955, for expenditure of a grant award from the federal Assistance to Firefighters grant program.

46. Department of Public Safety Standards and Training

Increased the Other Funds expenditure limitation established for the Department of Public Safety Standards and Training by section 2(1), chapter 583, Oregon Laws 2017, Operations, by \$77,282 and authorized the establishment of one limited duration Training and Development Specialist 2 position (0.38 FTE) in the Private Security Program.

47. Criminal Justice Commission

Approved, retroactively, a grant application to the U.S. Department of Justice, Bureau of Justice Assistance in the amount of \$181,887 for a Project Safe Neighborhoods grant.

48. Department of Corrections

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, Bureau of Justice Assistance in the amount of \$750,000 over a three-year period to provide treatment to both adults in custody and offenders re-entering the community who suffer from co-occurring substance abuse and mental health disorders.

- 49. Department of Corrections**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Justice, Office of Juvenile Justice and Delinquency Prevention in the amount of \$750,000 over a three-year period to pilot Phase II of the *Parenting Inside Out* program at three agency institutions.
- 50. Columbia River Gorge Commission**
Allocated \$18,000 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Columbia River Gorge Commission by section 1, chapter 474, Oregon Laws 2017, for operational expenses.
- 51. Department of Fish and Wildlife**
Established a Federal Funds Capital Construction expenditure limitation of \$550,000 for the Department of Fish and Wildlife for the acquisition of 564 acres near the Summer Lake Wildlife Area.
- 53. Department of Agriculture**
Increased the Lottery Funds expenditure limitation established for the Department of Agriculture by section 3, chapter 562, Oregon Laws 2017, by \$1,359,653 to fund efforts to eradicate Japanese Beetle in northwest Portland.
- 54. Department of Agriculture**
Allocated \$100,000 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Agriculture by section 1(3), chapter 562, Oregon Laws 2017, Natural resources, and authorized the establishment of three seasonal limited duration survey biotechnician positions (0.75 FTE) for the initial phase of the Gypsy moth eradication plan.
- 55. Department of Agriculture**
Allocated \$730,295 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Agriculture by section 1(2), chapter 562, Oregon Laws 2017, Food safety, and authorized the establishment of one limited duration position (0.38 FTE) to purchase laboratory equipment and conduct method development on a potential test for the presence of cyanotoxins in manufactured food products.
- 56. Department of Forestry**
Acknowledged receipt of a preliminary report on the 2018 fire season and increased the Other Funds expenditure limitation established for the Department of Forestry by section 2(2), chapter 592, Oregon Laws 2017, Fire protection, by \$68,379,072 for fire suppression costs; and deferred action on the request for a \$1,415,825 Emergency Fund allocation until the 2014 fire season costs are finalized.
- 57. Department of Forestry**
Allocated \$1,000,000 from the amount reserved in the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Forestry by section 1(3), chapter 592, Oregon Laws 2017, Private

forests, for the direct treatment of the EU1 lineage of *Phytophthora Ramorum* (Sudden Oak Death) infested sites, with instructions.

58. Department of Energy

Approved, retroactively, the submission of a federal grant application to the U.S. Department of Energy in the amount of \$600,248 for data collection and research toward developing industry standard practices for energy efficient residential building energy codes.

59. Department of Geology and Mineral Industries

Approved, retroactively, the submission of a federal grant application to the U.S. Geological Survey in the amount of \$274,000 for the 3D Elevation Program initiative.

60. Department of Geology and Mineral Industries

Approved, retroactively, the submission of a federal grant application to the Federal Emergency Management Agency in the amount of \$1,150,000 for the Cooperating Technical Partners Program.

61. Department of Geology and Mineral Industries

Approved, retroactively, the submission of a federal grant application to the National Oceanic and Atmospheric Administration in the amount of \$361,295 for the National Tsunami Hazard Mitigation Program.

62. Department of Geology and Mineral Industries

Increased the Other Funds expenditure limitation established for the Department of Geology and Mineral Industries by section 2(2), chapter 508, Oregon Laws 2017, Mined land reclamation, by \$450,000 for the Mined Land Regulation and Reclamation Program.

63. Parks and Recreation Department

Increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(3), chapter 547, Oregon Laws 2017, Parks development, by \$1,900,000 for facilities investment projects.

64. Parks and Recreation Department

Increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(4), chapter 547, Oregon Laws 2017, Direct services, by \$2,000,000 for maintenance projects on state park property.

65. Parks and Recreation Department

Increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(4), chapter 547, Oregon Laws 2017, Direct services, by \$100,000 for enforcement officer training.

66. Parks and Recreation Department

Increased the Other Funds expenditure limitation established for the Parks and Recreation Department by section 1(4), chapter 547, Oregon Laws 2017, Direct services, by \$455,448 to expend funds received from the Oregon State Parks Foundation for the construction of the Cottonwood Canyon Experience Center.

67. Parks and Recreation Department

Increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(2), chapter 547, Oregon Laws 2017, Central services, by \$1,208,230 for increased costs in merchant services and phone reservation fees.

68. Parks and Recreation Department

Increased the Lottery Funds expenditure limitation established for the Parks and Recreation Department by section 2(3), chapter 547, Oregon Laws 2017, Parks development, by \$1,500,000 for the acquisition of state park property.

69. Water Resources Department

Allocated \$1,352,526 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Water Resources Department by section 1(5), chapter 606, Oregon Laws 2017, Director's office, for anticipated legal costs through the end of the 2017-19 biennium.

70. Department of Environmental Quality

Allocated \$380,000 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Department of Environmental Quality by section 1(2), chapter 591, Oregon Laws 2017, Water quality, and authorized the establishment of four limited duration positions (1.50 FTE) for the lab testing of cyanotoxins in the state's drinking water.

71. Department of Aviation

Deferred action on the request to retroactively approve the submission of a federal grant application to the Federal Aviation Administration in the amount of \$37 million for a runway extension project at the Aurora State Airport until the December 2018 meeting of the Emergency Board, with instructions the agency coordinate with Oregon Solutions at Portland State University for a stakeholder discussion.

72. Department of Transportation

Approved, retroactively, the submission of a federal grant application to the Federal Transit Administration in the amount of up to \$5,166,470 for a Bus and Bus Facilities Infrastructure Discretionary grant on behalf of rural transit providers.

73. Department of Transportation

Approved, retroactively, the submission of a federal grant application to the Federal Transit Administration in the amount of up to \$3,926,885 for a Low or No Emissions Bus Discretionary grant for the purchase of buses.

74. Department of Transportation

Approved, retroactively, the submission of a federal grant application to the Federal Rail Administration in the amount of \$3 million for a 2017 Consolidated Rail Infrastructure and Safety Improvements grant to complete significant rail safety and efficiency improvements aimed at reducing congestion and delays for passenger and freight trains at the North Portland and Peninsula Junctions of the Union Pacific line.

- 75. Department of Transportation**
Approved, retroactively, the submission of a federal grant application to the Federal Rail Administration in the amount of \$3 million for a 2018 Consolidated Rail Infrastructure and Safety Improvements grant to complete significant rail safety and efficiency improvements aimed at reducing congestion and delays for passenger and freight trains at the North Portland and Peninsula Junctions of the Union Pacific line.
- 76. Department of Transportation**
Increased the Other Funds expenditure limitation established for the Department of Transportation by section 4(1), chapter 604, Oregon Laws 2017, Capital improvement, by \$3,331, 972 for the construction of salt sheds.
- 77. Department of Transportation**
Increased the Other Funds expenditure limitation established for the Department of Transportation by section 4(15), chapter 604, Oregon Laws 2017, Central services, by \$5,078,026 to increase use of the Emerging Small Business Program.
- 78. Department of Transportation**
Increased the Other Funds expenditure limitation established for the Department of Transportation by section 1(6)(b), chapter 808, Oregon Laws 2015, Meacham Maintenance Station, by \$7,200,000 for the replacement of the Meacham Maintenance Station.
- 79. Department of Transportation**
Increased the Other Funds expenditure limitation established for the Department of Transportation by section 4(2), chapter 604, Oregon Laws 2017, Maintenance and emergency relief programs, by \$19,895,997 to offset expenses resulting from the Eagle Creek fire and winter storm damages.
- 80. Oregon Business Development Department**
Increased the Other Funds expenditure limitation established for the Oregon Business Development Department by section 55(9), chapter 702, Oregon Laws 2017, regional solutions, by \$3,999,999 for project support.
- 81. Employment Department**
Acknowledged receipt of a report on specific aspects of the agency's liquidated and delinquent accounts receivable.
- 82. Department of Consumer and Business Services**
Approved, retroactively, the submission of a federal grant application to the Centers for Medicare and Medicaid Services in the amount of \$282,754 to research health insurance plan affordability and availability.
- 84. Public Employees Retirement System**
Increased the Other Funds expenditure limitation established for the Public Employees Retirement System by section 1(2), chapter 600, Oregon Laws 2017, Financial and Administrative Services Division, by \$79,291, and authorized the establishment of one investment accountant position (0.38 FTE), with the understanding that the Department

of Administrative Services will unschedule the limitation pending Public Employees Retirement System updating the position duties to only include trust fund-related activities.

86. Public Employees Retirement System

Authorized, within the Other Funds expenditure limitations established for the Public Employees Retirement System by section 1, chapter 600, Oregon Laws 2017, the transfer of \$258,244 and four positions (1.50 FTE) from subsection (4), Operations Division, to subsection (1), Central Administration Division; the transfer of \$100,000 from subsection (4), Operations Division, to subsection (2), Financial and Administrative Services Division; and the transfer of \$100,000 from subsection (4), Operations Division, to subsection (5), Compliance, Audit, and Risk Division, for an agency rebalance.

87. Oregon Liquor Control Commission

Increased the Other Funds expenditure limitation established for the Oregon Liquor Control Commission by section 1(2), chapter 578, Oregon Laws 2017, Marijuana regulation, by \$800,000 for fees associated with the Cannabis Tracking System; and increased the Other Funds expenditure limitation established for the Oregon Liquor Control Commission by section 1(1), chapter 578, Oregon Laws 2017, Administrative expenses, by \$1,182,058 for administrative expenses related to replacement and administration of agency information technology systems, with the understanding that the Department of Administrative services will unschedule \$728,596 of the limitation for administrative expenses pending a negotiated contract that demonstrates utilization of the funds.

88. Department of Revenue

Acknowledged receipt of a report on the agency's progress to develop an outcome-based assessment.

89. Department of Revenue

Increased the Other Funds expenditure limitation established for the Department of Revenue by section 2(4), chapter 601, Oregon Laws 2017, Business Division, by \$91,124 and increased the Other Funds expenditure limitation established for the Department of Revenue by section 2(2), chapter 601, Oregon Laws 2017, Property Tax Division, by \$4,500 for the implementation of HB 4139 (2018).

90. Department of Revenue

Increased the Other Funds expenditure limitation established for the Department of Revenue by section 2(4), chapter 601, Oregon Laws 2017, Business Division, by \$18,098 for the implementation of HB 3180 (2017).

92. Department of Administrative Services

Increased the Other Funds expenditure limitation established for the Department of Administrative Services by section 2(6), chapter 572, Oregon Laws 2017, Enterprise Asset Management, by \$1,505,301 for the purchase of 70 vehicles.

- 93. Department of Administrative Services**
Established a Federal Funds expenditure limitation of \$847,000 for the Department of Administrative Services, Office of the State Chief Information Officer – Policy, to accommodate grants and contracts for statewide aerial imagery.
- 94. Department of Administrative Services**
Increased the Other Funds expenditure limitation established for the Department of Administrative Services by section 2(5)(a), chapter 572, Oregon Laws 2017, Office of the State Chief Information Officer – State Data Center, Operations, by \$9,300,000, and authorized the transfer of \$10,000,000 from the Other Funds expenditure limitation established for the Department of Administrative Services by section 2(5)(b), chapter 572, Oregon Laws 2017, Office of the State Chief Information Officer – State Data Center, Pass-through expenditures, to the Other Funds expenditure limitation established for the Department of Administrative Services by section 2(5)(a), chapter 572, Oregon Laws 2017, Office of the State Chief Information Officer – State Data Center, Operations, for increased services.
- 95. Department of Administrative Services**
Acknowledged receipt of a report on uniform rent rates and recommended to the 2019 Legislative Assembly that it approve, for each agency, an amount sufficient to pay rentals required under the final schedule for uniform rent based on the 2019-21 legislatively adopted budget for the Department of Administrative Services as required under ORS 276.390.
- 96. Department of Public Safety Standards and Training**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Commerce, National Institute of Standards and Technology in the amount of \$214,006 to develop three-dimensional maps of indoor public spaces in Oregon.
- 97. Oregon Business Development Department**
Approved, retroactively, the submission of a federal grant application to the U.S. Environmental Protection Agency in the amount of \$500,000 for additional capitalization of Oregon Brownfields Cleanup Fund which provides cleanup financing for sites contaminated by hazardous substances and petroleum.
- 98. Oregon Business Development Department**
Approved, retroactively, the submission of a federal grant application to the U.S. Department of Agriculture in the amount of \$300,000 to support targeted technical assistance and other training leading to the development or expansion of small and emerging private businesses in rural areas.
- 99. Military Department**
Allocated \$188,000 from the Emergency Fund established by section 1, chapter 702, Oregon Laws 2017, to supplement the appropriation made to the Military Department by section 1(3), chapter 566, Oregon Laws 2017, Emergency management, for emergency preparedness equipment for fuel distribution facilities.



Oregon

Kate Brown, Governor

Department of Human Services

Office of the Director

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2019-21 Governor's Budget

Oregon Department of Human Services

Message from Director Fariborz Pakseresht



Our vision of safety, health and independence for all Oregonians is what drives our work at the Oregon Department of Human Services (DHS). Our services touch one in four Oregonians, primarily the most vulnerable among us, and we serve them with the intention of helping each person realize their full potential.

To help all we serve reach their full potential, DHS is working toward a delivery system that provides services in a seamless and integrated manner across the entire continuum of life, and in strong partnership with other public, private, and community organizations.

Integration of services has been a goal of human services agencies across the country. The framework many human services organizations are adopting to guide service delivery evolution is the Human Services Value Curve, a maturity model to be implemented over time. This framework recognizes that:

- People and programs are interconnected.
- Service continuums must be designed with outcomes in mind instead of individual interventions.
- It is important to pay as much attention to the environment as we do to the individual.
- Each individual and family's health, wellbeing and needs must be approached holistically, addressing each factor that determines their survival and security.
- A multi-generational approach is necessary to help families move beyond the daily struggle to survive and achieve lasting economic stability.

DHS holds a unique position among state agencies in creating an Oregon where all its residents can thrive. We often interact with people from the moment they enter this world until the moment they leave it. Along that life journey, our interactions

"Assisting People to Become Independent, Healthy and Safe"

should be pleasant, efficient, and outcomes-focused. Our path forward is designed to embrace that role and steadily move toward full realization of our mission, vision, and values.

Our success will depend on how well we work with other system partners and our communities to create a continuum of care and services that provide Oregonians with best opportunities to succeed and thrive.

The Governor's Budget for DHS proposes investments that support our priorities to:

- Provide person- and family-centered, holistic services that help Oregonians achieve their own goals and live their full potential.
- Support children and keep them safe from birth to adulthood on their path to become healthy, productive, and purposeful adults.
- Help parents and family providers create safe, stable, and nurturing environments for children and adults in their care.
- Assist families with basic needs to lift them out of financial crisis and create a pathway to the education and living wage jobs that move them out of poverty.
- Support and assist Oregonians with disabilities to achieve, maintain and advance in meaningful employment and in independence.
- Provide access to high quality, long-term services and supports for Oregon's rapidly aging population and individuals with disabilities, in the setting of their choosing, delivered by a strong, stable, well-trained, paid, and unpaid direct care workforce.
- Empower and support Oregonians with intellectual and developmental disabilities to live full lives in their communities.
- Strengthen our relationship with, and improve our services to, the nine federally recognized Native American Tribes.
- Provide these services in a seamless, integrated manner that is sustainable, effective, efficient, outcome-based, and provided with a commitment to

service equity to ensure they are available to all qualified Oregonians and result in the best outcomes for everyone.

During the 2019-21 biennium, our priority will be on stabilizing our organization and strengthening our foundation, so it can support and sustain the seamless, integrated service delivery system we are working toward. We have already completed thorough internal assessments to show us where our foundation needs shoring up. Moving forward, we know we must:

- Do a better job of listening to, communicating with, and connecting with those we serve as well as our staff and partners who serve them because they hold the best ideas for improving our work.
- Learn how to tell our stories so that our work is defined by our many successes and not by our failures.
- Develop a learning environment that encourages the surfacing of flaws and mistakes, so we can address them, and allow creativity to flourish.
- Create a culture where safety and well-being, caring and supportive environments, high expectations and accountability, meaningful participation, and engaging the community become part of the fabric of DHS.
- Model and practice our core values and our emerging culture.
- Leverage the wisdom of the community to improve the outcomes for those we serve by learning from our diverse communities, including Oregon's Tribes, who feel marginalized and ignored by our current practices.
- Honor diversity and inclusion by including it in every aspect of the work we do.
- Use research, data, and analytics to inform our decisions.
- Shift the way we think about our work from operating in silos to an organization that is open, dynamic, interconnected and tuned in to the needs of those we serve.

The 8,500 DHS employees working across the state meet the needs of Oregonians with the help of many public, private, and community organizations. We value their partnership, dedication, and commitment to continuous improvement. The Governor's Budget provides investments that support the work we do together to create safety, health, and independence for the more than one million Oregonians we serve.

Sincerely,

A handwritten signature in black ink, reading "Fariborz Pakseresht". The signature is written in a cursive, flowing style.

Fariborz Pakseresht
Director, Oregon Department of Human Services

Oregon Department of Human Services

Overview

The mission of the Department of Human Services (DHS) is to help Oregonians in their own communities achieve safety, well-being and independence through services that protect, empower, respect choice and preserve dignity. As described in more detail in the DHS Director's Letter, the DHS budget is based on the following guiding principles:

- Safety for Children and Vulnerable Adults
- Independence, Dignity, Choice and Self-Determination for Older Adults, People with Disabilities
- Reducing Families and Individuals in Poverty
- Employment for People with Disabilities, and
- Program Performance and Operational Efficiency and Effectiveness

Funding

The DHS Governor's Budget recommends a General Fund investment of \$3.8 billion General Fund and \$12.6 Billion total funds for the 2019-21biennium.

DHS	GF	OF	FF	TF	POS	FTE
LAB 17-19	3,197,087,399	654,392,908	7,788,498,339	11,639,978,646	9,049	8,690.63
GB 19-21	3,797,162,519	623,272,839	8,130,328,111	12,550,763,469	9,339	9,122.81
Difference GB - LAB	600,075,120	(31,120,069)	341,829,772	910,784,823	290	432.18
% Difference GB - LAB	18.77%	-4.76%	4.39%	7.82%	3.20%	5.0%

Major changes from LAB to GB CSL are driven mainly by:

- Roll up of 17-19 investments
- Standard inflation
- Forecasted Cost per Case and Caseload changes including AAA, CDDP and Brokerage staffing
- Backfill of General Fund for one-time revenues and capped federal fund grants
- Changes in Federal Fund Match Rates
- Removal of 5% personal services funding aside CW at 2.5%
- Removal of inflation on Services & Supplies

Strategic Funding Investments

The following Independence, Safety, Health and Economic investments are being proposed to improve services to Oregonians:

Oregon Department of Human Services

A list of the proposed Policy Option Packages (POP) and a list of reductions to GF follow the conclusion.

Conclusion

For the 19-21 biennium, the Governor's Budget proposes a package of services that promote safety, wellness and the economy for some of Oregon's most vulnerable residents. These investments will help DHS meet the needs of Oregonians in this period of change and growth.

POPs at GB	GF	OF	FF	TF	POS	FTE
Package 070	-	-	(70,704,585)	(70,704,585)	(2,420)	(2,385.69)
107 - Backfill TANF in CW Staff	40,000,000	-	-	40,000,000	2,420	2,385.69
111 - Grant-Funded Limited Duration Positions	-	-	1,657,278	1,657,278	7	7.00
112 - Increase DHS Budget Staff Capacity	632,772	-	420,470	1,053,242	5	4.40
116 - VR Pre-ETS	-	576,906	-	576,906	3	3.00
119 - Centralized Screening	10,189,554	-	-	10,189,554	46	45.28
121 - Community Based Care Medicaid Access Package	25,538,323	-	11,667,109	37,205,432	25	25.00
122 - Emergency Housing Assistance*	-	-	6,500,000	-	-	-
125 - Expand ERDC	-	10,776,672	-	10,776,672	-	-
127 - ED Attainment Support for TANF & SNAP Parents	-	-	3,641,542	3,641,542	-	-
129 - Expand Support to Kids with Significant Needs	8,477,001	-	17,002,265	25,479,266	11	7.52
131 - Foster Family Recruit Team	3,008,924	-	749,993	3,758,917	17	17.00
139 - Continuing Education for Caregiver Training	1,165,056	-	334,691	1,499,747	8	7.04
142 - Independent Living Program Service Enhancement	8,500,000	-	-	8,500,000	2	1.92
201 - Integrated Eligibility Medicaid Eligibility	18,320,972	39,247,563	121,950,843	179,519,378	33	25.26
202 - Medicaid Modularity	277,922	-	276,444	554,366	2	2.00
208 - M&O OF Centralized Abuse Management	3,512,949	-	-	3,512,949	3	2.64
Total	119,623,473	50,601,141	93,496,050	257,220,664	162	148.06

Note: Housing is a transfer of funds and not an expenditure; investment of TANF FF shown here for context.

Descriptions of each Policy Option Package (POP) is included in the appropriate programs budget narrative in the following sections of the DHS ARB document.

GF Reductions Total	GF	OF	FF	TF	POS	FTE
Additional Vacancy savings	(15,142,004)	(2,566,701)	-	(17,708,705)	-	-
S&S Inflation pkg 031 elimination	(4,678,150)	(489,015)	(5,251,840)	(10,419,005)	-	-
I/DD One time use of Fairview Housing Trust Fund of \$6.0 million.	(6,000,000)	6,000,000	-	-	-	-
I/DD Eliminate Elliott homes at SACU, staff and home/client expenses	(1,820,928)	-	(3,940,035)	(5,760,963)	-	(24.00)
I/DD Lower than anticipated usage of Job Coaching Hrs	(2,000,000)	-	(4,000,000)	(6,000,000)	-	-
I/DD Enhanced Express Match	(3,000,000)	-	3,000,000	-	-	-
CW-Enhanced Foster Care - GF Reduction	(2,292,741)	-	-	(2,292,741)	-	-
Central-Additional S&S reduction	(1,143,950)	-	-	(1,143,950)	-	-
Package 090 - Assume BCU fees	(1,676,112)	1,000,000	-	(676,112)	-	-
Package 090 - SSP TANF Fund Shift	(7,480,617)	-	7,480,617	-	-	-
Package 090 - CDDP/Brokerages reduce Equity to 93%	(2,361,134)	-	(2,837,987)	(5,199,121)	-	-
Package 091 - Charges for Services/Vehicles	(5,739,851)	(147,695)	(5,044,012)	(10,931,558)	-	-
Package 092 - AG Reduction of 5.95%	(1,399,616)	(69,146)	(2,080,936)	(3,549,698)	-	-
GF Reduction Total	(54,735,103)	3,727,443	(12,674,193)	(63,681,853)	-	(24.00)

Oregon Department of Human Services Central and Shared Services, State Assessments and Enterprise-wide Costs

Overview

DHS Central, Shared Services and State and Enterprise-wide Costs (SAEC) provide critical leadership, business supports and program operations necessary to achieve the mission of the agency: helping Oregonians achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity.

DHS Central, Shared Services and SAEC budgets include:

- Payments to DAS and third parties for goods and services that serve the entire agency, such as facility rents, Enterprise Technology Services charges, the DAS risk assessment charges, DAS government service charges, computer replacement, and debt service.
- Payments for DHS's cost of services shared with OHA. When the agency split, DHS and OHA agreed to share information technology, financial, investigations, and other services to avoid cost increases and focus on improving performance and efficiency.
- The cost of the DHS/OHA shared services provided by DHS. These costs are entirely other funds, paid for by the payments described in above and similar payments in the OHA budget. From a total fund perspective, these costs are double-counted in the DHS and OHA budgets.
- The cost of DHS central budgets, including the Director, Governor's Advocacy Office, Legislative and communication support, budget, equity and diversity, human resources and others.

The DHS Central, SAEC and Shared Services budgets are structured and administered according to the following principles:

Control over major costs. DHS centrally manages many major costs. Some of these costs, like many DAS charges, are fixed costs to the agency. Others, like facility rents, are managed by the agency. DHS also strongly supports and actively participates in statewide efforts to locate work across the enterprise and install

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performance management systems to make administrative functions more efficient and effective.

Customer-driven shared services. When the agency split, DHS and OHA agreed to maintain many administrative functions as shared services to prevent cost increases, maintain centers of excellence, and preserve standards that help the agencies work together.

DHS and OHA govern their shared services through a joint committee composed of leaders of the two agencies. This approach ensures that shared services are prioritized and managed to support program needs. The committee and its subgroups have established documented service level agreements and performance measures for each service, moved staff in and out of shared services to rationalize service delivery, and begun implementing more integrated systems to support employee performance.

Performance management system. DHS has implemented a performance management system containing the following key elements:

- A fundamental understanding of DHS’ functions; what is the work we are doing;
- A clear statement of the outcomes DHS must achieve;
- Descriptions of the processes DHS uses to achieve its outcomes;
- Owners for our processes and outcome measures;
- Written “breakthrough” strategies for each initiative that will significantly improve outcomes and processes.
- A quarterly all-leadership review of progress on each measure and strategy.

DHS is now implementing the same system within each program and support service category and revisiting the management system to better align with the agency mission and goals. The system is contained in the Director’s Office and is managed by the entire executive team.

The DHS Agency Request Budget (ARB) requests the following funding for all Central Services, SAEC and Shared services is:

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Central, Shared and SAEC	GF	OF	FF	TF	POS	FTE
LAB 17-19	282,932,108	225,756,420	369,310,430	877,998,958	975	944.69
GB 19-21	333,502,393	226,233,976	375,368,963	935,105,332	930	914.81
Difference GB - LAB	50,570,285	477,556	6,058,533	57,106,374	(45)	(29.88)
% Difference GB - LAB	17.9%	0.2%	1.6%	6.5%	-4.6%	-3.2%

Central, Shared and SAEC GB	GF	OF	FF	TF	POS	FTE
Central	52,479,494	40,247,768	162,869,146	255,596,408	255	245.42
Shared	-	146,404,249	-	146,404,249	675	669.39
SAEC	281,022,899	39,581,959	212,499,817	533,104,675	-	-
TOTAL	333,502,393	226,233,976	375,368,963	935,105,332	930	914.81

DHS Central Services

DHS Central Services consist of the Office of the Director and Policy including the Chief of Staff, Tribal Affairs, the Deputy Director, the Office of the Chief Financial Officer the Office of the Chief Administrative Officer. Central office also includes the Office of Equity and Multicultural Services (OEMS), the Office of Human Resources, the Central DHS Budget, Planning and Analysis Office, the Government Relations Office, Office of Communications, the Office of Program Integrity, the Office of Reporting Research, Analytics and Implementation, the Office of Business Information Services, the Office of Information Support Services and the Integrated Eligibility and Medicaid Eligibility ONE Project Office. These offices provide essential business supports to programs in achieving the department and programs mission, vision and outcomes.

The DHS GB request for Central Services is \$52.5 million General Fund and \$255.6 million Total funds:

Central	GF	OF	FF	TF	POS	FTE
LAB 17-19	35,505,162	46,080,362	173,438,062	255,023,586	282	270.75
GB 19-21	52,479,494	40,247,768	162,869,146	255,596,408	255	245.42
Difference GB - LAB	16,974,332	(5,832,594)	(10,568,916)	572,822	(27)	(25.33)
% Difference GB - LAB	47.81%	-12.66%	-6.09%	0.22%	-9.57%	-9.36%

Note: Central includes \$14.2 GF, \$39.2 OF, \$133.0 FF or \$186.4 TF and 58 positions and 50.26 FTE. This represents 72.9% of the central TF budget.

Major changes from LAB to CSL include mainly:

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- Standard inflation.
- Movement of the Office of Administrative Hearings budget to SAEC
- Transfer of Human Resource (HR) analyst from Child Welfare to Central HR
- Phase out of the IE/ME ONE project – in GB as a POP

Strategic Funding Investments

Central investments as GB	GF	OF	FF	TF	POS	FTE
090 Adopt Data informed decision-making (ORRAI)	1,250,864	-	820,600	2,071,464	10	10.00
112 - Increase DHS Budget Staff Capacity	632,772	-	420,470	1,053,242	5	4.40
201 - Integrated Eligibility Medicaid Eligibility	13,047,490	38,572,563	121,950,843	173,570,896	33	25.26
202 - Medicaid Modularity	277,922	-	276,444	554,366	2	2.00
208 - M&O OF Centralized Abuse Management	3,512,949	-	-	3,512,949	3	2.64
Total	18,721,997	38,572,563	123,468,357	180,762,917	53	44.30

090 – Adopt Data Informed Decision-making (ORRAI)

This investment is intended to assist Child Welfare’s move to a more data informed program, 10 positions were added to the Office of Reporting, Research, Analytics and Implementation to support the Child Welfare research agenda. The implementation of research based tools, creates a data-informed child welfare system. Although data-informed will not prevent maltreatment, ensure every child is in the right bed for the right amount of time, and assure every adoption is successful; a data-informed system provides objective information to decision-makers to improve outcomes for children and families.

112 - Increase DHS Budget Staff Capacity

The complexity of the department’s budget has grown over the past few years. Currently there are only eight budget analysts, one manager, and one support position for the five main program areas and central office, which include over 9,000 budgeted positions and an \$11.6 billion-dollar budget. Each program has multiple, complex funding streams and their own requirements and limitations.

The department requests the addition of one PEMF deputy budget director, two Fiscal Analysts 2, and two Fiscal Analysts 3 to further the agency’s ability to: track budgets at the levels not expected of the unit in the past, focus on revenue analysis,

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provide backup to programs that are only supported by one analyst in each program and design/delivery area, and to assist in the production of ever more detailed and complex information requests for budgeting and decision-making purposes. They will also provide coordinated position management resources for the over 9,000 budgeted positions in the department.

201 - Integrated Eligibility Medicaid Eligibility

This POP will provide resources to support the continuation of the Department's ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project during FY19-21 resulting in a single eligibility determination system for Non-MAGI Medicaid, Supplemental Nutrition Assistance Program (SNAP Food Stamps), Temporary Assistance for Needy Families (TANF Cash Assistance), and Employment Related Day Care (ERDC Child Care subsidies).

This POP would further the development and implementation period for the Integrated ONE System –for the purposes of Eligibility Determination work. DHS plans to put the system into pilot in Summer 2019, followed by a six-month pilot roll-out beginning early in 2020 and statewide roll-out by Summer of 2020. This POP takes advantage of enhanced federal funds across two separate federal agencies. Without funding, DHS will not be able to continue its project in a timely manner, resulting in increased state general fund cost, subsequent federal audits, and required modifications to our Legacy systems which would cost more than the total cost of this project.

202 - Medicaid Modularity

This POP requests additional positions and funding to support continuation of planning and begin implementation activities for modularization of the systems supporting Oregon Medicaid. The outcome will be a solution set that meets CMS modularity criteria, with the ability to make updates as needed to meet federal and state demands over time. Funding is for OHA division leadership and subject matter expertise and for professional consulting services supporting planning and road-mapping efforts. This POP requests 3 permanent positions for OHA HSD to work in partnership with OIS and \$1,415,000 TF for consulting services. DHS companion POP to request 3 complimentary positions to represent DHS related

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Medicaid. Due to delays in 2017-19 planning efforts less than \$1,000,000 approved TF (under \$100,000 GF) from the 2017-19 POP will be expended by the start of 2019-21. CMS will fund 90 percent of positions and consulting during planning/implementation and 75 percent for on-going maintenance.

208 - M&O of Centralized Abuse Management

Summary Statement: House Bill 4151 requires the state of Oregon and DHS as its agent, to standardize its processes and technology related to abuse of vulnerable adults.

Oregon's current environment for tracking, reporting, analyzing, and investigating adult abuse relies on accessing information from nine distinct systems or data sources. Additionally, local offices have created their own one-off mechanisms for supporting investigations, further complicating and decentralizing information. Existing systems limitations include the inability to search across program populations, inhibiting the ability to track perpetrators and/or victims over time and between populations. This heightens the risk of not capturing all abuse allegations.

This POP requests general funds to implement ongoing maintenance and additional enhancements that will build upon the capabilities of a base system implemented in the 2017-19 biennium, for an integrated solution, which meets HB 4151 criteria and helps protect vulnerable Oregonians. Not funding this POP will limit Oregon's ability to support the system after Go-Live.

The following table show the GF reductions to the Central Budget:

Central GF Reductions Total	GF	OF	FF	TF	POS	FTE
Additional Vacancy savings	(892,274)	-	-	(892,274)	-	-
S&S Inflation pkg 031 elimination	(320,678)	-	-	(320,678)	-	-
Central-Additional S&S reduction	(1,143,950)	-	-	(1,143,950)	-	-
Package 091 - Charges for Services/Vehicles	(21,773)	(2,607)	(44,261)	(68,641)	-	-
Package 092 - AG Reduction of 5.95%	(38,774)	(5,676)	(44,969)	(89,419)	-	-
GF Reduction Total	(2,417,449)	(8,283)	(89,230)	(2,514,962)	-	-

Below is an overview of the offices within the Central Budget.

DHS Central Services

DHS Central Services provide essential supports to programs in achieving the

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department and programs mission, vision and outcomes.

Office of the Director

The DHS Director's Office is responsible for agency leadership, policy development, resource allocation, and administrative oversight for all programs, staff and offices in DHS in a manner that supports equitable outcomes for Oregon's diverse population. These functions are led by the Director and Deputy Director, and coordinated by the Director Cabinet members, with the Governor's Office, the Legislature, other state and federal agencies, Tribes, partners and stakeholders, communities of color, LGBTQIA+ communities, local governments, advocacy and client groups, and the private sector. The Director and Deputy Director oversee Internal Audits and the Office of Training, Investigations and Safety, which provide shared services for both DHS and OHA.

Chief of Staff

The Chief of Staff oversees projects and initiatives with DHS-wide or cross-agency enterprise-wide impact on behalf of the Director. The Chief of Staff also oversees the Governor's Advocacy Office (GAO), which helps affected parties work through questions, concerns, or complaints related to DHS services or departmental actions. The office includes the DHS ombudsman program, the office of the Children's Advocate, the Foster Care Ombudsman, and civil rights and discrimination investigations, which also governs the agency's formal complaint process. The GAO works cooperatively with field and central office staff, program staff, legislators, DHS leadership and other key stakeholders to successfully, equitably and respectfully reach issue resolution.

Tribal Affairs

The DHS Director's Office is also home to Tribal Affairs. DHS is committed to positive working relationships with the nine Oregon tribes. Staff regularly engages with tribal governments through tribal liaisons and continually strives to ensure these communities receive equitable, sufficient and appropriate human services.

Office of the Chief Financial Officer

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Office of the Chief Financial Officer (OCFO) provides optimal business services to ensure accountability, data driven decisions, and stewardship of resources in support of the DHS mission. This is done by working closely with DHS and OHA programs and the OHA Chief Financial Officer, to ensure accurate, timely and efficient recording and management of financial resources; culturally competent and equitable services; authorizing the redistribution of available resources to meet changing needs; and establishing administrative controls. This office also oversees budget, planning and analysis functions for DHS based programs and leadership of the DHS budget with the Governor's Office, Legislature, Department of Administrative Services (DAS), Legislative Fiscal Office (LFO) and DHS partners.

Office of the Chief Administrative Officer

Office of the Chief Administrative Officer (CAO) provides leadership and direction for the DHS Shared Services and select Central Services. The CAO and Deputy CAO oversees the service level agreements (SLA) between Shared Services and OHA. Through SLAs, the office provides leadership to ensure that the services provided by each unit utilize the most current best practices from their respective fields to optimize services in the most fiscally responsible and equitable manner possible. The office ensures that all services and business practices are conducted in a culturally responsive and equitable manner. This oversight includes the office of Program Integrity, which provides operational and case reviews, often mandated by law, to determine how accurately the agency is making eligibility determination; the office provides training where needed. The office also oversees Information Support Services and the Office of Business Information, again to ensure policy integrity through data and information technology solutions.

Office of Human Resources

The Office of Human Resources serves as a strategic staff partner by providing proactive and comprehensive human resources services, in alignment with agency and program mission and goals. HR works closely with internal customers on Workforce Strategies that support agency and program needs and strategies and builds a healthy and inclusive workplace culture of ongoing development and feedback to ensure the agency has a diverse workforce with the right people with

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the right skills, training, and support to do their work, now and in the future. The Office of Human Resources ensures compliance with all Federal, state, and local laws pertaining to personnel matters, including affirmative action and equal employment opportunity.

Office of Communications

This office supports the mission by providing accurate information to a diversity of employees, media outlets, clients, legislators, stakeholders and interest groups, providers and partners, local governments, other state and federal agencies, policymakers, tribes, targeted audiences and the public. The unit prides itself on culturally relevant and linguistically competent communication practices. Effective communication is the primary vehicle to demonstrate public transparency, accountability and trust. The office also provides support to the department's priority projects as defined by the DHS Director and executive team.

Office of Government Relations

This unit is essential to the agency's core functions through ensuring that any statutory, policy and budget implications positively impact the Oregonians that we serve. This team coordinates all DHS legislative matters with legislative offices, key stakeholders, federal partners and the Governor's Office. The government relations unit also supports both field and central office staff providing consultation and support in legislative and policy changes, primarily working with central office staff on policy development for program services. Staff in this unit support the director of DHS, the directors of all program and operations in DHS and the district managers in field offices. Legislative work is conducted with the intent of eliminating existing inequities and to promote equitable outcomes, using a comprehensive equity lens.

Office of Legal Relations

This unit manages all lawsuits, tort claims, and subpoenas related to DHS program and operations. Staff in this unit provide expert consultation to DHS field and central office staff, Department of Justice (DOJ) and Department of Administrative Services (DAS) Risk Management in policy related to legal

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matters. This team ensures timely completion of the required judicial documents to move smoothly through complicated legal matters.

Office of Equity and Multicultural Services

Office of Equity and Multicultural Services (OEMS) provides leadership and direction in supporting the integration of equity, diversity and inclusion policies and initiatives throughout the agency. As an office that assists all DHS program areas, OEMS has two main charges. The first is to guide the agency to ensure a diverse workforce that has the cultural agility and language skills to serve the needs of all Oregonians; and second is to help the agency work toward equitable outcomes for all populations using DHS services. OEMS accomplishes this mission through policy-making, strategic planning, quality improvement consulting, technical assistance, research, Employee Resource Groups (ERGs), Diversity Committees, community engagement, advocacy, ally-ship, partnerships, and continuous learning.

Office of Reporting, Research, Analytics, and Implementation

The Office of Reporting, Research, Analytics, and Implementation (ORRAI) compiles reports, conducts research, analyzes data, implements research, and provides inter-agency program as well as enterprise wide data. ORRAI provides mission critical information to directors, legislators, partner agencies, and the public. The office utilizes predictive analytics, workload modeling, and DHS and inter-agency program data to improve outcomes for children and families. The office translates data into information and develops practitioner tools to ensure decisions are data-informed.

Integrated Eligibility Project Office

Integrated Eligibility Project Office was established to carry out the requirements of the Integrated Eligibility Project, as described in the Budget Narrative of this document, including promoting and protecting civil rights of Medicaid clients.

Office of Organizational Development

The Office of Organizational Development oversees organizational capacity for continuous advancement toward the DHS mission critical goals. This includes

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building enterprise partnerships within the community; managing a portfolio of projects impacting organizational development; supporting employee development towards change; employing Lean principles through continuous improvement activities; implementing the DHS performance management system; and supporting volunteerism centrally in DHS and throughout the state in the field.

DHS Shared Services

DHS Shared Services supports both DHS and OHA by providing optimal business services to ensure accountability, data-informed decisions, and stewardship of resources. Shared Services are completely Other Funded and provide services to both DHS and OHA. Funding for Shared Services is included in the Shared Services Funding portion of the Statewide and Enterprise-wide Costs (SAEC) budget.

Shared	GF	OF	FF	TF	POS	FTE
LAB 17-19	-	140,157,962	-	140,157,962	693	673.94
GB 19-21	-	146,404,249	-	146,404,249	675	669.39
Difference GB - LAB	-	6,246,287	-	6,246,287	(18)	(4.55)
% Difference GB - LAB		4.46%		4.46%	-2.60%	-0.68%

Major changes between LAB and GB include:

- Phase in of investments made in 2017-19
- Removal of Standard Service and Supply Inflation
- 5% reduction to personal services

While there were no specific investments in Shared Services it is proposed in GB that DHS begin charging for some background checks to offset at least \$1.5 million in GF. The population to be charged and processes to implement such a fee have not been determined. Reductions to this budget include (\$2.6) million OF for additional vacancy savings and (\$440)K to remove inflation from Services and Supplies.

Overview of Shared Services

DHS Shared Services supports both DHS and OHA by providing optimal

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business services to ensure accountability, data-informed decisions, and stewardship of resources. DHS Shared Services contains the following key offices and programs that serve both DHS and OHA.

Budget Center

This area provides program and administrative budget planning, financial analysis and technical budget support for DHS and OHA. These services are provided for department leadership, program, policy and field managers, staff and external policymakers.

Office of Forecasting and Research and Analysis

Office of Forecasting and Research and Analysis (OFRA) supports DHS and OHA by providing accurate, timely, unbiased caseload forecasts, and related research and analysis to support budgeting, policy development, identification and elimination of inequitable outcomes, and operational planning.

The Office of Enterprise Data Analytics (OEDA)

This office conducts inter-agency research and advanced statistical modeling to answer cross agency and/or cross programmatic operational questions.

Office of Financial Services

This office provides accounting services, administers employee benefits and payroll, prepares financial reports, and collects funds for DHS and OHA. This area provides accurate, accountable and responsive financial management and business services to clients, providers, vendors, stakeholders and employees to ensure compliance with state laws and federal policies, rules and regulations.

Human Resources Center (HR)

This office provides essential HR administrative functions and services for DHS and OHA, and supports organizational development and an improved common culture of leadership, diversity, inclusion, and engagement across both agencies, through; personnel records management; leave administration; ADA reasonable accommodations, centralized position administration; safety and risk response and management; staff and management training; facilitation services HR data

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analysis and reporting; HR policy administration; and internal communication strategies and resources for managers and staff.

Background Check Unit

The Background Check Unit (BCU) provides a comprehensive background screening process to determine if an individual should be allowed to have access to vulnerable people, IT systems or client information. BCU also provides centralized support for FBI Criminal Justice Information Services (CJIS) clearance and training for DHS and OHA staff. BCU is also Oregon's point of contact for processing out- of-state child protective service check requests in support of federal legislation.

Office of Facilities Management

This office provides the management and oversight of all facility and leasing related matters for DHS and OHA administrative offices, branch offices, and other facilities statewide. Its staff and operations support the departments' mission by ensuring buildings are safe and universally accessible, and by maintaining and operating buildings, telecommunications, and their physical infrastructure in a cost-effective, sustainable, and environmentally responsible manner. This office collaborates with both DHS and OHA leadership to develop long term strategic plans for the facilities need of both organizations.

Office of Imaging and Records Management

This office provides services tailored to the business and program operational needs related to: agencies delegated authority regarding imaging, electronic and physical document and records management; data entry of documents to send data to mainframe applications to generate payment to medical and childcare providers; image and data capture of source documents into a central repository; image and data capture of documents into electronic workflow eliminating the need for the customer(s) to process physical documents; archive storage of physical records; tracking of archived records; shipping of archived records; and destruction of physical documents/records per agreement and Secretary of State's Office retention schedule.

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Office of Contracts and Procurement

The Office of Contracts and Procurement (OC&P) supports all offices of the DHS, the OHA, and the Home Care Commission by procuring supplies and services in the most cost-effective manner through innovative and responsible solutions. OC&P assists agencies with their supplier diversity programs that seek to include women, minority, and emerging small businesses.

Office of Training Investigations and Safety (OTIS)

This office is responsible for conducting and coordinating abuse investigations and providing protective services statewide in response to reports of abuse and neglect to people they serve, including:

- Adults over the age of 65
- Adults with physical disabilities
- Adults with intellectual or developmental disabilities
- Adults with mental illness, and
- Children receiving residential treatment services

Office of Internal Audit and Consulting

This office provides independent and objective information and consulting services for DHS/OHA. The internal audit team reviews all DHS/OHA areas including central operations and programs, field offices, and institutions. The unit provides other services such as consultation on internal controls and process improvement efforts, facilitation of risk assessment activities, coordination of external audits, and tracking and follow-up on internal and external audit findings.

Office of Payment Accuracy and Recovery

This office provides recovery services by identifying and recovering moneys paid in error to clients or providers; investigates allegations of fraudulent activities; investigates and recovers funds expended for services when a third party should have covered the service; and recovers funds from the estates of Medicaid recipients for the cost of cash and medical benefits provided.

Publications and Creative Design Services

Publications and Design manages the writing, design, development, printing and

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distribution of DHS and OHA publications for internal and external audiences, which includes accessible formats and multiple languages. Also provides consulting to plan professional quality publications that reflect DHS and OHA style guidelines; edit and proof materials created by staff experts and partners in their individual fields; provide graphic design, layout, original and digital illustration, forms creation, graphic artwork and Web and electronic materials.

Statewide Assessments and Enterprise Costs (SAEC)

This budget includes the DAS, ETS, Risk Management and other assessments, debt service, and the DHS rent, computer replacement and shared services funding budgets. The ARB for SAEC is \$299.0 million General Fund and \$562.9 million Total Funds.

SAEC	GF	OF	FF	TF	POS	FTE
LAB 17-19	247,426,946	39,518,096	195,872,368	482,817,410	-	-
GB 19-21	281,022,899	39,581,959	212,499,817	533,104,675	-	-
Difference GB - LAB	33,595,953	63,863	16,627,449	50,287,265	-	-
% Difference GB - LAB	13.58%	0.16%	8.49%	10.42%		

Note: There are no positions or FTE in the SAEC budget.

Major changes between LAB and GB include:

- Inflation
- Roll up of 17-19 actions/Emergency Boards
- Adjustments to match Department of Administrative Services' Price List items
- General Fund Backfill of non-TANF capped federal funds grants
- Reduction of CSL inflation on Services and Supplies
- Assume Background Check unit collects new fees to offset \$1.5 million GF

Strategic funding investments in the SAEC budget include Debt Service for the Integrated Eligibility and Medicaid Eligibility project. Debt service increased from \$15.4 million in 17-19 LAB to \$26.4 at GB which accounts for roll-up of additional 17-19 bond debt service of \$5.3 million and the estimated debt service for new bond sales in 19-21 of \$5.7 million GF.

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201 - Integrated Eligibility Medicaid Eligibility

The Integrated Eligibility Project is a technology project upgrading the ONE system to include additional programs in order to move off old technology infrastructure and modernize business practices to better meet Oregonians' needs. When completed, the system will support Modified Adjusted Gross Income (MAGI) Medicaid eligibility determinations, Non-MAGI Medicaid eligibility determinations, and eligibility determinations for the Supplemental Nutrition Assistance Program (SNAP), including payments for the Summer Food Service Program (referred to as Summer Meals), the Temporary Assistance to Needy Families Program (TANF), and the Employment-Related Day Care (ERDC) program.

This effort supports Oregon's long-range goal of establishing integrated service delivery including using a shared eligibility determination service across all public benefit programs to efficiently and accurately achieve results for Oregonians. The Oregon Department of Human Services (DHS) is leading the project in cooperation with the Oregon Health Authority (OHA), the state Medicaid agency in Oregon. The project began in July 2015 and is expected to end in Fall 2020.

Reductions to SAEC include:

SAEC- Reductions	GF	OF	FF	TF	POS	FTE
Additional Vacancy savings	(1,843,907)	-	-	(1,843,907)	-	-
S&S Inflation pkg 031 elimination	(1,182,822)	-	-	(1,182,822)	-	-
Package 090 - Assume BCU fees and S&S reduction	(1,676,112)	-	-	(1,676,112)	-	-
Package 091 - Charges for Services/Vehicles	(5,191,288)	(90,594)	(4,151,695)	(9,433,577)	-	-
Package 092 - AG Reduction of 5.95%	(4,993)	(117)	(4,385)	(9,495)	-	-
Total	(9,899,122)	(90,711)	(4,156,080)	(14,145,913)	-	-

Department of Human Services

Self Sufficiency Programs

Overview

Oregonians access self-sufficiency services when they are in need and have no other alternatives. From all corners of the state, we served over one million Oregonians last year through our Supplemental Nutrition Assistance Program (SNAP). Most Oregonians seeking assistance need help meeting a variety of needs such as nutritious food – over 600,000 just this month – or basic needs such as shelter and utilities costs in addition to basic household supplies such as toothpaste, bedding, and other basic hygiene needs through cash assistance for families with children living in extreme poverty, or assistance with quality child care so parents can remain employed and maintain a path of financial stability. Programs also help low-income families impacted by domestic violence or refugees seeking a safe area to live. Some programs require participation in employment services or job training to help them move to supporting themselves and their families. Families can also receive help to apply for other federal programs (SSI) if employment is not a viable option due to a severe disability.

Challenges

When adequately resourced, staff delivering these programs help break the cycle of poverty and help Oregonians transition to jobs. This keeps families safe and stable, supporting the healthy development of young children. Unfortunately, with program reductions, an economic recession that triggered a dramatic increase in demand for services from Oregonians, and a slow economic recovery, these programs have been significantly challenged to achieve results. Additionally, caseloads remain high in SNAP.

Staff at the state and local levels continue to collaborate and build upon existing agency and community partnerships in order to help families find the resources and services they need. There is also a need, and an opportunity, to further connect with the multiple redesigns of state systems (Workforce, Early Learning and Health) that touch or should touch families served by the DHS self-sufficiency programs. In particular, the economy is recovering slowly and unevenly creating challenges for people throughout the state to have access to jobs that build a path to self-sufficiency.

Seeking Self-Sufficiency

These programs are designed to help break the cycle of poverty, help Oregonians transition to jobs, support the healthy development of young children and help

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Self Sufficiency Programs

keep families stable, preventing children from being abused or neglected and from requiring out-of-home placement in more expensive foster care.

The TANF program funds are used in efforts that maximize the dollars for benefits that are targeted at building participant progression in work related activities, and identifying and building on skills and leveraging community collaborations to provide solid foundations that lead not only to employment placement but retention and advancement.

For the 19-21 biennium we plan to continue program improvements.

The proposed Self Sufficiency Agency Request Budget is \$518.4 million General Fund and \$3.39 billion total funds primarily driven by SNAP benefits.

	SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	391,161,147	100,243,733	2,747,305,831	3,238,710,711	2,524	2,368.29
ARB	518,390,763	91,183,249	2,783,522,188	3,393,096,200	2,636	2,621.58
Difference	127,229,616	(9,060,484)	36,216,357	154,385,489	112	253.29
Percent Change	32.5%	-9.0%	1.3%	4.8%	4.4%	10.7%

	SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	391,161,147	100,243,733	2,747,305,831	3,238,710,711	2,524	2,368.29
CSL	457,882,613	91,182,241	2,786,248,208	3,335,313,062	2,522	2,519.10
Difference	66,721,466	(9,061,492)	38,942,377	96,602,351	(2)	150.81
Percent Change	17.1%	-9.0%	1.4%	3.0%	-0.1%	6.4%

Major changes from LAB to CSL are driven mainly by:

- Standard inflation
- Backfilling of one-time revenues from 2017-19
- Phase in of investments from 2017-19

	SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
CSL	457,882,613	91,182,241	2,786,248,208	3,335,313,062	2,522	2,519.10
ARB	518,390,763	91,183,249	2,783,522,188	3,393,096,200	2,636	2,621.58
Difference	60,508,150	1,008	(2,726,020)	57,783,138	114	102.48
Percent Change	13.2%	0.0%	-0.1%	1.7%	4.5%	4.1%

Department of Human Services

Self Sufficiency Programs

	SCR TOTAL				Positions	FTE
	GF	OF	FF	TF		
ARB Build - POPS	60,508,150	1,008	(2,726,020)	57,783,138	114	102.48
Package 070	-	-	(5,828,689)	(5,828,689)		
104 - SSP 100% Workload Model	14,899,079	0	0	14,899,079	96	84.48
106 - Agency Positions True-Up	1,854,297	1,008	1,445,391	3,300,696	11	11.00
111 - Grant-Funded Limited Duration Positions	0	0	1,657,278	1,657,278	7	7.00
122 - Emergency Housing Assistance	20,000,000	0	0	20,000,000		
125 - Expand ERDC	20,000,000	0	0	20,000,000		
127 - ED Attainment Support for TANF & SNAP Parents	3,641,542	0	0	3,641,542		
146 - Fleet Costs	113,232	0	0	113,232		

Strategic Funding Investments

070 – Revenue Shortfall Package

In 17-19 there were some carryover TANF funds used to fund the program. Depending on what happens with other packages (specifically CW pop 107)

104 - SSP 100% Workload Model

The DHS Self Sufficiency Program (SSP) continues to operate with a staffing shortage, based on data provided by the Workload Modeling and Consulting Unit. Earned positions are those determined necessary for DHS to meet the needs of the Oregonian's we serve. Currently, DHS SSP has been allocated positions equivalent to 95% of the determined earned positions, or 95% of those needed for the work. DHS SSP is asking for positions to be allocated to meet 100% of the work required to adequately serve our Oregon population.

106 - Agency Positions True-Up

SB5526 (2017) directed DHS to accelerate the agency's current effort to improve position management practices, which typically relied heavily on double filling positions and using funding from holding positions vacant to cover the double fill costs. The Department has been reporting on its progress at each interim meeting. These efforts have included moving double filled staff to vacant positions, putting together permanent finance plans, and now this policy package. This POP addresses a number of situations where vacancies and permanent finance plans have not been able to rectify the double filling. This package includes all of the DHS Program Areas, with the exception of Child Welfare which is being handled through other policy packages, and Central and Shared Services offices.

111 - Grant-Funded Limited Duration Positions

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Self Sufficiency Programs

SSP is requesting position authority and federal fund limitation for up to 7 grant-funded limited duration positions. These grants are attached to work that has been expanding over the past 5 years. The SNAP Employment and Training Program continues to pull in more federal dollars through partnerships created across the state, but lack the infrastructure to support and provide technical assistance along with federal oversight. The Nutrition Education Program through SNAP also provides 100% federal funding opportunity to support the program which also spans across the state and requires much technical support. The final program is the My Future My Choice Program which has been supported by federal Title V dollars for over 10 years. This will not include a General Fund ask.

122 - Emergency Housing Assistance

The housing crisis has greatly impacted the low-income families in Oregon, making them even more vulnerable. This policy option package addresses the housing need by expanding the Department of Human Services, Self-Sufficiency Programs' ability to provide emergency housing services and supports to homeless families and families at risk of homelessness in areas where assistance is not available, including maximizing coordinated efforts with housing and community action agencies and other local partner organizations across the state. If this policy option package is not funded, homelessness and housing needs will remain unmet, reducing the ability to strengthen and stabilize the living situation of low-income families, and potentially requiring reliance on assistance programs.

125 - Expand ERDC

SSP is requesting to restore \$20 million of funding back to ERDC which was cut during the last session. Child care for working parents is a fundamental need to keep children safe while a parent is working. This is a priority we've discussed with the Governor's office.

127 - ED Attainment Support for TANF & SNAP Parents

This POP expands targeted vocational training and education opportunities for families receiving Temporary Assistance for Needy Families (TANF) assistance in rural locations as and provides access to underserved TANF populations statewide. The expansion would include a comprehensive service model with eligible participants enrolling in training programs that match up with in-demand, high wage job openings, such as in the healthcare or information technology areas. Participants receive a scholarship/stipend to help augment Pell grants, with average awards estimated cost at about \$2,976 per participant (\$2,000 of which is a tuition

Department of Human Services

Self Sufficiency Programs

stipend) plus additional support services funding for the expanded participant group; approximately 850 individuals would participate in the program over the course of the biennium, doubling the current capacity. The pilot project will be a joint effort among workforce program partners, the education communities, and the Department of Human Services.

146 - Fleet Costs

The DAS Fleet capital outlay budget for vehicles is based on replacement as vehicles reach end of life due to accumulated miles, age, or mechanical failure. Each biennium, the program receives numerous requests from agencies and local government customers for additional new vehicles. DHS has increased need to further support vulnerable Oregonians in providing dependable and viable transportation for those staff providing frontline support. With the increased need for reliable transportation, coupled with the aged vehicle inventory we are presenting an overarching Agency-wide request.

This companion POP is submitted in accordance to the 2019-21 Budget Instructions; clearly identifying the Vehicle Purchases as follows:

Vehicle Purchases – When planning to make vehicle purchases, refer to the DAS Statewide Fleet Management Standards (DAS Policy 107-009-040) published by Enterprise Asset Management. DAS Fleet has statutory authority to control and regulate the acquisition, operation, use, maintenance and disposal of, and access to motor vehicles used for State business.

Again, because DAS Fleet provides vehicles for DHS, we are working with DAS Fleet Operations as we plan our 2019-21 budget and outlining aged Fleet inventory (40% of entire inventory is fully depreciated) changes in agency program activities; increased staffing resulting in increased field work, etc. triggering the need for more and reliable vehicles. DHS is presenting this Agency Policy Option Package to stand as formal companion to the DAS Fleet budget request to buy those additional vehicles. (DAS 1,500,000).

Self Sufficiency investments proposed outside of CSL will help program work to:

- Continue to build case management capacity to assist families on their path to out of poverty;

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Self Sufficiency Programs

- Create a glide path of TANF to decrease the number of families who return to the program repeatedly and to incentivize employment;
- Improved access to services in local communities; and
- Increase access to quality child care.

Conclusion

These proposed investments for 2019-21 will, in the short-run, maximize results for clients and further reduce the TANF caseload by maximizing employment outcomes. Improving participation and employment outcomes will also help avoid penalties to the federal government, keeping our limited state dollars in Oregon.

In the long-run, these investments will improve service quality and equity, ensure that DHS clients benefit from coordination with other child and family serving systems (including health, education, and workforce systems), and allow the Department to maximize results for families.

Oregon Department of Human Services

Child Welfare Programs

Overview

We provide prevention, protection and regulatory programs for Oregon's most vulnerable children – keeping them safe and improving their quality of life. Prolonged economic stress is increasingly putting Oregon children in unsafe situations. These issues disproportionately affect communities of color, contributing to their over-representation in both the child welfare and corrections systems. The demand for future state-funded services is directly related to our ability today to prevent and mitigate these traumas.

Engaging Families

Our strategies depend on creating an environment that is safe for vulnerable citizens based on family, social and economic issues. We focused initiatives geared toward minimizing risk by transforming interventions to better meet the challenges families face. This will enhance our ability to engage individuals who are less able to care for themselves, their families and communities. This creates a stronger continuum of efforts to prevent abuse and neglect, and efforts to hold perpetrators accountable.

Our budget proposal seeks to ensure that Oregonians are safer in the future than today by focusing on proven strategies that result in the greatest reduction in overall risk. We aim to achieve the following outcomes:

- A clear focus on safety strategies for the most vulnerable Oregon citizens.
- A better array of evidence-based interventions with community-based supports for families before, during and after involvement with the Child Welfare system, including strategies to safely and equitably reduce the number of children who experience foster care. This includes available services and supports so children are not at risk for re-entry into foster care and families can be stabilized.
- Improved services for children and families disproportionately represented in the child welfare population, targeting culturally appropriate strategies to provide intervention and services, and using decision point analysis to address disparities.
- And finally, to increase staffing and lower caseloads on overworked caseworkers.

Oregon Department of Human Services

Child Welfare Programs

Funding Request – Strategic Initiatives

The Governor's Budget is proposed to be \$762 million General Fund and \$1.33 billion total funds for the 19-21 biennium.

Child Welfare	GF	OF	FF	TF	POS	FTE
LAB 17-19	580,625,162	35,997,982	534,854,694	1,151,477,838	2,922	2,763.73
GB 19-21	761,934,034	39,495,732	525,802,194	1,327,231,960	3,217	3,045.70
Difference GB - LAB	181,308,872	3,497,750	(9,052,500)	175,754,122	295	281.97
% Difference GB - LAB	31.23%	9.72%	-1.69%	15.26%	10.10%	10.20%

Major changes from LAB to CSL are driven mainly by:

- Inflation
- Forecasted increases in Caseload and Cost Per Case
- General Fund backfill of capped federal fund sources

Strategic Funding Investments

Children and Families: Child Welfare services represent a continuum of supports with the ultimate goal of keeping children safe. Historically in Oregon this has equated with removal and placement into foster care. Based on research and feedback from children, youth and families who experience our system, strategic efforts are refocusing the service continuum to ensure safety while also focusing on child well-being, family stability and, when possible, avoiding removal and placement in foster care by supporting families safely parenting their children in their home. Post adoption and guardianship support helps sustain permanency for children, again preventing them from returning to foster care.

These strategies include:

1. An increased focus and culture of Safety in Child Welfare
2. Programs that are designed to strengthen, preserve and reunify families involved in the child welfare system, preventing entry into the foster care system and shortening the length of stay for children that do enter;
3. Focus on addressing disproportionality of children entering and remaining in the foster care system; and
4. Target resources for more families in extreme poverty at risk of involvement with Child Welfare Program funding. Investments are intertwined in the Child Safety, Child Welfare Design and Delivery, and Permanency Programs.

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Child Welfare Programs

Child Welfare Investments/POPs	GF	OF	FF	TF	POS	FTE
Strengthen Therapeutic FC	3,500,000	430,000	4,600,000	8,530,000	-	-
Healthy Relationship Ed and Support for foster youth	1,700,000	-	224,894	1,924,894	3	3.00
Expand KEEP	3,100,000	-	4,650,000	7,750,000	-	-
CW Visitation Pilot Program	5,500,000	-	82,767	5,582,767	2	2.00
Legal Representation	5,728,531	-	4,828,480	10,557,011	-	-
Package 070 companion to pop 107	-	-	(40,000,000)	(40,000,000)	(2,420)	(2,386)
107 - Backfill TANF in CW Staff	40,000,000	-	-	40,000,000	2,420	2,386
119 - Centralized Screening	10,189,554	-	-	10,189,554	46	45
131 - Foster Family Recruit Team	3,008,924	-	749,993	3,758,917	17	17
139 - Continuing Education for Caregiver Training	1,165,056	-	334,691	1,499,747	8	7
142 - Independent Living Program Service Enhancement	8,500,000	-	-	8,500,000	2	2
Total	82,392,065	430,000	(24,529,175)	58,292,890	78	76

Strengthen Therapeutic Foster Care

- Develop a system of professional foster care networks that are coupled with in-home services.
- Components of this model should include:
 - Specialized recruitment of skilled, culturally appropriate foster parents.
 - Paid training for foster providers.
 - Monthly maintenance payments for parents who are attending training, providing respite or other supports to other foster homes, and maintaining capacity.
 - Limits on the number of children in a Therapeutic Foster Home, according to evidence-based models, and in consideration of the circumstances of the child, his/her family (e.g., siblings also in foster care) and the foster family.
 - Ability to maintain youth in the Therapeutic Foster Home until a child is either safely reunified with their family or a stable, permanent placement is identified
- Explore development of foster communities to provide mutual support, e.g. The Mockingbird Model.

Healthy Relationship Education and Supports for Foster Youth

Adolescence is a critical period of physical and personal growth. As they transition to adulthood, youth experience the social, emotional and physical changes of sexual and reproductive development. For youth in foster care, the changes in adolescence occur in settings where they may lack the support of a trusted adult, autonomy to make decisions about their well-being, or awareness about health care resources. All of which can be impacted by their histories of trauma. Youth in foster care are at a greater risk for unintended pregnancies, sexually transmitted infections, interpersonal violence and being victims of sex trafficking. Understanding

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and supporting this group of adolescents through sexual health education can help ensure their healthy transition to adulthood. The curriculum for the sexual health education program would be a statewide (for youth age 12 and older) trauma informed program, covering such topics as, sexual health, healthy relationships, accessing health resources, recognizing sex trafficking dynamics, and empowering youth to make appropriate sexual health choices for themselves, including abstinence. The training would be delivered statewide in branch offices within each district in collaboration with community partners. Selected foster youth would be trained to act as Peer Trainers and work with adult trainers to deliver the content. Additionally, training would be developed and implemented for caseworkers and foster parents so that a consistent, positive, trauma informed message is being received by youth in foster care.

Expand KEEP program

KEEP is a Foster Parent Support Pilot Program serving Multnomah and Washington Counties DHS foster families. The Program is designed to enhance placement stabilization of foster youth in their foster home. The program provides enhanced trauma informed training for foster parents through individual and group sessions, weekly phone contact and behavioral intervention support. The program focuses on parent training and coaching. This funding is intended to take expand the program.

Visitation Pilot

This visitation pilot is intended to improve visitation for parents and children. Visit coaching is fundamentally different from the current standard practice for supervising visits. Instead of watching the family, the coach is actively involved in supporting parents to enhance their parenting skills and make each visit safe and enjoyable for the children.

Visit coaching includes:

- Helping parents articulate their children's needs to be met in visits
- Preparing parents for their children's reactions
- Helping parents plan to give their children their full attention at each visit
- Appreciating the parent's strengths in responding to each child needs
- Helping parents cope with their feelings in order to (a) visit consistently and (b) keep their anger and depression out of the visit

Oregon Department of Human Services Child Welfare Programs

Legal Representation

This investment will lead to the Department of Justice representing all caseworkers in child dependency cases. By July 1, 2019 all counties will have moved to DOJ representation. This is consistent with one of the recommendations from the Interim Task Force on Legal Representation in Childhood Dependency and is expected to improve the legal process, timeliness to child permanency, caseworker workload, job satisfaction and retention.

070/107 - Backfill TANF in CW Staff

At some point in the past TANF funding was used to fund a significant number of child welfare staff. The history of this decision has been lost but was not inappropriate at that time. However, as TANF caseloads have dropped and CW (and Self Sufficiency) staffing costs have increased, a technical restriction in the TANF rules caused revenue shortages in Child Welfare Staffing. The TANF grant is a block grant that has not changed since the mid 90's. However, there is a 15% administrative cap on program expenditures. As the TANF caseload has dropped and the investment in JOBS has been reduced the 15% Cap has also been reduced. At this point the 15% admin cap is spent in total by Self Sufficiency. This means that TANF can no longer be used for CW staffing. This impacts many positions, causing hundreds of positions to be eliminated unless remedied. In a companion POP, DHS requests backfill of General Funds for this mandated program that was denied at CSL. This proposed POP would remove all TANF Federal Funds from CW staffing and cause many positions to become part time funded. This will free up TANF for future use in case of a recession or for other program uses determined appropriate by the legislature. TANF partially funds over 2,400 CW positions. Due to system limitations all positions with TANF need to be abolished (in package 070), and then if funded reinstated at full time positions through the companion POP that would establish the same number of positions and FTE, effectively causing a fund shift of GF for TANF in each position.

119 - Centralized Screening

SAFETY: Centralized Screening currently exists in half of all child welfare programs in the U.S. Research has proven its effectiveness in improving consistency in screening decisions and increased training opportunities for screeners to build a specialized expertise. Screening is the first point of contact for all mandated and non-mandated reporters of child abuse in Oregon. It is imperative that screeners apply Oregon Revised Statute 419B.005 accurately to each

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allegation of abuse and determine when the department is required to investigate. Oregon Child Welfare currently operates under a district-wide child abuse reporting system in most areas of the state. About 7,000 reports of child abuse or neglect are processed each month through 15 separate child welfare offices with different phone numbers. Screening decisions can vary based on where the call is received and a multitude of other reasons such as, workload, inexperience, misinterpretation, bias, etc. This POP would support the ongoing operation of a single, stand-alone, 24 hours a day, 7 days a week child abuse hotline. Enhanced training, decision-making and data-informed tools, a single leadership structure and continuous quality assurance processes all support increased accuracy and reduced bias in screening decisions. In addition, it affords opportunities for quality assurance measures which increase the ability of the Department to provide consistent practice and customer service. Overall, this will increase safety for children exposed to abuse or neglect.

131 - Foster Family Recruit Team

Oregon does not currently have a structure in place to target statewide foster family recruitment and the services and supports necessary to retain good foster family homes. This has resulted in a lack of appropriate placement resources for many children experiencing foster care and was identified as a shortcoming in the most recent federal Child and Family Services Review and the Secretary of State Audit, titled 'Chronic Management Failures and High Caseloads Jeopardize the Safety of Some of the State's Most Vulnerable Children.' The State must address this issue of foster care recruitment and retention as a part of its federally required Program Improvement Plan and in its federal Child and Family Services Plan.

This investment funds the positions necessary to develop, implement and sustain a data informed targeted Statewide Foster Care Recruitment and Retention practice model. This model is intended to recruit and retain an abundance of foster families reflecting the cultural, linguistic and other characteristics, including LGBTQ status, of children experiencing foster care to allow for enhanced placement matching and reduce the number of placement changes.

139 - Continuing Education for Caregiver Training

Funds will allow for increased training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are available in multiple languages and alternate formats. Trainings must be trauma-informed, linguistically appropriate,

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culturally responsive, and must support cultural agility. These trainings will be readily available within each District each year.

142 - Independent Living Program Service Enhancement

This investment seeks to expand the Independent Living Program (ILP) and youth transition services through a rate increase, new services, and an expanded age range of youth to improve outcomes. This will be achieved by:

- Increasing monthly service rates to stabilize current programs and to increase solicitation opportunities for additional programs. The rate is currently too low to attract new potential contractors.
- Expanding services to begin serving 14 – 15-year-olds and 21 – 23-year-olds (currently services are limited to 16 – 20-year-olds).
- Increasing the comprehensiveness, linguistic appropriateness, and cultural agility of services and supports.
- Adding a Young Adult Transitions Navigator to help guide youth through difficult circumstances.
- Developing transitional housing for young adults.

Finally, a net \$0 change to the agency is the movement of the Runaway and Homeless Youth program from Child Welfare to Self Sufficiency. While unaccompanied minors can be a child safety issue, this program has more opportunity to grow stronger and better able to support youth with the connection to the Self Sufficiency Programs. Within Self Sufficiency Programs there are opportunities to leverage funding for this program and pull down additional federal Employment and Training dollars from SNAP. Most Youth being served by the Runaway and Homeless Youth program are receiving services and benefits from Self Sufficiency Programs and actively working on moving towards Self Sufficiency thus the movement of the program under self-sufficiency.

There were several reductions in the child welfare program.

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Child Welfare Programs

CW Reductions	GF	OF	FF	TF	POS	FTE
Additional Vacancy savings	(3,475,152)	-	-	(3,475,152)	-	-
S&S Inflation pkg 031 elimination	(715,665)	(18,896)	(514,455)	(1,249,016)	-	-
CW-Enhanced Foster Care - GF Reduction	(2,292,741)	-	-	(2,292,741)	-	-
Package 090 - CDDP/Brokerages reduce Equity to 93%	-	-	-	-	-	-
Package 091 - Charges for Services/Vehicles	(226,658)	(3,790)	(123,643)	(354,091)	-	-
Package 092 - AG Reduction of 5.95%	(1,283,065)	(114)	(1,980,959)	(3,264,138)	-	-
Package 070 - CW revenue shortfall in SPRF and Other Services	-	-	(21,440,518)	(21,440,518)	-	-
Total	(7,993,281)	(22,800)	(24,059,575)	(32,075,656)	-	-

Note: CW took a 2.5% additional Personal Services Vacancy reduction compared to 5% elsewhere

Note: package 070 - while the Federal Funds are not currently available there is still some General Fund in these services. Further impacts of the Family First Legislation may impact these services as well.

Conclusion

We want to break the cycle that causes harm to individuals and drives Oregonians into expensive state-sponsored programs. Our strategies focus on helping ensure that Oregonians are safer in the future than today by increasing resources proven to result in the greatest reduction in overall risk. Though those strategies require some upfront, taxpayer investment, we are committed to being accountable for needed service delivery and performance metrics focused on improvements in the lives of those we serve and long-term reductions in the demand for state services. We know that abuse and neglect will never totally be eliminated, but we believe that Oregon should be a place where our children, are safe, and we believe our budget proposal will improve the state's ability to work with individuals and communities to achieve that goal, while reducing the demand for costly state services in the future.

Department of Human Services

Vocational Rehabilitation

Overview

We help Oregonians with disabilities become employed through specialized training and new skills. This includes helping youth with disabilities transition to jobs as they become adults, helping employers overcome barriers to employing people with disabilities, and partnering with other state and local organizations that coordinate employment and workforce programs. A total of 383,381 work age Oregonians experiences a disability but only 36 percent are employed.

Employment helps people with disabilities become more self-sufficient, involved in their communities and live more engaged, satisfying lives. Investments through this program provide outcomes for individuals, improving their lives, helping them become productive members of our society, contributing to local economies and reducing a reliance on expensive state and federal programs.

The Workforce Innovation and Opportunity Act (WIOA) which passed in July of 2014 reauthorized Title I the State Vocational Rehabilitation Services program and Title VI the Supported Employment program. WIOA makes significant changes to Title I strengthen alignment with core components of the workforce development system, redefining employment outcome to be competitive integrated employment, defining students with disabilities and youth with disabilities as specific populations requiring defined services. Title VI now requires that supported employment be in a competitive integrated setting and places a focus on youth with the most significant disabilities. The act further set aside portions of the federal funds to be dedicated to specific populations as well requiring specific services be delivered to those populations. There is a significant increase in reporting requirements and an emphasis on job retention and credential attainment.

Current funding levels

The Proposed Agency Request Budget to operate the Vocational Rehabilitation (VR) program is \$55.5M General Fund and \$137.9 million total funds for the 19-21 biennium.

	VR SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	29,533,924	2,337,472	85,660,464	117,531,860	259	258.25
ARB	55,539,343	3,012,425	79,295,862	137,847,630	338	322.5
Difference	26,005,419	674,953	(6,364,602)	20,315,770	79	64.25
Percent Change	88.1%	28.9%	-7.4%	17.3%	30.5%	24.9%

Department of Human Services

Vocational Rehabilitation

	VR SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	29,533,924	2,337,472	85,660,464	117,531,860	259	258.25
CSL	35,629,792	2,436,795	83,014,868	121,081,455	258	257.04
Difference	6,095,868	99,323	(2,645,596)	3,549,595	(1)	(1.21)
Percent Change	20.6%	4.2%	-3.1%	3.0%	-0.4%	-0.5%

Major changes from LAB to CSL are driven mainly by:

- Standard inflation
- General Fund Backfill of one-time revenues from 2015-17

Strategic funding proposals

We have prepared a strategic budget to improve our programs effectiveness and enhance the program's ability to provide further employment outcomes for Oregonians. Continuous program improvements focus on return-on-investment through outcomes for our clients. The requested investment focusses on implementation of part of the WIOA through the youth transition career technical education program.

	VR SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
CSL	35,629,792	2,436,795	83,014,868	121,081,455	258	257.04
ARB	55,539,343	3,012,425	79,295,862	137,847,630	338	322.5
Difference	19,909,551	575,630	(3,719,006)	16,766,175	80	65.46
Percent Change	55.9%	23.6%	-4.5%	13.8%	31.0%	25.5%

	VR SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
ARB Build - POPS	19,909,551	575,630	(3,719,006)	16,766,175	80	65.46
Package 070	0	0	(3,435,378)	-3,435,378		
105 - VR 100% Workload Model	9,579,973	0	0	9,579,973	62	46.50
106 - Agency Positions True-Up	515,635	0	0	515,635	2	2.00
116 - VR Pre-ETS	0	576,906	0	576,906	3	3.00
117 - VR WIOA and Position True-Up	3,135,666	(1,276)	(283,628)	2,850,762	10	10.96
123 - VR-Data Integration Infrastructure	601,219	0	0	601,219	3	3.00
135 - VR Career Technical	6,066,114	0	0	6,066,114		
146 - Fleet Costs	10,944	0	0	10,944		

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Vocational Rehabilitation

Strategic Funding Investments

070 – Revenue Shortfall

In 17-19 one time federal “Re-allotment” funding was used in the VR budget. This revenue was one time only and not available in 19-21. There is a possibility that additional Re-Allotment funds may be available in both 17-19 and 19-21 but DHS will not know if or how much is available to Oregon (if any) until later in the year around September.

105 - VR 100% Workload Model

Currently the VR program has only been allocated staff at an 88.9% level according to the workload model for 17/19. Forecasting predicts this percentage will decrease to 78.2% during the 19-21 Biennium and lower in future biennia due to anticipated case load increases and demand upon the program. If this fact is realized, this will cause the program to enact the Order of Selection based upon not having enough staff to meet the needs of Oregonians with disabilities.

The follow field staff would be needed to bring staffing up to the 100% of the workload model (62 staff needed):

- 45 Vocational Rehabilitation Councilors
- 7 Case Assistants/Support (HSA2/OS2)
- 10 Branch Leadership (Branch Manager) (PEMC)

106 – Agency Positions True Up

SB5526 (2017) directed DHS to accelerate the agency’s current effort to improve position management practices, which typically relied heavily on double filling positions and using funding from holding positions vacant to cover the double fill costs. The Department has been reporting on its progress at each interim meeting. These efforts have included moving double filled staff to vacant positions, putting together permanent finance plans, and now this policy package. This POP addresses a number of situations where vacancies and permanent finance plans have not been able to rectify the double filling. This package includes all of the DHS Program Areas, with the exception of Child Welfare which is being handled through other policy packages, and Central and Shared Services offices.

116 - VR Pre-ETS

The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange

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Vocational Rehabilitation

for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services. Further, WIOA states that there must be local coordination with districts for Pre-ETS at all 16 VR branch offices. The Oregon Department of Education and VR estimate that the target population for Pre-ETS to be roughly 27,000 students with disabilities.

Currently Oregon VR has two Pre-Employment Transition Service Coordinators that provide direct services to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Neither of these positions have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the data entry elements of this mandate.

This POP would utilize funds already within VRs budget, so this will be a zero cost or, cost neutral POP.

117 - VR WIOA and Position True-Up

To adequately support the service delivery system for the Vocational Rehabilitation program and the implementation of the Workforce Innovation and Opportunity Act (WIOA), VR needs to have a trained workforce, policy, procedures and services that are clear and concise, and providers and employers who are engaged, trained and available to serve and/or hire participants. The following positions are needed to achieve this purpose:

- 1 Training and Development Specialist 2 - Training Coordinator
- 1 Program Analyst 2 - Job Placement and Community Programs Coordinator
- 1 Operations and Policy Analyst 3 - Policy Analyst
- 1 Project Manager 2 - PM2

To adequately support the service delivery system for the VR program, the program must have an organizational structure that supports the work, staff and the vision and mission. We have six management positions that are either double filled or rotations:

- 2 PEME - Regional Managers - both currently double filled
- 2 PEME - A Workforce and Youth Program Manager (double filled) and a Policy

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and Training Program Manager (rotation)

2 PEMC - Branch Managers - one is currently double filled and one is a rotation.

This POP also requests position clean up. VR has several positions that are less than full time. This would restore these field positions to full time. It is difficult to recruit and retain staff in part time positions.

Position #: 0007161 = FTE: .79

Position #: 0005719 = FTE: .75

Position #: 1000041 = FTE: .50

123 - VR-Data Integration Infrastructure

This Policy Option Package would provide permanent positions and financing for those positions to support the Vocational Rehabilitation Case Automation(ORCA) data base. The Workforce Innovation and Opportunity Act requires data to be submitted on a quarterly basis to the federal agency funding this program and workforce. Funding positions to support this activity as well as ongoing field support for counselors and clients will allow VR to meet the federal reporting mandate and serve Oregonians with disabilities, making them more self-sufficient and independent. Failure to fund these positions places VR at risk of not meeting the federally mandated reporting which could impact funding for the program and ultimately result in a fine of 5% of the Governor's Workforce Fund (approximately \$250,000) for every day the data is not reported. This impacts not only funding but the workforce system performance metrics as reporting is based on data across all workforce programs. Currently the data integration group that supports ORCA is supported by two permanent fulltime positions and two limited duration positions. The increase in the data being reported has created extensive overtime for these position (279 hrs. for Qtr. 1 and 368 hours for Qtr. 2). Permanent staff will help alleviate turn over and training as well as providing backup to an essential function that supports the program.

135 - VR Career Technical

Oregon has become a champion for Career and Technical Education (CTE). Governor Brown has dedicated \$300 million to Career Technical Education (CTE) classes in the 2019-2021 state budget in her Future Ready Oregon initiative. She has also proposed that every student should have the opportunity to participate in hands-on learning programs in every school district in Oregon. Students with disabilities who participate in CTE programs are 18.3% more likely to graduate.

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The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services.

These Pre-ETS build on Oregon's investments in CTE programs and this POP will align CTE investments with new WIOA regulations for Pre-ETS and the coordination of Pre-ETS between local VR offices and school districts across the state. This POP will provide equitable access for students with disabilities into CTE programs, hands-on learning programs and other pre-employment training opportunities like career pathways at community colleges as well as non-traditional education entry points such as apprentices and trades programs.

146 - FLEET COSTS

The DAS Fleet capital outlay budget for vehicles is based on replacement as vehicles reach end of life due to accumulated miles, age, or mechanical failure. Each biennium, the program receives numerous requests from agencies and local government customers for additional new vehicles. DHS has increased need to further support vulnerable Oregonians in providing dependable and viable transportation for those staff providing frontline support. With the increased need for reliable transportation, coupled with the aged vehicle inventory we are presenting an overarching Agency-wide request.

This companion POP is submitted in accordance to the 2019-21 Budget Instructions; clearly identifying the Vehicle Purchases as follows:

Vehicle Purchases – When planning to make vehicle purchases, refer to the DAS Statewide Fleet Management Standards (DAS Policy 107-009-040) published by Enterprise Asset Management. DAS Fleet has statutory authority to control and regulate the acquisition, operation, use, maintenance and disposal of, and access to motor vehicles used for State business.

Again, because DAS Fleet provides vehicles for DHS, we are working with DAS Fleet Operations as we plan our 2019-21 budget and outlining aged Fleet inventory (40% of entire inventory is fully depreciated) changes in agency program activities; increased staffing resulting in increased field work, etc. triggering the need for more and reliable vehicles. DHS is presenting this Agency Policy Option

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Package to stand as formal companion to the DAS Fleet budget request to buy those additional vehicles. (DAS 1,500,000).

Conclusion

As the economy continues to recover, the focus on workforce development, employment and opportunity for *all* Oregonians has increased. The Vocational Rehabilitation program welcomes the opportunity to help the growing number of Oregonians with disabilities meet their employment goals. Over the last two years, employment outcomes for VR clients have increased by 12.0 percent even while caseload is increasing.

This proposal represents the next phase of strategic investments required to leverage employment services to enhance the lives of Oregonians and contribute to local economies. Vocational Rehabilitation is committed to achieving the outcomes identified in the Governor's Executive Order for Employment for People with I/DD and the Lave v. Brown settlement. VR will also continue to identify new ways to enhance its work with the Oregon Workforce Investment Board, Local Workforce Investment Boards, and the Workforce Policy cabinet in the implementation of the OWIB strategic plan and local board's efforts to better align economic and workforce development activities.

Department of Human Services

Aging and People with Disabilities

Overview

The Department of Human Services Aging and People with Disabilities (APD) program mission is to assist Oregon's diverse population of older adults and people with disabilities achieve well-being through opportunities for community living, employment, family support and services that promote independence, choice and dignity.

The state of Oregon is a leader in long term care systems and was ranked number four nationally in AARP's latest ranking. In 1981 Oregon received the first waiver nationwide for long term care services allowing Oregonians receiving Medicaid to choose services in their own home or their communities rather than an institutional facility such as a nursing home. In 2013, Oregon transitioned most of its services into the 1915(K) State Plan Option. The K Option provides significant benefits to the State in cost savings and allows Oregonians individual choices to best serve their needs. Oregonians value receiving long term care services in a non-institutional setting with nearly 88% choosing alternatives that allow them to remain independent and safe.

Long Term Care Setting (as of Mar 2018)	# of Recipients	% of LTC Caseload
Nursing Facility	4,393	12.7%
In Home	18,462	53.2%
Community Based Setting	11,818	34.1%
Total	34,673	100%

Oregon's population is aging

Our 65+ population is projected to grow from 502,000 to 950,000 by 2030. While we prepare for this growth we know we must do more than create cost effectiveness in the choices of long term care. We must also look at preventative measures Oregonians can implement now so they never need publicly-funded long-term care services.

We have prepared a strategic budget to focus on continuing modernization and improvements to help Oregonians sustain long term care services, become more independent and safe.

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Funding

The cost to operate the Aging and People with Disabilities (APD) Agency Request Budget is \$1.34 billion general fund and \$4.16 Billion total funds for the 2019-21 biennium.

	APD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	1,024,018,555	261,993,513	2,254,655,827	3,540,667,895	1,462	1395.51
ARB	1,339,879,664	218,407,643	2,605,170,109	4,163,457,416	1,783	1744.66
Difference	315,861,109	(43,585,870)	350,514,282	622,789,521	321	349.15
Percent Change	30.8%	-16.6%	15.5%	17.6%	22.0%	25.0%

	APD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	1,024,018,555	261,993,513	2,254,655,827	3,540,667,895	1,462	1395.5
CSL	1,237,627,284	218,383,985	2,470,710,133	3,926,721,402	1,457	1448
Difference	213,608,729	(43,609,528)	216,054,306	386,053,507	(5)	52.46
Percentage change	20.9%	-16.6%	9.6%	10.9%	-0.3%	3.8%

Major changes from LAB to CSL are driven mainly by:

- Standard inflation
- Forecasted Cost per Case and Caseload changes including AAA staff funding
- Changes in Federal Fund Match Rates

Strategic Funding Investments

The following Independence, Safety and Health investments are being proposed to improve services to Oregonians above the CSL:

	APD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
CSL	1,237,627,284	218,383,985	2,470,710,133	3,926,721,402	1,457	1447.97
ARB	1,339,879,664	218,407,643	2,605,170,109	4,163,457,416	1,783	1744.66
Difference	102,252,380	23,658	134,459,976	236,736,014	326	296.69
Percent Change	8.3%	0.0%	5.4%	6.0%	22.4%	20.5%

Department of Human Services **Aging and People with Disabilities**

	APD SCR TOTAL				Positions	FTE
	GF	OF	FF	TF		
ARB Build - POPS	102,252,380	23,658	134,459,976	236,736,014	326	296.69
101 - APD 100% Workload Model	26,105,116	-	15,432,486	41,537,602	107	107.00
106 - Agency Positions True-Up	5,649,564	23,658	4,315,042	9,988,264	37	37.00
108 - Additional Case Management Staffing	6,230,069	-	4,142,134	10,372,203	67	58.96
121 - Community Based Care Medicaid Access Package	42,059,923	-	79,224,905	121,284,828	34	31.75
128 - Family Caregiver & Community Support Initiative	3,464,491	-	3,398,565	6,863,056	19	16.34
130 - APS Substantiation, Notification and Review	1,668,372	-	1,108,802	2,777,174	15	12.82
132 - Deaf and Hard of Hearing Services	4,122,156	-	6,367,616	10,489,772	2	1.76
136 - IT Infrastructure	3,074,927	-	5,514,395	8,589,322	20	16.50
140 - APD Consumer Community Integration Package	5,335,687	-	8,821,514	14,157,201	2	1.00
141 - Gatekeeper Program Funding	2,134,440	-	-	2,134,440	2	1.76
146 - Fleet Costs	36,115	-	24,077	60,192		
207 - Provider Time Capture	2,371,520	-	6,110,440	8,481,960	21	11.80

101 - APD 100% Workload Model

This policy option package proposes staffing case managers and related workload model positions at 100% of workload model. Numerous anecdotes from state offices, Area Agencies on Aging and a recent Secretary of State audit indicated that the higher workload is unmanageable for case managers and may lead to quality or safety issue.

106 - Agency Positions True-Up

SB5526 (2017) directed DHS to accelerate the agency's current effort to improve position management practices, which typically relied heavily on double filling positions and using funding from holding positions vacant to cover the double fill costs. The Department has been reporting on its progress at each interim meeting. These efforts have included moving double filled staff to vacant positions, putting together permanent finance plans, and now this policy package. This POP addresses a number of situations where vacancies and permanent finance plans have not been able to rectify the double filling. This package includes all the DHS Program Areas, except for Child Welfare which is being handled through other policy packages, and Central and Shared Services offices.

108 - Additional Case Management Staffing

APD Case managers hold some of the highest caseloads in the Department. The workload model does not adequately capture the work the case managers are expected to do because it focuses on the tasks they are currently able to accomplish. Case management duties and expectations have significantly increased over the last 6 years with increasing complex consumers, rising expectations from federal partners and every changing policies and responsibilities. The caseloads that case managers carry mean they are often missing critical steps

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that help protect vulnerable seniors and people with disabilities and help consumers in a person-centered manner. CMs in other systems carry no more than 45 cases. APD CMs are currently averaging a minimum of 65.

121 - Community Based Care Medicaid Access Package

This policy option package is intended to protect and secure additional access to community-based care for Medicaid long term care consumers. This package provides a 30% increase to adult foster home providers, designed to recalibrate existing disparities. The package also adds regional resources to recruit adult foster homes for APD services plus one-time marketing campaign investment. It provides a ten percent increase to assisted living, residential care and memory care facilities with an additional \$500 per month add-on for facilities with Medicaid census levels at 75%. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community-based care settings.

128 - Family Caregiver & Community Support Initiative

Family Caregivers are the greatest asset we have in regard to the Medicaid system. This policy option package invests in the protection and support of this resource. Inspired by a statewide workgroup on family caregiver support, APD is proposing a statewide program to support unpaid caregivers. The concept would create a new eligibility category and benefit package for people age 55 or older who are “at risk” of needing long-term services and supports in the future who don’t currently meet Medicaid financial eligibility criteria. The concept doesn't envision providing health care coverage to individuals and will be targeted towards people who aren’t currently eligible for Medicaid.

130 - APS Substantiation, Notification and Review

This policy option package provides critical staffing to support substantiation, notification and review of adult protective services activities. APD does not currently provide sufficient due process for community-based adult protective services investigations. This is a priority for DOJ and poses a risk to the Department. We've agreed to begin doing this with the roll out of CAM, but lack resources to do all of the necessary steps, including hearings, etc.

132 - Deaf and Hard of Hearing Services

This policy option package proposes a modest, but meaningful investment into supporting the needs of the Deaf and Hard of Hearing Communities. The package

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includes staff to assist with effective communication scheduling, web site maintenance, education, technical assistance and training of Oregon state agencies. It also allocates funding for adaptive equipment.

136 - IT Infrastructure

This POP will provide resources to support OIS as they develop, maintain, and support the business in modernization of IT systems and ongoing development of key business aspects within current IT solutions. OIS is requesting a number of new positions to support work within APD and other divisions, and without business resources will not be able to effectively support the business. APD is proactively using industry standards and lessons learned to calculate the number of individuals necessary to support OIS and our business as we continue to utilize technology as a primary catalyst for change and meet legislative and federal initiatives today and into the future.

Demand for system changes will continue and without business resources available, OIS cannot serve APD effectively.

140 - APD Consumer Community Integration Package

Seniors and people with disabilities are at a disproportionately high risk of being socially isolated. Social isolation has been linked to a range of detrimental effects including, depression, anxiety, early onset of dementia/Alzheimer's, increased chronic disease, premature death, and lower quality of life. Risk factors for social isolation include: Poor Health or Disability, gender (women), loss of spouse, living alone, reduced social networks, aging, transportation issues, and place (location) of residence. The Medicaid population served by APD typically has one or more of the risk factors for social isolation putting them at a higher risk than the general population. APD proposes to add assessment of social isolation risks and commensurate community engagement services for Medicaid individuals receiving home and community-based services. Individuals assessed at independent in accessing the community, or with natural supports, or community volunteer programs able to assist would not be eligible for these services. Two assistance levels are envisioned. Level 1, transportation only for those that can manage except for the lack of transportation. Level 2, transportation and attendant services for those that need assistance beyond the transportation.

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141 - Gatekeeper Program Funding

This policy option package would restore funding for the Gatekeeper program in Oregon. Gatekeeper programs train employees of community businesses and organizations to recognize and refer at-risk older adults and people with disabilities to the ADRC. The program provides basic training to postal workers, meter readers, financial institutions, emergency responders, social service agencies, and others in how to recognize warning signs and make a referral to the ADRC. ADRC information and assistance staff arrange for a follow-up call, visit or appropriate referral to check on the referred individual and provide needed support.

146 - Fleet Costs

The DAS Fleet capital outlay budget for vehicles is based on replacement as vehicles reach end of life due to accumulated miles, age, or mechanical failure. Each biennium, the program receives numerous requests from agencies and local government customers for additional new vehicles. DHS has increased need to further support vulnerable Oregonians in providing dependable and viable transportation for those staff providing frontline support. With the increased need for reliable transportation, coupled with the aged vehicle inventory we are presenting an overarching Agency-wide request.

This companion POP is submitted in accordance to the 2019-21 Budget Instructions; clearly identifying the Vehicle Purchases as follows:

Vehicle Purchases – When planning to make vehicle purchases, refer to the DAS Statewide Fleet Management Standards (DAS Policy 107-009-040) published by Enterprise Asset Management. DAS Fleet has statutory authority to control and regulate the acquisition, operation, use, maintenance and disposal of, and access to motor vehicles used for State business.

Again, because DAS Fleet provides vehicles for DHS, we are working with DAS Fleet Operations as we plan our 2019-21 budget and outlining aged Fleet inventory (40% of entire inventory is fully depreciated) changes in agency program activities; increased staffing resulting in increased field work, etc. triggering the need for more and reliable vehicles. DHS is presenting this Agency Policy Option Package to stand as formal companion to the DAS Fleet budget request to buy those additional vehicles. (DAS 1,500,000).

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207 - Provider Time Capture

The Department of Human Services (DHS) and Oregon Health Authority (OHA) in-home care programs have a need for a system that will increase program integrity and comply with the federal 21st Century CURES Act for Electronic Visit Verification System and the U.S. Department of Labor (U.S. DOL) Fair Labor Standards Act (FLSA). This will be done with the implementation of a time, attendance and payment system for the program's Home Care Workers and Personal Support Workers

Conclusion

For the 19-21 biennium, APD is proposing a package of services that promote safety and well-being for Oregon's older adults and people with disabilities. This is the Department's highest priority and an area that has been lacking investment in past biennia. These investments will help DHS meet the needs of Oregonians in this period of change and growth.

Oregon Department of Human Services

Intellectual and Developmental Disabilities

Overview

We provide services to cover a lifetime of support to Oregonians with intellectual/developmental disabilities. People with disabilities of all ages want the same opportunities every Oregonian wants: not just to survive, but to thrive. They want to live in their own homes and make decisions about daily activities, so they can go to school, work, church, enjoy recreation and participate fully in their communities. We currently help over 26,000 children; adults and their families have the best quality of life possible at all stages of their lifespan. Most individuals with developmental disabilities are eligible for a Medicaid waiver or state plan which allows them to remain in their family home or community instead of an institution. Our mission is to help them be fully engaged in life and, at the same time, address their critical health and safety needs.

History and Future State

The state of Oregon is recognized nationally as an innovative leader in developing community-based services for individuals with intellectual/developmental disabilities. Oregon is one of only three states that have no state or privately operated institutional level services specifically for people with developmental disabilities. In fact, the majority of individuals with intellectual/developmental disabilities in Oregon, approximately 75 percent, are served in their own home or their family's home.

That is the result of two decades of work to aggressively “re-balance” the intellectual/developmental disabilities system -- moving from an institutional model with expensive “one size fits all” approach -- to a self-directed, family involved, individually focused and less expensive approach to service. Today, consumers and families report a high level of satisfaction through the increased control over services, the ability to more fully integrate in home communities and the benefits of home community life.

Oregon home and community based services for people with Intellectual and Developmental Disabilities are provided under several Medicaid authorities including Community First Choice Option (CFCO), also known as K-Plan; and five 1915c waiver programs. Supports provided under K-Plan are services such as attendant services that support individuals in accomplishing Activities of Daily Living and Instrumental Activities of Daily Living (ADL/IADL), relief care, behavioral support services, transportation, environmental modifications, and

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assistive technology and devices. By moving most services to the K-Plan most of the caps on services and limits on eligibility for services to those with I/DD were removed based on federal requirements to gain 6% in increased Federal participation in those programs.

In addition, the Lane v. Brown Settlement has added additional requirements to I/DD programs around placement of those with I/DD into integrated settings and moving away from sheltered workshops which the federal government will no longer support as of April 1, 2019.

However, to serve the increasing number of people with intellectual and developmental disabilities, maintain those high levels of satisfaction and to further advance the inclusion of people with intellectual/developmental disabilities in their communities, the system has an urgent need to continue its evolution in a fiscally sustainable manner.

To that end, we have prepared a strategic budget designed to further improve the customer experience and advance efficiencies to maximize resources. Specifically, we seek to achieve the following outcomes and goals:

- Assure the health and safety of individuals served.
- Increase provider rates to create a more stable and competent workforce for I/DD services
- Be responsive to emerging consumer demands for individualized, self-directed services and sufficient service choices.
- Promote maximum consumer independence and engagement in homes and communities.
- Leverage use of available federal funding options.
- Address improvements in business practices such as payment and information systems to achieve overall operational efficiencies.

Funding

The proposed Agency Request Budget to operate the Intellectual & Developmental Disability (I/DD) program for the 2019-21biennium is \$1.13 billion in General Fund and \$3.25 billion total funds.

Oregon Department of Human Services

Intellectual and Developmental Disabilities

	I/DD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	888,816,503	28,063,788	1,796,711,093	2,713,591,384	914	909.7
ARB	1,113,010,397	28,258,800	2,113,384,347	3,254,653,544	973	955.82
Difference	224,193,894	195,012	316,673,254	541,062,160	59	46.12
Percent Change	25.2%	0.0%	11.7%	11.7%	6.6%	4.8%

	I/DD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
17-19 LAB	888,816,503	28,063,788	1,796,711,093	2,713,591,384	914	909.7
CSL	992,963,683	28,258,800	1,891,292,049	2,912,514,532	913	912.42
Difference	104,147,180	195,012	94,580,956	198,923,148	(1)	2.72
Percent Change	11.7%	0.7%	5.3%	7.3%	-0.1%	0.3%

Major changes from LAB to CSL are driven mainly by:

- Standard inflation
- Forecasted Cost per Case and Caseload changes including CDDP and Brokerage funding
- Changes in Federal Fund Match Rates

Strategic Initiatives

With the goal of preventing or delaying access to the highest cost services within our system, we plan to direct funds to improve outcomes, expand on service innovations and strategically advance initiatives in the following areas:

- Increased safety
- Employment outcomes through benefits counseling
- Service Capacity
- Improve and implement new models of service including helping individuals with I/DD transition from sheltered workshops and planning for new systems.

	I/DD SCR TOTAL					
	GF	OF	FF	TF	Positions	FTE
CSL	992,963,683	28,258,800	1,891,292,049	2,912,514,532	913	912.42
ARB	1,113,010,397	28,258,800	2,113,384,347	3,254,653,544	973	955.82
Difference	120,046,714	-	222,092,298	342,139,012	60	43.40
Percent Change	12.1%	0.0%	11.7%	11.7%	6.6%	4.8%

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Intellectual and Developmental Disabilities

	I/DD SCR TOTAL				Positions	FTE
	GF	OF	FF	TF		
ARB Build - POPS	120,046,714	-	222,092,298	342,139,012	60	43.40
102 - IDD 100 % Workload Model	19,290,798	-	20,174,102	39,464,900		
106 - Agency Positions True-Up	1,666,814	-	934,634	2,601,448	8	8.00
118 - IDD Data Management System	1,633,011	-	1,868,945	3,501,956	5	3.26
126 - Workforce Expansion and Development	84,871,687	-	177,996,784	262,868,471	1	0.88
129 - Expand Support to Kids with Significant Needs	8,477,001	-	17,002,265	25,479,266	11	7.52
133 - Intensive Employment Supports	2,893,923	-	2,889,180	5,783,103	18	13.56
138 - Improve Health & Safety for People with IDD	1,180,014	-	1,176,190	2,356,204	17	10.18
146 - Fleet Costs	33,466	-	50,198	83,664		

102 - IDD 100 % Workload Model

The I/DD CME Workload Funding Restoration POP is intended to restore CDDPs and Brokerages Workload funding back to 100% workload FTEs at 95% equity to ensure adequate funding to contracted I/DD Case Management Entities (CMEs) that provide essential services to individuals with I/DD. These services are critical to the health and safety of people served through ODDS, and ensure their access to supports and monitoring of quality, health and welfare. CDDPs are also responsible for adult abuse investigations, eligibility determinations, and Foster Care licensure reviews. CMEs also review, approve, and monitor Personal Support Workers' (PSWs) timesheets, supporting a workforce of over 14,000 workers. The reduction in FTEs to 88% to CDDPs and 85% to Brokerages, which hampers their ability to complete these vital tasks.

106 - Agency Positions True-Up

SB5526 (2017) directed DHS to accelerate the agency's current effort to improve position management practices, which typically relied heavily on double filling positions and using funding from holding positions vacant to cover the double fill costs. The Department has been reporting on its progress at each interim meeting. These efforts have included moving double filled staff to vacant positions, putting together permanent finance plans, and now this policy package. This POP addresses a number of situations where vacancies and permanent finance plans have not been able to rectify the double filling. This package includes all the DHS Program Areas, with the exception of Child Welfare which is being handled through other policy packages, and Central and Shared Services offices.

118 - IDD Data Management System

ODDS is requesting funding to support planning and assessment activities to identify the most viable solution for a statewide, centralized I/DD client Data

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Management System and to procure and deploy the identified solution. Implementation of the Data Management system will allow ODDS to centralize and standardize processes, workflows, and information across 47 Case Management Entities (CMEs) currently responsible for intake, eligibility, enrollment, case management assessment, person centered planning and monitoring, adult protective services and other functions critical to health, safety and outcomes for over 26,000 people with I/DD served through ODDS. The Data Management System is critical for ODDS' ability to track information on individuals served in real time in order to ensure health and safety of people served and manage crisis, monitor compliance with federal and state regulations in order to maintain federal funding, perform necessary service delivery system quality assurance functions for effective and efficient management of I/DD programs, and aggregate local information to the state level for analysis, decision making and reporting. The recent Independent Reviewer report for the Lane Settlement Agreement called on ODDS to implement a statewide data system to better track outcomes and metrics required in the settlement agreement. The result will allow ODDS to improve outcomes for individuals by creating efficiencies that will improve ODDS ability to monitor health and safety, allow case managers to spend less time managing documents and more time serving individuals.

126 - Workforce Expansion and Development

People with an intellectual and developmental disabilities (I/DD) rely on Direct Support Professionals (DSPs) for daily support that enables them to live full lives in their communities. Challenges in finding, training and retaining this workforce persist and have reached crisis levels in the long-term services and supports (LTSS) industry. The I/DD Workforce Expansion and Development Policy Option Package (POP) makes intentional investments in the direct care workforce to support children and adults with I/DD.

Funds provider rates to support the direct care workforce: Expands capacity and supports the workforce by providing funding to implement new rate models for agency providers. ODDS' current rate models were developed in 2007. New rate models have been recently developed that reflect updated service requirements for providers, current Bureau of Labor Statistics and Consumer Price Index information and updated provider cost survey data. Fully funding the new rates will assist with achieving a living wage for this critical workforce and ensure provider rates are aligned with appropriate status, value, respect and benefits for

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DSPs and other works that provide vital services for people with I/DD. As a result of HB2684 passed in the 2017 session, providers are required to pass legislatively approved increases on to their DSP workforce.

Promotes employment in the I/DD system through a media campaign: Funds a campaign endorsing I/DD services as a desirable career. This campaign will target expanding the pool of DSPs and employment providers through recognition of the field and occupation, and expanding awareness about the profession to encourage greater participation by people across diverse racial, ethnic and cultural groups. The media campaign will also call attention to employing people with I/DD to expand the number of people with I/DD in the general workforce.

129 - Expand Support to Kids with Significant Needs

There are inadequate resources to serve children who experience an intellectual or developmental disability with significant support needs. This has led to a crisis that is widely recognized and is being discussed and considered in a number of forums. The result is that children with significant, cross-system needs are placed in inappropriate or inadequate settings. This includes children with I/DD under DHS care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital, or highly restrictive environments. Many of these children are living in the family home, with families barely managing to support these extremely high-needs children.

ODDS is proposing to address the lack of resources by a) creating a new foster care service level, "enhanced foster care", that will increase residential capacity by allowing children and youth to step down from more restrictive group home settings (similar to 'proctor care' that ended several years ago), and b) appropriately expanding residential group home capacity, and c) expanding the capacity in the waiver programs that support children with intensive medical needs in their family homes.

133 - Intensive Employment Supports

This policy option package is designed to support an equity initiative around ensuring individuals with an intellectual and developmental disability are able to work in the community. Currently, there are workforce shortages in the services needed to help people with I/DD find and retain jobs in the community. We want to focus resources for this POP on those people that work in segregated work

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environments called sheltered workshops. Individuals who have been served in sheltered workshops often require intensive supports to transition to community based employment. This POP proposes to hire staff through the Office of Developmental Disabilities Services and Vocational Rehabilitation to provide these intensive supports. These positions would be limited duration with the intent that they would be able to continue working in the field long term as trained providers, which will build capacity of workforce long term. This POP has the additional benefit of helping us achieve federally required mandates in the Lane v Brown lawsuit and support Governor Brown's equity initiative.

138 - Improve Health & Safety for People with IDD

The ODDS Quality improvement unit (QI) was created in 2017 to coordinate licensing, quality assurance and data analysis efforts for services provided to children and adults with I/DD in Oregon. The QI unit covers both licensing for provider agencies and monitoring of case management entities (CMEs). QI is responsible for assuring providers and CMEs are meeting requirements and that they are in compliance with regulations to assure the health and safety of those served by ODDS. The QI unit consists of licensing staff, quality assurance staff and quality improvement staff.

Licensing: The number and type of providers has grown exponentially over the years to meet the needs of individuals in services, however there has been no increase in the number of staff to meet this increased workload. This increase of providers without additional licensing staff impacts the ability of licensing staff to proactively work with providers to assure quality improvement activities are occurring. Increasing the number of licensing staff will allow for a more pro-active assuring health and safety and quality of life are addressed in a timely manner.

Quality Assurance (QA): The QA unit is responsible for assuring the CMEs meet the performance measures as required by CMS for waiver and State plan requirements. Due to program changes presented to the Legislature, there will be an increase in the workload for the QA team in auditing CMEs.

146 - FLEET COSTS

The DAS Fleet capital outlay budget for vehicles is based on replacement as vehicles reach end of life due to accumulated miles, age, or mechanical failure. Each biennium, the program receives numerous requests from agencies and local

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government customers for additional new vehicles. DHS has increased need to further support vulnerable Oregonians in providing dependable and viable transportation for those staff providing frontline support. With the increased need for reliable transportation, coupled with the aged vehicle inventory we are presenting an overarching Agency-wide request.

This companion POP is submitted in accordance to the 2019-21 Budget Instructions; clearly identifying the Vehicle Purchases as follows:

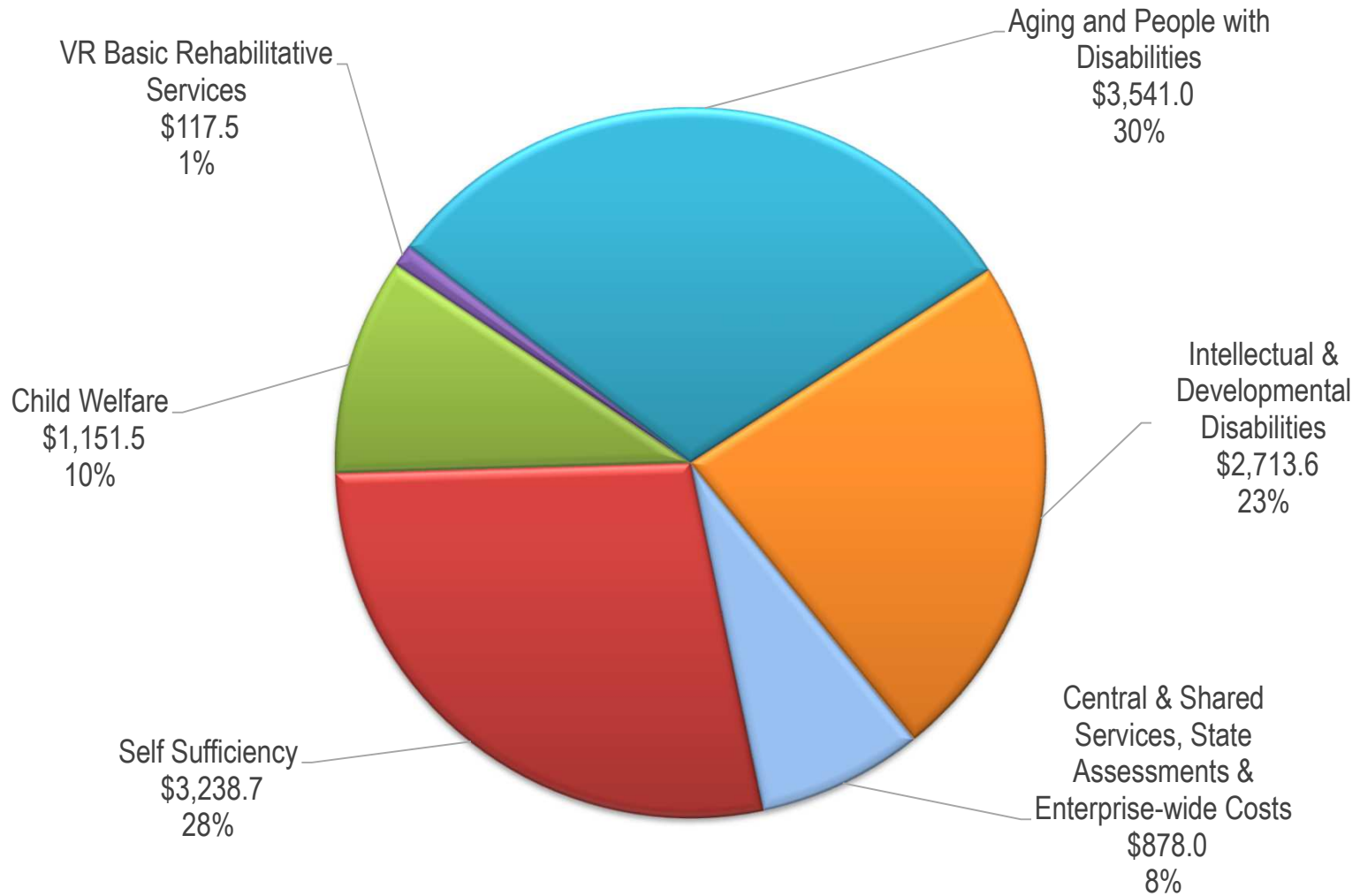
Vehicle Purchases – When planning to make vehicle purchases, refer to the DAS Statewide Fleet Management Standards (DAS Policy 107-009-040) published by Enterprise Asset Management. DAS Fleet has statutory authority to control and regulate the acquisition, operation, use, maintenance and disposal of, and access to motor vehicles used for State business.

Again, because DAS Fleet provides vehicles for DHS, we are working with DAS Fleet Operations as we plan our 2019-21 budget and outlining aged Fleet inventory (40% of entire inventory is fully depreciated) changes in agency program activities; increased staffing resulting in increased field work, etc. triggering the need for more and reliable vehicles. DHS is presenting this Agency Policy Option Package to stand as formal companion to the DAS Fleet budget request to buy those additional vehicles. (DAS 1,500,000).

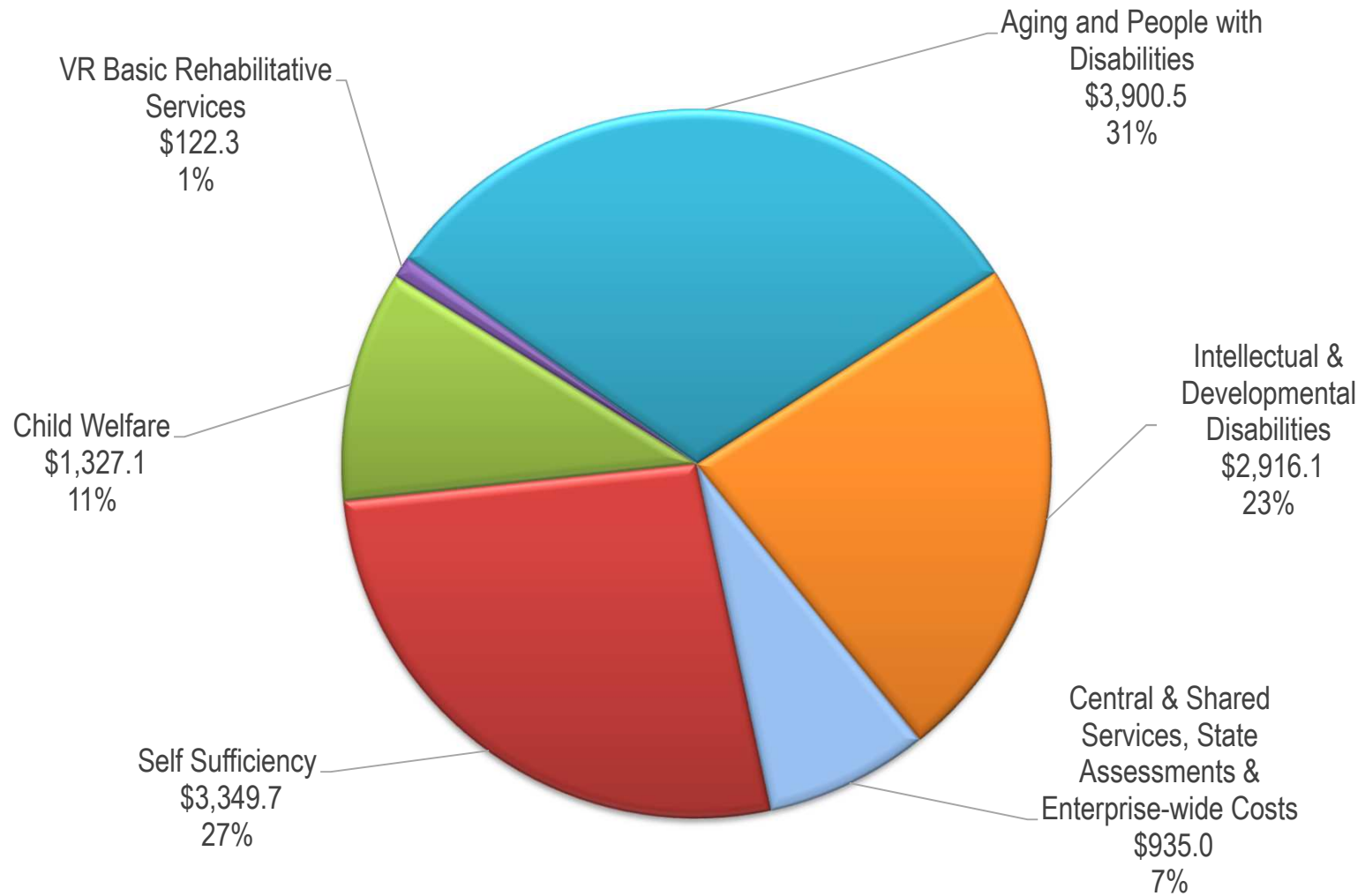
Conclusion

This proposal represents a substantive level of strategic planning that will allow the I/DD system to improve the quality of service it offers to Oregonians with intellectual/developmental disabilities and their families that support them. The primary focus is on sustainable, quality service programming that accounts for the short- and long-term budget realities that shape our implementation planning. Out-of-home placements for people with disabilities can range from \$24,000 to \$156,000 a year. Focusing our efforts on helping people with disabilities remain at home or in their community provides not only financial benefits, but better quality throughout their lifespan. We are confident that this plan will maximize resources and strengthen the service system, enhancing its ability to produce results for those we serve.

**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**



**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



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Detail of Reductions to 2019-21 Current Service Level Budget															
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Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div														
1		DHS	All	Additional Vacancy Savings	(15,141,999)		(2,566,701)				\$ (17,708,700)	0	0.00	Y	Additional 5% vacancy savings except for CW which is 2.5%. This number will be adjusted in spring reshoot due to excess being taken in Central
2		DHS	All	Remove pkg 31 inflation for S&S	(4,822,105)		(489,015)		(5,251,840)		\$ (10,562,960)	0	0.00	Y	Std inflation in S& S removed. This number will be adjusted down in spring reshoot due to excess being taken in Central
3		DHS	All	Reduce Charges for Svc/Vehicles	(5,739,851)		(147,695)		(5,044,012)		\$ (10,931,558)	0	0.00	Y	While DAS may reduce the agency budget for services that DAS provides, if the agency was not budgeted for those types of expenditures originally or if they were services not used (for example DAS Printing), then reductions may not come to fruition. Or in DHS's case, a reduction in fleet budget does not mean agency will provide less transportation to clients, they will just be required to provide alternate fleet options (Enterprise rentals or reimbursement for personal vehicle use for required state travel).
4	48	DHS	All	Reduce AG by 5.95%	(1,399,616)		(69,146)		(2,080,936)		\$ (3,549,698)	0	0.00	Y	This reduction will limit the agency's ability to seek AG council.
5		DHS	Shared/SAEC	Implement fees for BCU	(1,676,112)		1,000,000				\$ (676,112)	0	0.00	Y	Assumes collection of \$1.5M of fees and reduction of \$500K in S&S
6		DHS	Central	Reduce S&S by an additional \$1M GF	(1,000,000)						\$ (1,000,000)	0	0.00	Y	This will reduce an already limited S&S budget mainly in OBIS, Director's Office and ORRAI.
7		DHS	CW Delivery	Delay hiring of staff earned in Package 40 by 12 months	(14,050,694)				(3,170,110)		\$ (17,220,804)	0	(112.00)	Y	Delay the hiring of 224 CW Delivery staff until July 2020. This could negatively impact the children and families we serve.
8		1	DHS	APD	Reduce the complex medical add-on for nursing facilities by 50% (Assumes that rates are paid at the current statutory level)	(11,371,067)	0		0	(18,450,763)	0	\$ (29,821,830)	0	0.00	N
9	2	DHS	APD Delivery	Eliminate Mental Health Funding	(3,045,524)	0	0	0	0	0	\$ (3,045,524)	0	0.00	N	This would eliminate the funding for Area Agencies on Aging and Centers for Independent Living to provide evidence-based mental health services to Oregonians.
10	3	DHS	APD	Eliminate Evidence Based Health promotion	(1,296,250)	0	0	0	0	0	\$ (1,296,250)	0	0.00	N	This would eliminate funding for Area Agencies on Aging to provide evidence based health promotion programs.
11	4	DHS	APD	Eliminate OPI for people with disabilities.	(6,000,000)	0	0	0	0	0	\$ (6,000,000)	0	0.00	N	Approximately 300 individuals per month will lose access to the OPI people with disabilities program if funding is eliminated.
12	5	DHS	APD	Eliminate Sequestration to AAA's	(2,235,831)	0	0	0	0	0	\$ (2,235,831)	0	0.00	N	This would eliminate the sequestration funding given to AAAs to offset the effects of sequestration on Older Americans Act programs.

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13	1	DHS	SS	TANF - Time Limit 60 Months -Full Family Sanction (No Hardship Exemptions)	(2,643,344)	0	0	0	(34,819,691)	0	\$ (37,463,035)	0	0.00	N	This action establishes a 60 month time limit for TANF receipt for the entire family allowing no exemptions. The current Oregon time limit is 60 months and state statute allows for only the adults needs to be removed from TANF once the 60 month limitation has been reached and the family has no hardship exemption. Oregon's policy provides for the children in the home to continue to receive TANF. For families who have reached the new time-limit, the entire case would close. Some families may see an increase in SNAP benefits as cash benefits end. Ending TANF cash benefits for the entire family may result in family instability and homelessness. Families would have to rely on other community based safety net programs which have already experienced increased demand. During the biennium an average of 4,202 families per month are expected to be impacted. Families will also be impacted if they come from another state and the accrued time (alone or in combination with Oregon accrued time) equals to or exceeds 60 months. This action requires an amendment to ORS 412.079. * (This includes the reduction of 50% and 100% SSI Children, as they are included in the timelimit reductions already, and we didn't want to double count them) This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
14	2	DHS	SS	Admin Portion for TANF Time Limits 60 Months (18 month reduction)	(4,837,273)	0	0	0	(6,094,416)	0	\$ (10,931,689)	0	(66.00)	N	If we reduced the Time Limit to 60 Months, we would be losing 4,202 Cases. Calculation assumptions: Reduce TANF caseload by 3,952 cases from ongoing and case maintenance categories. Assumed 26% of clients are JOBS MANDATORY and do equal reductions to coaching and home visits category as well with approx. 2.64 clients per case. PHASE OUT 18 Mos, positions phase out in 2019-21. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
15	3	DHS	SS	NNCR Families: Counting their income towards eligibility	(754,297)	0	0	0	(6,788,672)	0	\$ (7,542,969)	0	0.00	N	By counting the Non-Needy Caretaker Relative Income, this will affect 95% of current NNCR cases, in that they would be over income, and the case would close. The remaining 5% would result in a lower payment amount, as the income they count would be counted dollar for dollar, and reduce their TANF payment by that amount, which also results in a savings. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.

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16	4	DHS	SS	Adult Count 50% of SSI Income for TANF Eligibility (Adults Only)	(1,654,341)	0	0	0	(14,889,065)	0	\$ (16,543,406)	0	0.00	N	This action establishes counting 50% of the SSI Adult's SSI Payment as income towards the TANF grant, which could make them ineligible due to the TANF income limit. 50% of the standard payment for SSI recipients is \$367 which is more than the TANF payment standard for most SSI adult situations with two or fewer children. There could be a small percentage (5%) or so that would be eligible due to special circumstances. Estimated cases closed due to being over the income limit would be 2,151, and approximately 131 cases would be reduced to a lower TANF grant amount. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
17	1	DHS	VR	Reduce Client Service by 5%	(1,781,490)	0	(121,840)	0	(4,150,743)	0	\$ (6,054,073)	0	0.00	N	The proposed reduction would result in a 5% decrease in case services forcing the creation of a waitlist. 2,063 individuals would not get services including youth served under third-party agreements with local school districts. This would jeopardize the match dollars that these agreements provide thus further reducing the program budget. Small specialized vendors who rely on the program for revenue would experience a sharp drop in income. Additionally this will impact the ability of the program to meet the required Maintenance of Effort resulting in a reduction in federal funds available, and resulting in the program reinstituting the Order of Selection. OVRs with out an investment above the Current Service level is at risk of reinstituting the Order of Selection, and is at risk for failure to meet the level of services set forth in Executive Order 15-04 and in the settlement agreement for Lane V Brown regarding employment for persons with Intellectual and Developmental Disabilities.
18	1	DHS	I-DD	Enhanced Medicaid Match for eXPRS system work	(3,000,000)	0	0	0	3,000,000	0	\$ -	0	0.00	Y	Starting July 1, 2020; enhanced match for work and staff costs associated with eXPRS system; contingent on CMS approval.
19	2	DHS	I-DD	One time use of Fairview Housing Trust Fund of \$6.0 million.	(6,000,000)	0	0	0	0	0	\$ (6,000,000)	0	0.00	Y	Effective 7/1/19 significantly reduces options to help families and individuals with I/DD remove housing barriers by funding things such as ramps, accessible bathing options, and other housing modifications. Requires a statute change. Balance of account will be about \$100k after this action.
20	3	DHS	I-DD	Eliminate Elliott homes at SACU, staff and home/client expenses	(1,810,569)	0	0	0	(3,934,933)	0	\$ (5,745,502)	0	(24.00)	Y	By 7/1/2020 funding for thirty (30) positions will be removed and essentially abolished as the program will close all three Elliott homes, this equals 24.00 FTE in 19-21. All positions will be fully abolished for the 21-23 biennium. If approved it would take one year to fully close home; effective phase out date starting with Eliot 2 to be completed by 1/1/20 and then Eliot 1 on 7/1/20.

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Dept	Prgm/ Div														
21	4	DHS	I-DD	Reduce PSW Wages by reducing OT	(1,912,251)	0	0	0	(3,951,751)	0	\$ (5,864,002)	0	0.00	N	Effective 7/1/19 ongoing throughout biennium. This reduction reduces bargained PSW hours by not allowing PSWs to work overtime or limit the amount of overtime worked. (Implemented int 17-19). Accomplished by continued management of overtime usage.
22	5	DHS	I-DD	Reduce the Family to Family Network Program	(583,950)	0	0	0	0	0	\$ (583,950)	0	0.00	N	Effective 10/1/2019 Reduce funding to Family to Family Networks by 50%. This program began in 2012 after 2011 made significant reductions in the Family Support Program. The funding (\$1.3M) supports up to eight networks. The work already accomplished by these groups includes family training, identification of local resources, and general support from one family to another. The networks leverage parent time and local resources in an effort to provide support at no cost to DHS/DD.
23	6	DHS	I-DD	Remove inflation increases from Rent Subsidy.	(57,000)	0	0	0	0	0	\$ (57,000)	0	0.00	N	Effective 7/1/2019 this program provides small rent subsidies for individuals living in residential settings. This is a long standing program, ODDS is not adding new people to it at this time.
24	5	DHS	SS	Adult Count 100% of SSI Income for TANF Eligibility	(224,990)	0	0	0	(2,024,913)	0	\$ (2,249,903)	0	0.00	N	This action establishes counting 100% of the SSI Adult's Standard Payment as income towards the TANF grant, which would make them ineligible due to the income limit. The standard payment for SSI recipients is \$735, which is more than most TANF grants. There would be a small percentage (5%) or so that would be eligible due to special circumstances. Cases closed due to over-income limit would be approximately 2,151 and about 113 cases would be reduced to the lower payment standard. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
25	6	DHS	SS	Count 50% of children's SSI income for eligibility and benefit calculation	(1,000,519)	0	0	0	(9,004,669)	0	\$ (10,005,188)	0	0.00	N	This action establishes counting 50% of the SSI Child Standard Payment as income towards the TANF grant, which would make them ineligible due to the income limit. The standard payment for SSI recipients is \$735, which is more than most TANF grants. There would be a small percentage (5%) or so that would be eligible due to special circumstances. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.

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Dept	Prgm/ Div														
26	7	DHS	SS	Count 100% of children's SSI income for eligibility and benefit calculation	(136,071)	0	0	0	(1,224,635)	0	\$ (1,360,706)	0	0.00	N	This action establishes counting 100% of the SSI Child Standard Payment as income towards the TANF grant, which would make them ineligible due to the income limit. The standard payment for SSI recipients is \$735, which is more than most TANF grants. There would be a small percentage (5%) or so that would be eligible due to special circumstances. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
27	1	DHS	CW Well Bein	Enhanced Foster Care - \$2.3 million GF reduction	(2,292,741)	0	0	0	0	0	\$ (2,292,741)	0	0.00	Y	Reduce this budget by \$2.3 million, this was originally a \$3.3 million investment meant as a one time pass-through for the applicable child savings from the 15-17 biennium. However, just over 1 million was needed to fund the first year of applicable child savings and that amount will be phased out in 21-31.
28	2	DHS	CW Child Safe	Sexual Assault Victims Fund 15%	(12,342)	0	0	0	0	0	\$ (12,342)	0	0.00	N	Sexual Assault Victims Services is funding that is specifically designed to adult sexual assault survivors with shelter and support services. These services are provided to the community at large, not just Child Welfare involved families. In 2016, Oregon domestic and sexual violence programs answered 139,580 calls for help, a 3.1 percent increase over 2015. This included calls about domestic violence, sexual assault, stalking and other issues with 1,720 adult sexual assault survivors receiving services. An elimination of these services would leave many adult victims of sexual assault unable to find safety and support.
29	3	DHS	CW Child Safe	Domestic Violence Services 15%	(70,062)	0	0	0	0	0	\$ (70,062)	0	0.00	N	Domestic Violence Services is funding that is specifically designed to assist victims of domestic violence and their children in accessing safe shelter, community based services such as hospital accompaniment and support groups, and in an effort to end violence before it begins, programs provide education and awareness events. In 2016, Oregon domestic and sexual violence programs answered 139,580 calls for help, a 3.1 percent increase over 2015. This included calls about domestic violence, sexual assault, stalking and other issues. These services are provided to the community at large, not just Child Welfare involved families. In 2016 there were 9,019 requests for shelter unmet with no reduction. An elimination of these services would leave many adult victims of domestic violence and their children unable to find safety and support.

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30	4	DHS	CW Child Safe	Recovering Family Mutual Homes – 15% reduction	(47,064)	0	(24)	0	0	0	\$ (47,088)	0	0.00	N	A cut of 15% is larger than appears as these budgets have a Federal match. These services currently provide payment directly to housing for child welfare parents, with their children, coming out of residential A&D treatment settings in three counties. Any cut in these services leads directly to the elimination of housing for individual parents with small children. This reduction will create immediate instability for families whose parent has recently completed A&D treatment. Cutting these services will result in increased barrier to children remaining with their parents which means increases in foster care. Additionally, it will increase length of stay in foster care.
31	6	DHS	APD Delivery	Eliminate funding for Options Counseling Services.	(3,339,852)	0	0	0	(406,477)	0	\$ (3,746,329)	0	0.00	N	This reduction would eliminate funding for the Area Agencies on Aging and Centers for Independent Living to provide options counseling services.
32	7	DHS	APD Delivery	Eliminate Oregon Care Partners	(4,511,000)	0	0	0	(2,429,000)	0	\$ (6,940,000)	0	0.00	N	This would eliminate the program of free training to direct care givers in Oregon.
33	8	DHS	APD	Remove General Assistance (HB4042).	(1,540,120)	0	(1,795,880)	0	0	0	\$ (3,336,000)	0	0.00	N	House Bill 4042 funded the General Assistance Project, beginning July 1, 2016. It serves individuals enrolled in the medical assistance program, who have disabilities that meet Presumptive Medicaid disability criteria, and who are experiencing homelessness. The program provides clients up to \$545 per month for housing, up to \$90 per month for utilities, and \$60 per month for personal incidental funds (PIF). Pursuit of Social Security benefits is a condition of eligibility. Housing payments, utility payments, and PIF expenditures are recovered from clients' Supplemental Security Income (SSI) lump sum payments when and if benefits are awarded.
34	9	DHS	APD Delivery	Remove General Assistance (HB4042).	(268,602)	0	0	0	0	0	\$ (268,602)	(2)	(2.00)	N	House Bill 4042 funded the General Assistance Project, beginning July 1, 2016. It serves individuals enrolled in the medical assistance program, who have disabilities that meet Presumptive Medicaid disability criteria, and who are experiencing homelessness. These positions were awarded to help support this program
35	10	DHS	APD	Eliminates the complex medical add-on for nursing facilities from 20% above the basic rate, to the same as the basic rate. (Assumes that rates are paid at the current statutory level)	(5,685,534)	0	0	0	(9,225,382)	0	\$ (14,910,916)	0	0.00	N	This reduction would eliminate the 40% premium paid to nursing facilities that serve individuals with certain complex medical conditions. Taking this reduction will require a statutory change to implement.

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36	8	DHS	SS	TANF - Time Limit 48 Months - Removing Adult Only	(62,638)	0	0	0	(563,745)	0	\$ (626,383)	0	0.00	N	This action would remove the Adult only on the case which would put the child in a TANF no-adult pay standard table, which would lower their grant, the caseload wouldn't be affected.This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
37	9	DHS	SS	TANF - Time Limit 48 Months -Full Family Sanction (No Hardship Exemptions) This is additional of the 60 month	(1,654,341)	0	0	0	(14,889,065)	0	\$ (16,543,406)	0	0.00	N	This action establishes a 60 month time limit for TANF receipt for the entire family allowing no exemptions. The current Oregon time limit is 48 months and state statute allows for only the adults needs to be removed from TANF once the 48 month limitation has been reached and the family has no hardship exemption. Oregon's policy provides for the children in the home to continue to receive TANF. For families who have reached the new time-limit, the entire case would close. Some families may see an increase in SNAP benefits as cash benefits end. Ending TANF cash benefits for the entire family may result in family instability and homelessness. Families would have to rely on other community based safety net programs which have already experienced increased demand. During the biennium an average of 4,809 families per month are expected to be impacted. Families will also be impacted if they come from another state and the accrued time (alone or in combination with Oregon accrued time) equals to or exceeds 48 months. This action requires an amendment to ORS 412.079. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
38	10	DHS	SS	Admin Portion for TANF Time Limits 48 Months (18 month reduction)	(1,197,390)	0	0	0	(1,508,583)	0	\$ (2,705,973)	0	(15.75)	N	If we reduced the Time Limit to 48 Months, we would be losing 1,624 Cases. Calculation assumptions: Reduce TANF caseload by 3,952 cases from ongoing and case maintenance categories. Assumed 26% of clients are JOBS MANDATORY and do equal reductions to coaching and home visits category as well with approx. 2.64 clients per case. PHASE OUT 18 Mos, positions phase out in 2019-21. This reduction will reduce the amount of state expenditures that count toward its MOE obligations.
39	7	DHS	I-DD	Reduce Community Housing contract by 10% (CIP homes maintenance)	(320,083)	0	(320,083)	0	0	0	\$ (640,166)	0	0.00	N	Effective 7/1/2019, this program provides funding for maintenance and repairs of CIP homes. Bonds on 5 homes are ending in the next biennium.

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40	8	DHS	I-DD	Eliminate the Family Support Program	(1,080,075)	0	0	0	0	0	\$ (1,080,075)	0	0.00	N	Effective 7/1/2019 This program provides a small amount of support that goes a long way to helping family with care of child with developmental disability. Approximately 1,000 children and their families will lose service as a result of this program elimination. This program keeps children from entering formal Medicaid K-plan servcies.
41	9	DHS	I-DD	Eliminate the Family to Family Network Program	(583,950)	0	0	0	0	0	\$ (583,950)	0	0.00	N	Effective 10/1/19 reduce another 50%, which would eliminate Family to Family Networks. This program began in 2012 after 2011 made significant reductions in the Family Support Program. The funding (\$1.3M) supports up to eight networks. The work already accomplished by these groups includes family training, identification of local resources, and general support from one family to another. The networks leverage parent time and local resources in an effort to provide support at no cost to DHS/DD.
42	10	DHS	I-DD	Eliminate anciliary servcies from Waivers (escluding case management and employment servcies)	(432,077)	0	0	0	(892,907)	0	\$ (1,324,984)	0	0.00	N	Effective Jan 1, 2020; eliminate all anciliary services from all ODDS Waivers including Environmental Safety Modifications, Family Training - Conferences and Workshops, Specialized Medical Supplies, Vehicle Modifications. Elimination of these servcies mayhave potential ADA/Olmstead legal ramifications
43	11	DHS	I-DD	Reduce transportation benefit limit from \$500 to \$300 / month	(397,723)	0	0	0	(821,911)	0	\$ (1,219,634)	0	0.00	N	7/1/2019, Reduction of monthly benefit limit for non-medical transportation servcies from \$500 per month to \$300 per month. Elimination of these servcies mayhave potential ADA/Olmstead legal ramifications
44	12	DHS	I-DD	Reduce PSW overtime from 50 hours to 45 hours	(1,194,562)	0	0	0	(2,468,614)	0	\$ (3,663,176)	0	0.00	N	Start January 1, 2020; reduce overtime allowance from 50 total hours per week to 45 total hours per week. This reduction will need to go through collective barganing process.
45	13	DHS	I-DD	T&TA Employment Contracts	(850,000)	0	0	0	(850,000)	0	\$ (1,700,000)	0	0.00	N	These ocntracts support employment first initiative and Lane settlement agreement and ending them will have a negative impact on those efforts.
46	14	DHS	I-DD	Lower than anticipated usage of Job Coaching hours	(2,000,000)	0	0	0	(4,000,000)	0	\$ (6,000,000)	0	0.00	Y	The amount of hours used in the Job Coaching service have been less than anticipated.
47	15	DHS	I-DD	Eliminate two homes at SACU in Eugene area, staff and home/client expenses	(1,772,842)	0	0	0	(3,873,062)	0	\$ (5,645,904)	0	(32.50)	N	By 7/1/2020 funding for fifty-two (52) positions will be removed and essentially abolished as the program will close two of the three homes in Eugene, this equals 32.50 FTE in 19-21. All positions will be fully abolished for the 21-23 biennium. If approved it would take one year to fully close home; effective phase out date starting with Forsythia to be completed by 1/1/20 and then River on 7/1/20.

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48	16	DHS	I-DD	Eliminate ability to disregard parental income (CAP Children Waiver)	(686,886)	0	0	0	(1,419,480)	0	\$ (2,106,366)	0	0.00	N	Effective 1/1/20 CAP Waiver; Waitlist any child not qualifying due to parental income for children with IDD under age 18 who live with family. Waitlist those reaching the cap that qualify. (APD) Contingent on Integrated Eligibility (code freeze on MMIS for IE implementation). Due to this reduction, kids already in servcies will remain in servcies, only children entering servcies will be impacted. This reduction will require CMS approval and may have ADA/Olmstead legal implications. These estimates may be high. 1,010 kids are estimated to go on a waiting list during 19-21 biennium.
49	17	DHS	I-DD	Eliminate ability to disregard parental income	(8,060,264)	0	0	0	(16,723,062)	0	\$ (24,783,326)	3	1.50	N	Effective 1/1/2020 Eliminate the ability to disregard parental income for children with IDD under age 18 who live with family. This could impact numbers above. Pricing includes the cost of 3 OPA3s for a 12 month period. (APD) Contingent on Integrated Eligibility (code freeze on MMIS for IE implementation). Under this reduction, children that require parental income disregard to meet Medicaid financial eligibility requirements will lose Medicaid ligibility and Medicaid funded servcies. This reduction will require CMS approval and may have ADA/Olmstead legal implications. These estimates may be high. 758 children are estimated to lose eligibility due to this change during 19-21 biennium.
50	2	DHS	VR	Reduce VR Personal Service Expense by 2.5%	(890,745)	0	(60,920)	0	(2,073,272)	0	\$ (3,024,937)	0	0.00	N	The proposed reduction would result in a 2.5% decrease in personal service expense, through lay offs reducing the VR workforce by 8.5% and forcing the creation of a waitlist. 3,059 individuals would not get services including youth served under third-party agreements with local school districts. This would jeopardize the match dollars that these agreements provide thus further reducing the program budget. Small specialized vendors who rely on the program for revenue would experience a sharp drop in income. Additionally this will impact the ability of the program to meet the required Maintenance of Effort resulting in a reduction in federal funds available, and resulting in the program reinstituting the Order of Selection. OVRs with out an investment above the Current Service level is at risk of reinstituting the Order of Selection, and is at risk for failure to meet the level of services set forth in Executive Order 15-04 and in the settlement agreement for Lane V Brown regarding employment for persons with Intellectual and Developmental Disabilities.
51	11	DHS	APD	Eliminate Adult Day Services	(817,632)	0	(11,250)	0	(1,727,118)	0	\$ (2,556,000)	0	0.00	N	This reduction would eliminate Medicaid funding for Adult Day Services in Oregon.

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52	12	DHS	APD	Reduce OPI by \$10M.	(10,000,000)	0	0	0	0	0	\$ (10,000,000)	0	0.00	N	We estimate that approximately 1,000 of the over 2,100 individuals currently being served per month by the traditional OPI program will no longer have access to these services if OPI is reduced by this amount.
53	13	DHS	APD	Eliminate Services for Individuals with SPL's of 13 or higher	(10,510,446)	0	0	0	(17,054,322)	0	\$ (27,564,768)	0	0.00	N	We estimate that 854 fewer individuals will receive services through APD if this reduction is taken.
54	14	DHS	APD	Eliminate Services for Individuals with SPL's of 12	(725,412)	0	0	0	(1,177,058)	0	\$ (1,902,470)	0	0.00	N	We estimate that an additional 54 fewer individuals will receive services through APD if this reduction is taken.
55	15	DHS	APD	Eliminate Services for Individuals with SPL's of 11	(13,777,986)	0	0	0	(22,356,254)	0	\$ (36,134,240)	0	0.00	N	We estimate that an additional 960 fewer individuals will receive services through APD if this reduction is taken.
56	18	DHS	I-DD	Eligibility IQ Requirement	(5,901,225)	0	0	0	(12,175,117)	0	\$ (18,076,343)	0	0.00	N	Effective 7/1/2020 Change the Eligibility requirement for individuals with IDD to a diagnosis of an IQ below 70. This could impact figures above. This reduction will require CMS approval and may have ADA/Olmstead legal implications. These estimates may be high. 2320 individuals are estimated to lose eligibility due to this change in 19-21 biennium.
57	19	DHS	I-DD	Increase LOC Requirements	(11,380,362)	0	0	0	(23,677,304)	0	\$ (35,057,666)	3	1.50	N	Effective 7/1/2020 Increase LOC requirements to three areas of significant impairment in adaptive behavior for individuals who qualify due to a Developmental Disability. This could impact figures above. Pricing includes the cost of 3 OPA3s for a 12 month period. This reduction will require CMS approval and may have ADA/Olmstead legal implications. These estimates may be high. 1335 individulas are estimated to loose eligibilty due to this change in 19-21 biennium.
58	20	DHS	I-DD	Reduce Supported Living Rates by 20%	(5,855,267)	0	0	0	(11,734,086)	0	\$ (17,589,353)	0	0.00	N	Effective 10/1/19 This reduction proposes to reduce provider rates by 20% for Supported Living services (Service Element 51).
59	20	DHS	I-DD	Reduce all non-bargained Provider Rates by 4%-Employment & Non-Medical Transportation excluded. (Reduction includes DSA services)	(10,723,196)	0	0	0	(21,597,954)	0	\$ (32,321,150)	0	0.00	N	Effective 10/1/2019 Reduce all non-bargained provider rates by 4%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide services both children and adults, excludes Employment First & Non-Medical Transportation services. (Priced SE50 Adult Group Homes, SE142 Kids Group Homes and Kids Foster Care Services)
60	20	DHS	I-DD	Reduce Employment rates by 4%-DSA excluded	(1,573,533)	0	0	0	(2,469,528)	0	\$ (4,043,061)	0	0.00	N	Effective 10/1/2019 Reduce Employment provider rates by 4%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide employment services, excludes DSA services.
61	20	DHS	I-DD	Reduce Brokerage and CDDP Equity by 2% (93% equity)	(2,361,135)	0	0	0	(2,837,988)	0	\$ (5,199,123)	0	0.00	Y	Effective 10/1/2019 Reduces the operating funding to CDDPs and Brokerages by another 2%--Overall reduction of 4%.
62	21	DHS	I-DD	Reduce Supported Living Rates by an additional 5% - Overall: 25%	(1,463,817)	0	0	0	(2,933,522)	0	\$ (4,397,339)	0	0.00	N	Effective 10/1/19 This reduction proposes to reduce Supported Living (Service Element 51) provider rates by an additional 5%, Overall reduction of 25%.

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63	5	DHS	CW Child Safe	Recovering Family Mutual Homes – additional 15% reduction off of new basis.	(40,004)	0	(20)	0	0	0	\$ (40,024)	0	0.00	N	A cut of 15% is larger than appears as these budgets have a Federal match. These services currently provide payment directly to housing for child welfare parents, with their children, coming out of residential A&D treatment settings in three counties. Any cut in these services leads directly to the elimination of housing for individual parents with small children. This reduction will create immediate instability for families whose parent has recently completed A&D treatment. Cutting these services will result in increased barrier to children remaining with their parents which means increases in foster care. Additionally, it will increase length of stay in foster care.
64	6	DHS	CW Permanen	Private Adoptions: 15% Cut Description of Services: Payment for placement and supervision services for DHS foster children in in-state and out-of-state adoptive families studied and supervised by private agencies.	(85,546)	0	0	0	(101,538)	0	\$ (187,084)	0	0.00	N	15% Cut Reduce the number of in-state private agency placements but keep out-of-state private placements at the current level. General applicant Oregon families can get home studies through their local DHS offices (although waiting times will increase), but out-of-state general applicants (non-relatives) would have no means to get a study through their local child welfare office for Oregon children, as ICPC covers home studies with relatives only. Reductions impact the number of adoptive families overall and reduces the overall number of adoptive placements being made.
65	7	DHS	CW Permanen	Contracted Adoption Services - 15% Reduction	(351,534)	0	0	0	(124,784)	0	\$ (476,318)	0	0.00	N	15% Reduction The Multnomah County District Attorney contract, Whitney Investigations contract, and Black Helterline Attorney contract are all essential legal services that will be deferred to the Department of Justice if these contracts are cut or eliminated (see explanation below in the 100% elimination section), so cuts to these contracts in contracted adoption services would result in a cost shift to the DOJ budget. Of the remaining contracted adoption services, leave Oregon Adoption Resource Exchange and Northwest Adoption Resource Exchange intact
66	8	DHS	CW Permanen	Permanency: 15% Reduction Post Adoption Services program, impacting supports for adoptive and guardianship families each year. (IV-B portion of budget)	(36,470)	0	(9)	0	0	0	\$ (36,479)	0	0.00	N	15% Reduction Reduce training, library purchases, support group start-up, and reduce FTE for information and referral, advocacy and support, and crisis intervention.

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67	9	DHS	CW Permanen	Contracted Adoption Services - additional 15% Reduction off of new basis.	(298,803)	0	0	0	(106,066)	0	\$ (404,869)	0	0.00	N	Additional 15% reduction - 30% total BGAID: Leave the foster adopt inquiry line and monthly training for private adoption agencies. Further reduce the child specific recruiters. The Multnomah County District Attorney contract, Whitney Investigations contract, and Black Helterline Attorney contract are all essential legal services that will be deferred to the Department of Justice if these contracts are cut or eliminated, resulting in a cost shift to the DOJ budget. Of the remaining contracted adoption services, Oregon Adoption Resource Exchange and Northwest Adoption Resource Exchange would remain intact. Mediation: This cut would reduce again the number of mediated post adoption communication referrals.
68	10	DHS	CW Permanen	Permanency: additional 15% Reduction Post Adoption Services program, impacting supports for adoptive and guardianship families each year. (IV-B portion of budget)	(30,999)	0	(8)	0	0	0	\$ (31,007)	0	0.00	N	Additional 15% reduction - 30% total Eliminate training, library purchases, support group start-up, and reduce FTE to information and referral, and crisis intervention only
69	11	DHS	CW Well Bein	Well Being: Reduce Client Transportation Program by 15%.	(742,780)	0	(146,314)	0	(110,951)	0	\$ (1,000,045)	0	0.00	N	Any reduction to funding for Client Transportation will have a negative impact on direct services for children, negatively impact their education outcomes, and potentially delay child and family reunification. A 15% reduction would result in fewer visits between children and their parents, negatively impacting the child's well-being and causing unnecessary delays in reunification. Any delay in reunification could cause the department to fail the Adoptions and Safe Families Act (AFSA – Public Law 105-89) requirements of moving to terminate parental rights for children who have been in foster care for 15 out of the past 22 months, or cause the department to move toward termination of parental rights without proper and consistent visitation having occurred between a child and their parents.
70	12	DHS	CW Child Safe	Child Safety: Family Support Teams/Addiction Recovery Teams reduce by 15%	(273,470)	0	(45,077)	0	0	0	\$ (318,547)	0	0.00	N	A cut of 15% in General Fund is misleading in terms of the actual size of the cut these GF budgets produce a large Federal match. This level cut would reduce service hours and in larger branches the contractor staff reductions would reduce both the number of parents served and total service hours.

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71	13	DHS	CW Child Safe	Child Safety: Foster Care Prevention reduce by 15%	(161,094)	0	(13,692)	0	0	0	\$ (174,786)	0	0.00	N	15% reduction (ALL ARE IDENTICAL DESCRIPTIONS OF IMPACT FOR FCP) Foster Care Prevention (FCP) is funding that is specifically designed to prevent children from entering foster care or allowing them to return home more quickly. A reduction of FCP will result in more children coming into foster care and it would impact the ability of staff to maintain children in their homes or to get them home more quickly. A reduction of FCP will likely cause an overutilization of other services or flexible funding sources like System of Care. This is likely to affect Oregon Tribes and members of minority groups who are already overrepresented as there will be fewer financial resources to assist children in remaining safely in their homes.
72	14	DHS	CW Well Bein	Well Being: Reduce Court Ordered Other Medical Program by 15%.	(788,502)	0	(3,706)	0	0	0	\$ (792,208)	0	0.00	N	Other Medical funds are used by DHS to obtain services to assist the caseworker in making good case planning decisions for the child and family and to better inform the Courts. These services include case consultation services with licensed experts to review case information accumulated over time and assist in developing a timely well-focused case plan; and psychological evaluations and other testing of parents (including drug testing), used to inform case planning. Other Medical funding also allows the department to request medical records for a child in care and to request formally supervised parent/child, and sibling interactions.
73	15	DHS	CW Well Bein	Well Being: Reduce System of Care (SOC) by 15% - flexible fund resource dollars to meet the individual needs of foster children and their families.	(590,547)	0	(51,786)	0	(272,231)	0	\$ (914,564)	0	0.00	N	System of Care flexible funds are used by local offices to address not only the individualized service needs of children and parents, but also and more recently payments that promote a parent's ability to maintain housing while working toward reunification with their children. Cutting SOC by 15% will likely result in reduced ability to meet the unique needs of children and families through client specific services.

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74	3	DHS	VR	Reduce VR Personal Service Expense by an additional 2.5%	(890,745)	0	(60,920)	0	(2,073,272)	0	\$ (3,024,937)	0	0.00	N	The proposed reduction would result in an additional 2.5% decrease in personal service expense, through lay offs reducing the VR workforce by 8.5% and forcing the creation of a waitlist. resulting in an additional 3,059 individuals would not get services including youth served under third-party agreements with local school districts. This would jeopardize the match dollars that these agreements provide thus further reducing the program budget. Small specialized vendors who rely on the program for revenue would experience a sharp drop in income. Additionally this will impact the ability of the program to meet the required Maintenance of Effort resulting in a reduction in federal funds available, and resulting in the program reinstituting the Order of Selection. OVRs with out an investment above the Current Service level is at risk of reinstituting the Order of Selection, and is at risk for failure to meet the level of services set forth in Executive Order 15-04 and in the settlement agreement for Lane V Brown regarding employment for persons with Intellectual and Developmental Disabilities.
75	16	DHS	APD	Reduce Nursing Facility Rates to the 60th Percentile from the statutory rate (unaudited adjusted rates as of May 2018).	(1,431,562)	0	0	0	(4,144,143)	0	\$ (5,575,705)	0	0.00	N	This would require a statutory change. No impact on consumers or access is anticipated with this reduction. Nursing facilities could likely absorb this without much consequence.
76	17	DHS	APD	REDUCE CBC rates by 2.5%.	(8,381,442)				(16,870,258)	0	\$ (25,251,700)	0	0.00	N	Reducing CBC rates may result in decreased access for Medicaid consumers. Medicaid rates are already substantially below rates facilities may secure from private pay consumers.
77	18	DHS	APD	Reduce Nursing Facility Rates to the 55th Percentile from 60th Percentile (unaudited adjusted rates as of May 2017)	(3,763,414)	0	0	0	(6,392,871)	0	\$ (10,156,285)	0	0.00	N	This would require a statutory change. No impact on consumers or access is anticipated with this reduction. Nursing facilities could likely absorb this without much consequence.
78	19	DHS	APD	Reduce OPI by another \$6M.	(7,106,710)	0	0	0	0	0	\$ (7,106,710)	0	0.00	N	Reducing the OPI budget below \$18 Million GF may begin to jeopardize the current need for the DSHP program in OHA; and could encroach on MOE for the Older American's Act.
79	17	DHS	SS	Eliminate the TANF UN program	(33,470,942)	0	0	0	0	0	\$ (33,470,942)	0	0.00	N	This action eliminates the TANF UN program beginning 10/19 which is estimated to impact 2,552, cases monthly. This estimate assumes approx. 10% of the cases transition to the TANF BASIC program due to one parent leaving the family.
80	20	DHS	APD	Reduce CBC rates by an additional 2.5% (5% total)	(8,381,466)				(16,870,378)	0	\$ (25,251,844)	0	0.00	N	Reducing CBC rates may result in decreased access for Medicaid consumers. Medicaid rates are already substantially below rates facilities may secure from private pay consumers.

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81	21	DHS	I-DD	Reduce all non-bargained Provider Rates by 3%-Employment excluded (Overall Reduction of 7%)	(8,042,396)	0	0	0	(16,198,465)	0	\$ (24,240,861)	0	0.00	N	Effective 10/1/2019 Reduce all non-bargained provider rates by and additional 3%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide services both children and adults, excludes Employment First & Non-Medical Transportation services. (Overall reduction = 7% if this option is selected) (Priced SE50 Adult Group Homes, SE142 Kids Group Homes and Kids Foster Care Services)
82	21	DHS	I-DD	Reduce Employment rates by another 4%-DSA excluded (Overall 8% reduction)	(1,573,533)	0	0	0	(2,469,528)	0	\$ (4,043,061)	0	0.00	N	Effective 10/1/2019 Reduce Employment provider rates by another 4%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide employment services, excludes DSA services.
83	21	DHS	I-DD	Reduce Brokerage and CDDP Equity by additional 2% (91% equity)	(2,361,135)	0	0	0	(2,837,988)	0	\$ (5,199,123)	0	0.00	N	Effective 10/1/19 Reduces the operating funding to CDDPs and Brokerages by another 2%--Overall reduction of 4%.
84	22	DHS	I-DD	Reduce Supported Living Rates by an additional 5%--Overall 30%	(1,463,817)	0	0	0	(2,933,522)	0	\$ (4,397,339)	0	0.00	N	Effective 10/1/19 This reduction proposes to reduce Supported Living (Service Element 51) provider rates by an additional 5%, Overall reduction of 30%.
85	16	DHS	CW Permanen	Private Adoptions: Additional 15% Cut Description of Services: Payment for placement and supervision services for DHS foster children in in-state and out-of-state adoptive families studied and supervised by private agencies.	(72,715)	0	0	0	(86,308)	0	\$ (159,023)	0	0.00	N	An additional 15% reduction - 30% total Cut all in-state private agency placements but keep out-of-state private placements at the current level. See reduction impact statement above
86	17	DHS	CW Well Bein	Well Being: Further reduce Court Ordered Other Medical Program by an additional 15%.	(670,227)	0	(3,150)	0	0	0	\$ (673,377)	0	0.00	N	An additional 15% reduction - 30% total Reducing and or eliminating this funding will impact outcomes for children and families, increase length of stay in foster care, increase caseloads, and will likely jeopardize the department's ability to access federal funding regarding providing services to children and families based on reasonable and/or active efforts.
87	18	DHS	CW Well Bein	Well Being: Further reduce Client Transportation Program by an additional 15%.	(631,362)	0	(124,367)	0	(94,308)	0	\$ (850,037)	0	0.00	N	An additional 15% reduction would result in even fewer visits between children and their parents, negatively impacting the child's well-being and causing unnecessary delays in reunification.

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88	19	DHS	CW Child Safe	Child Safety: Family Support Teams/Addiction Recovery Teams reduce by an additional 15%	(232,449)	0	(38,315)	0	0	0	\$ (270,764)	0	0.00	N	An additional 15% reduction - 30% total This level cut would likely eliminate some of the smaller contracts as the amount left would be insufficient to maintain staffing in the tightly balanced budgets of our contractors. It would dramatically reduce service hours. In larger branches the contractor staff reductions would reduce both the number of parents served and total service hours, and some service categories, therefore eliminating the ability of DHS staff to properly refer and tracks clients with addiction issues. This cut will create more stress on caseworkers as determining safety is directly linked to determining sobriety. The ability to support clients in beginning and completing treatment as well as sustaining their recovery would be severely diminished. This would also result in eliminating jobs at local employers. Cutting these services will result in increased barrier to children remaining with their parents which means increases in foster care. Additionally, it will increase length of stay in foster care.
89	20	DHS	CW Child Safe	Child Safety: Eliminate Family Support Teams / Addiction Recovery Teams (ART) program	(1,317,215)	0	(217,118)	0	(3,263,894)	0	\$ (4,798,227)	0	0.00	N	A 70% reduction would eliminate the statewide program. Elimination of these services will mean more and longer foster care placements; higher re-abuse rates, a decline in parents entering treatment quickly, and an increase in the number of parents who struggle with sustaining their recovery. It will also increase caseworker workload, including A&D referral, treatment monitoring, transport, client tracking and case management, making it more difficult for caseworkers to meet other state and federal mandates. This would eliminate any ability of DHS to respond to clients in relapse, require more children remain in foster care, and eliminate the majority of personnel who serve as DHS liaison to local treatment providers. Longer stays in foster care will increase costs to the state, result in poorer outcomes for children and poorer treatment outcomes for their parents. This would also result in eliminating approximately 50-55 contracted jobs at local employers. Cutting these services will result in increased barrier to children remaining with their parents which means increases in foster care. Additionally, it will increase length of stay in foster care.

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90	21	DHS	CW Child Safe	Child Safety: Further reduce Foster Care Prevention by an additional 15%	(136,930)	0	(11,639)	0	0	0	\$ (148,569)	0	0.00	N	15% more reduction (30% total) Foster Care Prevention (FCP) is funding that is specifically designed to prevent children from entering foster care or allowing them to return home more quickly. An elimination of FCP will result in more children coming into foster care and it would impact the ability of staff to maintain children in their homes or to get them home more quickly. It will also cause an overutilization of other services or flexible funding sources like System of Care. This is likely to affect Oregon Tribes and members of minority groups who are already overrepresented as there will be fewer financial resources to assist children in remaining safely in their homes.
91	22	DHS	CW Child Safe	Child Safety: Reduce ISRS budget by 15%, eliminating in-home supports for abused children.	(257,531)	0	(30,651)	0	0	0	\$ (288,182)	0	0.00	N	15% reduction In-Home Safety and Reunification Services (ISRS) provides services to help manage the safety threats within the family, stabilize the family and provide for the immediate safety of children at risk of maltreatment or when children have been placed in protective custody or foster care this service is to help them return to their parents. A 15% reduction to In-Home Safety and Reunification Services will impact child welfare's ability to: 1) safely keep children at home; 2) return children home in a timely manner; and 3) provide the family supports and services to ensure children aren't re-abused and don't re-enter the foster care system. This reduction is estimated to impact children who will now need to enter or remain in foster care rather than safely remain in the home with their parents or safely reunify with their parents. This reduction will impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.

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92	23	DHS	CW Child Safe	Child Safety: Reduce Strengthening, Preserving, & Reunifying Families (SPRF) budget by 15%.	(2,177,492)	0	0	0	0	0	\$ (2,177,492)	0	0.00	N	15% more reduction Strengthening, Preserving and Reunifying Families (SPRF) programs provide a broad array of services that are designed to maintain children safely at home with their parents or caregivers, safely and equitably reduce the number of children in the foster care system, reduce child trauma, reduce the length of stay in foster care, and to reduce the referral or reentry rates of families in the Child Welfare system. SPRF also provides services to families with safe children and moderate to high needs and this is the only way these families would be able to access Child Welfare services. A further reduction in these services will result in more children coming into foster care, staying longer periods of time in foster care or coming back to the attention of child welfare. This reduction will also impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.

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93	24	DHS	CW Child Safe	Child Safety: Reduce ISRS budget by another 15%, eliminating in-home supports for abused/neglected children and their families each year (second reduction to this program).	(218,902)	0	(26,053)	0	0	0	\$ (244,955)	0	0.00	N	15% reduction (30% total) In-Home Safety and Reunification Services (ISRS) provides services to help manage the safety threats within the family, stabilize the family and provide for the immediate safety of children at risk of maltreatment or when children have been placed in protective custody or foster care this service is to help them return to their parents. A 15% reduction to In-Home Safety and Reunification Services will impact child welfare's ability to: 1) safely keep children at home; 2) return children home in a timely manner; and 3) provide the family supports and services to ensure children aren't re-abused and don't re-enter the foster care system. This reduction is estimated to impact children who will now need to enter or remain in foster care rather than safely remain in the home with their parents or safely reunify with their parents. This reduction will impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.
94	25	DHS	CW Child Safe	Recovering Family Mutual Homes – Additional 70% reduction (100% elimination)	(226,688)	0	(115)	0	(219,409)	0	\$ (446,212)	0	0.00	N	An additional 70% reduction would eliminate these housing options. Elimination of these services will mean more and longer foster care placements; higher re-abuse rates, a decline in parents entering their communities post treatment, and an increase in the number of parents who struggle with sustaining their recovery. It will also increase caseworker workload, including client tracking and case management, making it more difficult for caseworkers to meet other state and federal mandates. This cut would eliminate transitional housing options for some clients and the ability of DHS to respond to clients in relapse. It would result in poorer outcomes for children and poorer treatment outcomes for their parents

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95	26	DHS	CW Permanen	Contracted Adoption Services - An additional 70% reduction (100% elimination)	(1,693,214)	0	0	0	(1,122,305)	0	\$ (2,815,519)	0	0.00	N	1. Oregon Adoption Resource Exchange: This would eliminate Oregon's electronic adoption recruitment system. Adoption recruitment would revert back to manual recruitment; central office shipping child bulletins and photographs to each branch office, putting bulletins into a recruitment book, and adoptive families visiting branch offices to look at waiting children as opposed to doing so on-line and from home. Reverting to a manual paper recruitment process would considerably slow the matching process, and would increase workload both in central office and the field because central office staff and field adoption workers would be required to maintain branch recruitment books and meet with prospective families as they come into the offices. 2. Northwest Adoption Resource Exchange: This would completely eliminate any national recruitment opportunities for Oregon's waiting children. All children eligible for national recruitment are harder to place; higher special needs, older, or large sibling groups. These harder to place children would no longer have the benefit of a 50 state recruitment pool. 3. Post Adoption Mediation: Elimination of mediation services would increase the number of cases requiring termination of parental rights litigation. This both decreases the timeliness to adoption for children and increases the costs of DOJ services. Mediation, which allows birth parents and relatives to be assured of post adoption contact or communication with their birth child, increases the number of voluntary relinquishments. Most importantly, mediation is beneficial to children as research is clear that most adopted children do better when they maintain a connection to their identity, family, and culture. 4. Boys and Girls Aid Society (adoption support): Elimination of this contract eliminates Oregon's foster and adoption inquiry line. BGAIID fields thousands of calls per biennium from prospective foster and adoptive parents, sends out
96	21	DHS	APD	Reduce Nursing Facility Rates to the 50th Percentile from the 55th Percentile (unaudited adjusted rates as of May 2017)	(3,716,307)	0	0	0	(6,312,870)	0	\$ (10,029,177)	0	0.00	N	This would require a statutory change. No impact on consumers or access is anticipated with this reduction.
97	22	DHS	APD	Reduce CBC rates by an additional 2.5% (7.5% total)	(8,381,526)				(16,870,426)	0	\$ (25,251,952)	0	0.00	N	Reducing CBC rates may result in decreased access for Medicaid consumers. Medicaid rates are already substantially below rates facilities may secure from private pay consumers.
98	23	DHS	APD	Reduce CBC rates by an additional 2.5% (10% total)	(8,381,658)				(16,870,786)	0	\$ (25,252,444)	0	0.00	N	Reducing CBC rates may result in decreased access for Medicaid consumers. Medicaid rates are already substantially below rates facilities may secure from private pay consumers.

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99	22	DHS	I-DD	Reduce all non-bargained Provider Rates by additional 3%-Employment excluded (Overall 10% Reduction)	(8,042,396)	0	0	0	(16,198,465)	0	\$ (24,240,861)	0	0.00	N	Effective 10/1/2019 Reduce all non-bargained provider rates by and additional 3%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide services both children and adults, excludes Employment First & Non-Medical Transportation services. (Overall reduction =10% if this option is selected) (Priced SE50 Adult Group Homes, SE142 Kids Group Homes and Kids Foster Care Services)
100	22	DHS	I-DD	Reduce Employment rates by another 4%-DSA excluded (Overall 12% reduction)	(1,573,533)	0	0	0	(2,469,528)	0	\$ (4,043,061)	0	0.00	N	Effective 10/1/2019 Reduce Employment provider rates by another 4%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide employment services, excludes DSA services.
101	22	DHS	I-DD	Reduce Brokerage and CDDP Equity by another additional 2% (89% equity)	(2,361,135)	0	0	0	(2,837,988)	0	\$ (5,199,123)	0	0.00	N	Effective 10/1/19 Reduces the operating funding to CDDPs and Brokerages another 2%, overall reduction of 6%.
102	23	DHS	I-DD	Reduce Supported Living Rates by an additional 5%--Overall 35%	(1,443,647)	0	0	0	(2,972,783)	0	\$ (4,416,429)	0	0.00	N	Effective 10/1/19 This reduction proposes to reduce Supported Living (Service Element 51) provider rates by an additional 5%, Overall reduction of 35%.
103	23	DHS	I-DD	Reduce all non-bargained Provider Rates by additional 3%-Employment excluded (Overall 13% Reduction)	(8,042,396)	0	0	0	(16,198,465)	0	\$ (24,240,861)	0	0.00	N	Effective 10/1/2019 Reduce all non-bargained provider rates by and additional 3%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide services both children and adults, excludes Employment First & Non-Medical Transportation services. (Overall reduction =10% if this option is selected) (Priced SE50 Adult Group Homes, SE142 Kids Group Homes and Kids Foster Care Services)
104	23	DHS	I-DD	Reduce Employment rates by another 4%-DSA excluded (Overall 12% reduction)	(1,573,533)	0	0	0	(2,469,528)	0	\$ (4,043,061)	0	0.00	N	Effective 10/1/2019 Reduce Employment provider rates by another 4%. This would be an across the board reduction of non-bargained rates for all DD service providers who provide employment services, excludes DSA services.
105	23	DHS	I-DD	Reduce Brokerage and CDDP Equity by another additional 5% -total reduction of 11% (84% equity)	(5,902,837)	0	0	0	(7,094,971)	0	\$ (12,997,808)	0	0.00	N	Effective 10/1/19 Reduces the operating funding to CDDPs and Brokerages another 5%, overall reduction of 11%. (84% equity)
106	24	DHS	I-DD	Reduce Supported Living Rates by an additional 5%--Overall 40%	(1,443,647)	0	0	0	(2,972,783)	0	\$ (4,416,429)	0	0.00	N	Effective 10/1/19 This reduction proposes to reduce Supported Living (Service Element 51) provider rates by an additional 5%, Overall reduction of 40%.

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107	27	DHS	CW Permanen	Permanency: Another 70% reductions (100% elimination) Post Adoption Services program, impacting supports for adoptive and guardianship families each year.	(175,663)	0	(42)	0	(1,041,833)	0	\$ (1,217,538)	0	0.00	N	100% elimination Eliminating the post adoption services program is a potential disincentive for families to adopt special needs children and it will potentially increase the number of children returning to foster care or residential treatment because families in crisis will be unable to receive the support and advocacy they need within their homes. In addition, families who use ORPARC services each biennium will be deferred to branch offices who neither have the staff to respond, nor the expertise and competency to provide the needed services and advocacy for these families. Federal “applicable child” dollars must be spent on post adoption services at a rate of 30% of total general fund savings, so post adoption services cannot be completely eliminated.
108	28	DHS	CW Well Bein	Well Being: Reduce System of Care (SOC) by another 15% - flexible fund resource dollars to meet the individual needs of foster children and their families (second reduction to this program budget).	(501,966)	0	(44,019)	0	(231,396)	0	\$ (777,381)	0	0.00	N	System of Care flexible funds are used by local offices to address not only the individualized service needs of children and parents, but also and more recently the payments that promote a parent's ability to maintain housing while working toward reunification with their children. Cutting SOC by and additional 15%, totaling 30% reduction, will likely result in reduced ability to meet the unique needs of chidlren an families through client specific services thus resulting in longer stays in foster care for hundreds of children.
109	29	DHS	CW Well Bein	Well Being: Eliminate remaining Client Transportation Program.	(3,577,720)	0	(704,746)	0	(1,951,758)	0	\$ (6,234,224)	0	0.00	N	Total elimination of this budget will significantly impact the department's ability to provide for the safety, permanency and well-being of children in its care. In addition, it will likely result in 'no-reasonable efforts' or 'no active efforts' findings by the judiciary and impact the department's ability to request federal Title IV-E reimbursement for substitute care services. The department will have a significant burden in meeting state and federal requirements regarding visitation of children and with families and for meeting a child's educational needs resulting in penalties in Title IV-B funding.
110	30	DHS	CW Well Bein	Well Being: Eliminate another 15% of Court Ordered Other Medical Program.	(569,693)	0	(2,678)	0	0	0	\$ (572,371)	0	0.00	N	Eliminating this funding will impact outcomes for children and families, increase length of stay in foster care, increase caseloads, and will likely jeopardize the department's ability to access federal funding regarding providing services to children and families based on reasonable and/or active efforts.

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111	31	DHS	CW Well Bein	Well Being: Cut another 70% (100% elimination) of System of Care (SOC). This eliminates the program fully and moves the SSBG federal revenues freed up due to the elimination of SOC to Personal Services in the Field to achieve GF savings.	(2,844,468)	0	(249,438)	0	(8,340,160)	0	\$ (11,434,066)	0	0.00	N	System of Care flexible funds are used by local offices to address not only the individualized service needs of children and parents, but also and more recently,the payments that promote a parent's ability to maintain housing while working toward reunification with their children. Cutting SOC by and additional 70%, totaling 100% reduction, will result in a substantial increase in foster care based on the unmet needs of children and parents.
112	32	DHS	CW Child Safe	Child Safety: Further Reduce Strengthening, Preserving, & Reunifying Families (SPRF) by another 15% of the budget.	(1,850,869)	0	0	0	0	0	\$ (1,850,869)	0	0.00	N	15% more reduction (30% total) Strengthening, Preserving and Reunifying Families (SPRF) programs provide a broad array of services that are designed to maintain children safely at home with their parents or caregivers, safely and equitably reduce the number of children in the foster care system, reduce child trauma, reduce the length of stay in foster care, and to reduce the referral or reentry rates of families in the Child Welfare system. SPRF also provides services to families with safe children and moderate to high needs and this is the only way these families would be able to access Child Welfare services. A further reduction in these services will result in more children coming into foster care, staying longer periods of time in foster care or coming back to the attention of child welfare. This reduction will also impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.

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113	33	DHS	CW Child Safe	Child Safety: Remove another 70% (100% Elimination) from ISRS.	(1,240,443)	0	(147,634)	0	(18,407,605)	0	\$ (19,795,682)	0	0.00	N	70% reduction (100% Total - elimination) In-Home Safety and Reunification Services (ISRS) provides services to help manage the safety threats within the family, stabilize the family and provide for the immediate safety of children at risk of maltreatment or when children have been placed in protective custody or foster care this service is to help them return to their parents. A 15% reduction to In-Home Safety and Reunification Services will impact child welfare's ability to: 1) safely keep children at home; 2) return children home in a timely manner; and 3) provide the family supports and services to ensure children aren't re-abused and don't re-enter the foster care system. This reduction is estimated to impact children who will now need to enter or remain in foster care rather than safely remain in the home with their parents or safely reunify with their parents. This reduction will impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.

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114	34	DHS	CW Child Safe	Child Safety: Remove another 70% (100% Elimination) of Strengthening, Preserving, & Reunifying Families (SPRF) program budget.	(10,488,255)	0	0	0	0	0	\$ (10,488,255)	0	0.00	N	70% more reduction (100% total - elimination) Strengthening, Preserving and Reunifying Families (SPRF) programs provide a broad array of services that are designed to maintain children safely at home with their parents or caregivers, safely and equitably reduce the number of children in the foster care system, reduce child trauma, reduce the length of stay in foster care, and to reduce the referral or reentry rates of families in the Child Welfare system. SPRF also provides services to families with safe children and moderate to high needs and this is the only way these families would be able to access Child Welfare services. A further reduction in these services will result in more children coming into foster care, staying longer periods of time in foster care or coming back to the attention of child welfare. This reduction will also impact the department's ability to meet Indian Child Welfare Act and other court-ordered requirements. This reduction will also mean more "no reasonable efforts" or "failure to meet active efforts for ICWA children" findings by the courts, which would impact federal funding for Oregon's foster care (out-of-home care) program. In addition to increased costs in foster care, there will be an increase in costs to courts, defense attorneys, Citizen Review Boards, and others involved in the dependency system. Finally, contractors who provide these services will be impacted and may lay off staff.

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115	35	DHS	CW Well Bein	Nursing Assessments: 15% reduction This is closely tied to the reduction of Personal Care services.	(83,359)	0	(1,032)	0	0	0	\$ (84,391)	0	0.00	N	This is closely tied to the reduction of Personal Care services. Nursing Assessments are required in the Medicaid State Plan (Attachment 3.1-A, page 9f) in order for a child with medical needs to receive Personal Care services in a foster home setting. A contracted Registered Nurse (RN) assesses the child and develops a care plan to address the child's specific medical needs; then reassesses the child on an annual basis. The RN provides appropriate training and delegation of medical care to the foster care provider in accordance with the Oregon Nurse Practice Act. Any reduction will result in children not being able to remain safely in a foster home setting and require hospital level of care on a long-term basis to have their medical needs met. The 19-21 biennium forecasts shows 229 children in DHS care will be receiving Personal Care services in a foster home setting. A 15% reduction will result in 34 of these children needing care in a hospital like setting and no capacity to assess the needs of additional children entering the child welfare system.
116	36	DHS	CW Well Bein	Personal Care: 15% reduction This is closely tied to the reduction of Nursing Assessments. Personal Care is a Medicaid State Plan option in Oregon that allows us to maintain children with medical needs safely in a home-like setting.	(496,854)	0	(40,797)	0	(458,156)	0	\$ (995,807)	0	0.00	N	This is closely tied to the reduction of Nursing Assessments. Personal Care is a Medicaid State Plan option in Oregon that allows us to maintain children with medical needs safely in a home-like setting. Payment is made under this state plan option to compensate the foster care provider for the delegated medical services they perform for the child in their care. These services are matched at the Federal Medical Assistance Percentage (FMAP) rate of 61.87% in June 2018. A 15% reduction = a loss of \$470,799 GF and a total fund loss of \$945,172 in direct medical services provided to children in their foster home. Resulting in the need for these children to be placed, and remain, in a hospital like setting.

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Dept	Prgm/ Div														
117	37	DHS	CW Well Bein	Youth Investment Program: 15% Runaway and Homeless Youth programs provide Street Outreach, Drop-in Center, and Shelter services which improve the safety and wellbeing of unaccompanied youth under the age of 18.	(32,499)	0	0	0	0	0	\$ (32,499)	0	0.00	N	Runaway and Homeless Youth programs provide Street Outreach, Drop-in Center, and Shelter services which improve the safety and wellbeing of unaccompanied youth under the age of 18. In a year, Street Outreach and Drop-in services have resulted in the majority of youth accessing food, shelter, educational, job and life skills services. Shelter services have resulted in over 80% of youth exiting to a safe home, 60% of those reuniting with family; over half accessing medical and dental services, and most getting connected to educational services. A reduction in funding will result in fewer youth being served by these effective programs resulting in an increase of unaccompanied youth in our State and potentially result in upstream costs, in Child Welfare, Self Sufficiency, and/or the Juvenile Justice and Adult Corrections systems.
118	38	DHS	CW Well Bein	Enhanced Foster Care - 15% Reduction. The Department reimburses a level of care payment to a certified family on behalf of a child or young adult when the child's behaviors require additional supervision to keep them placed at this lowest level of care	0	0	0	0	0	0	\$ -	0	0.00	N	The Department reimburses a level of care payment to a certified family on behalf of a child or young adult when the child's behaviors require additional supervision to keep them placed at this lowest level of care. The department uses process controls of allowing this enhanced supervision only after the 20th day in foster care, requires an annual review and use of a standardized screening instrument tool CANS to determine which level of care for the enhanced supervision needs. Approximately 17% of the children have an enhanced level of supervision needs. The current daily rates are \$7.90, \$15.39 and \$31.58 per day based on the level. A 15% reduction in this program will likely increase the negative attitude toward the department in supporting foster families for children when the department rates are so low to start with any reduction will be seen as a negative toward foster parents.

Agency Name (Acronym) DHS															
2019 - 2021 Biennium															
Detail of Reductions to 2019-21 Current Service Level Budget															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div														
119	39	DHS	CW Well Bein	Shelter Foster Care: 15% The Department reimburses a certified family a shelter care payment on behalf of a child or young adult during the first twenty days of substitute care in a certified family home	(582,820)	0	(58,371)	0	(385,570)	0	\$ (1,026,761)	0	0.00	N	The Department reimburses a certified family a shelter care payment on behalf of a child or young adult during the first twenty days of substitute care in a certified family home. This is the only source of funding support to the foster family in the first 20 days. The daily rate is \$30.66, \$31.97, or \$34.03 per day based on the age of the child. These funds cover the food, clothing, shelter, school supplies, hygiene supplies, transportation, additional supervision and other incidentals that are necessary when coming into foster care. The department has process controls in place to allow this service for only the first placement into foster care and for a maximum of 20 days.
120	40	DHS	CW Well Bein	Contracted Foster Care Services: 15% The Department provides an array of services through Contracted Foster Care Services that cannot be paid for in any other way	(251,600)	0	(3,725)	0	(62,760)	0	\$ (318,085)	0	0.00	N	The Department provides an array of services through Contracted Foster Care Services that cannot be paid for in any other way. Services such as when placing a child through Interstate Compact for Placement of Children in another state and that state does not provide courtesy supervision. The department will contract with a community social service agency in the other state to monitor the child in Oregon's legal custody. This service program has also provided contractual services for legislatively approved initial start-up funds for Lane County Shelter, and for foster care pilot projects. A reduction of 15% will significantly impact the array of services the department can provide to the supervision of the children placed out of state for permanency reasons. It will not impact the legislatively dedicated funding for Lane County or Foster Care Pilots so the direct services to children supervision will be the primary reduction point.

Agency Name (Acronym) DHS															
2019 - 2021 Biennium															
Detail of Reductions to 2019-21 Current Service Level Budget															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div														
121	41	DHS	CW Well Bein	FOCUS Program: 15% The purpose of the Target Program is help children/youth remain within their communities if possible to address any debilitating psychosocial, emotional, and behavioral disorders by providing an array of services that cannot otherwise be provided through traditional contracted services through this department, OHA or other community social and safety nets	(3,784,419)	0	(158,376)	0	(224,987)	0	\$ (4,167,782)	0	0.00	N	The purpose of the FOCUS Program is help children/youth remain within their communities if possible to address any debilitating psychosocial, emotional, and behavioral disorders by providing an array of services that cannot otherwise be provided through traditional contracted services through this department, OHA or other community social and safety nets. A 15% program reduction will require the department to reduce specialized contracts for mentoring, skill building, and support services. This would impact youth across the state as they would not have access to needed services and supports to maintain them in the homes of their families of origin, or community foster home. In turn this would increase the likelihood of BRS placement, and reduce placement stability.
122	42	DHS	CW Well Bein	Independent Living Services: 15%	525,569	0	(19,746)	0	(876,198)	0	\$ (370,375)	0	0.00	N	The department is required by federal regulations and state statute to develop and implement comprehensive transition planning with and providing services to a Youth in foster care to obtain personal and emotional support and promote healthy relationships; personal life management skills necessary to function independently; receive education, training, and services necessary to lead to employment; attain academic or vocational education and prepare for post-secondary education or training; and transition to successful adulthood. The department does this work with the assistance of federal grants which require a match of approximately 20%. Eliminating the General Funds \$324,000 removed over three times the amount in Federal funds.

Agency Name (Acronym) DHS															
2019 - 2021 Biennium															
Detail of Reductions to 2019-21 Current Service Level Budget															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div														
123	43	DHS	CW Well Being	Residential Treatment: 15% The purpose of the Behavior Rehabilitation Services (BRS) Program is help children/youth remain with community services to remediate the BRS client's debilitating psychosocial, emotional, and behavioral disorders by providing such services as behavioral intervention, counseling, and skills-training	(8,207,098)	0	(933,445)	0	(8,880,765)	0	\$ (18,021,308)	0	0.00	N	The purpose of the Behavior Rehabilitation Services (BRS) Program is help children/youth remain with community services to remediate the BRS client's debilitating psychosocial, emotional, and behavioral disorders by providing such services as behavioral intervention, counseling, and skills training. Failure to remediate these behaviors with a child/youth will only increase their need for higher level of services and hospitalization with psychiatric care. The department has already experienced a significant reduction in the overall service capacity in this program by a lawsuit by the providers regarding the lack of an adequate rate and some programs ending their contracts with the state due to the low rates of payment. A budget reduction of 15% will impact this program area for children by either further reducing the numbers of beds available or the costs provided to the providers potentially bringing back the issue of a lawsuit against the state. It should be noted the BRS program is also an OYA and OHA program so impacts are across the board in three different state agencies.
124	44	DHS	CW Permanen	Enhanced Foster Care - 59% Reduction. (100% elimination) The Department reimburses a level of care payment to a certified family on behalf of a child or young adult when the child's behaviors require additional supervision to keep them placed at this lowest level of care	0	0	0	0	0	0	\$ -	0	0.00	N	The Department reimburses a level of care payment to a certified family on behalf of a child or young adult when the child's behaviors require additional supervision to keep them placed at this lowest level of care. The department uses process controls of allowing this enhanced supervision only after the 20th day in foster care, requires an annual review and use of a standardized screening instrument tool CANS to determine which level of care for the enhanced supervision needs. Approximately 17% of the children have an enhanced level of supervision needs. The current daily rates are \$7.90, \$15.39 and \$31.58 per day based on the level. A 15% reduction in this program will likely increase the negative attitude toward the department in supporting foster families for children when the department rates are so low to start with any reduction will be seen as a negative toward foster parents.
125	45	DHS	CW Permanen	Reduce the General Fund in Permanency if #26 and #27 program eliminations occur, replacing it with SSBG, IV-B Type 1, IV-B Type 2, and TANF FF that is freed up with the elimination of entire programs within Permanency	(1,563,095)	0	0	0	1,563,095	0	\$ -	0	0.00	N	Reduce the General Fund in Safety, replacing it with SSBG, IV-B Type 1, IV-B Type 2, and TANF FF that is freed up with the elimination of entire programs within Safety - NOTE that there may be some requirements on what these funds are spent on. For example, TANF FF will need to be spent on program costs, not staff costs. Other Federal block grants have other requirements.

Agency Name (Acronym) DHS															
2019 - 2021 Biennium															
Detail of Reductions to 2019-21 Current Service Level Budget															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div														
126	46	DHS	CW Child Safe	Reduce the General Fund in Safety if lines 20, 25, 33 program eliminations take place, replacing it with SSBG, IV-B Type 1, IV-B Type 2, and TANF FF that is freed up with the elimination of entire programs within Safety	(21,890,908)	0	0	0	21,890,908	0	\$ -	0	0.00	N	Reduce the General Fund in Safety, replacing it with SSBG, IV-B Type 1, IV-B Type 2, and TANF FF that is freed up with the elimination of entire programs within Safety - NOTE that there may be some requirements on what these funds are spent on. For example, TANF FF will need to be spent on program costs, not staff costs. Other Federal block grants have other requirements.
127		DHS	All	Forego Other Funds used for local match and/or Reduce DHS programs			(49,308,746)				\$ (49,308,746)			N	DHS is statutorily required to provide reduction options totaling 10% of CSL for each fund type. This reduction would be accomplished through a series of action including eliminating local match of federal funds and reductions to programs across DHS that are funded by Other Funds. This is not specific as it will depend on which Other Fund funding sources would be reduced as to the exact reduction. Loss of local match would reduce local provider programs who have expenditures that are legally matched with federal funds. This assumes there is no General Fund backfill available.
128		DHS	All	Forego Federal Funds and Reduce DHS programs					(88,557,728)		\$ (88,557,728)			N	DHS is statutorily required to provide reduction options totaling 10% of CSL for each fund type. This reduction would be accomplished through a series of program reductions depending on which federal funding sources are being reduced. This is a real possibility based on the current federal sequestration rules. However, this action is not specific as it will depend on which Federal funding sources would be reduced as to the program needing reduction. This reduction assumes there is no general fund backfill for these reductions.
											\$ -				
					(404,596,459)	0	(57,028,289)	0	(575,291,685)	0	\$ (1,036,916,433)	4	(249.25)		

PROGRAM PRIORITIZATION FOR 2019-21

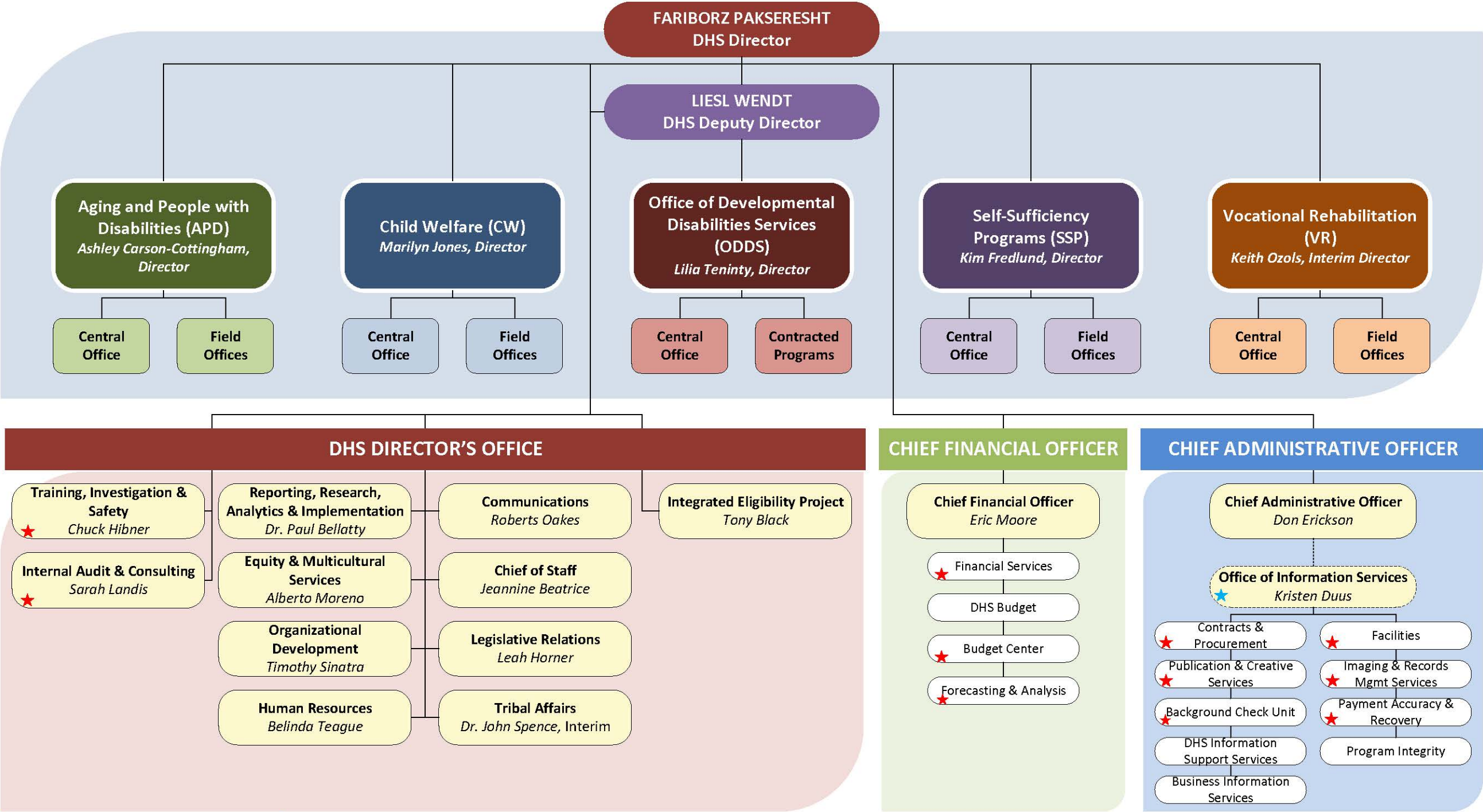
Agency Name: Department of Human Services 2019-21 Biennium																				Agency Number: 10000						
Agency-Wide Priorities for 2019-21 Biennium																										
1	2	3	4a	4c	4d	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22			
Priority (ranked with highest priority first)	Agcy Initials	Program or Activity Initials	Program or Activity Initials (DCR)	Sub-DCR	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program- Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request				
Agcy	Prgm/ Div																									
			CW	Foster Care	Foster Care Prevention	Provides services to safely support children in their own homes and support family stability.	Timeliness and permanency of child reunification	12	1,082,143		91,282		2,549,411		\$ 3,722,836			N	Y	FM	ORS 419A and 419B	All - see program unit/activity description				
			CW	Foster Care	Foster Family Shelter Care	A limited term payment provided to a certified family when a child or young adult in the legal or physical custody of the Department moves to a certified family's home from a placement with a BRS provider and there is no current level of care determination - paid for the first 20 days to allow time for the CANS to be administered.		12	3,885,469		389,142		2,570,466		\$ 6,845,077			N	Y	FM	ORS 418.015	All - see program unit/activity description				
			CW	Foster Care	Regular Foster Care	Temporary out-of-home care provided by a relative caregiver or general applicant foster parent who has been authorized to provide care to a child or young adult in the legal or physical custody of the Department.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	80,566,553		10,865,732		65,529,209		\$ 156,961,494			N	N	FM	ORS 418.015	All - see program unit/activity description				
			CW	Foster Care	Enhanced Supervision	Additional support, direction, observation and guidance necessary to promote and ensure the safety and well-being of a child or young adult when they qualify for a level of care payment.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	1,011,069		0		0		\$ 1,011,069			N	Y	FM	ORS 418.015	All - see program unit/activity description				
			CW	Community Based Domestic Violence Services		DHS makes grants available to domestic violence and sexual assault service providers throughout Oregon. These providers offer crisis lines, crisis response, emergency shelter and other related services to survivors of sexual assault, survivors of domestic violence, and their children, in a culturally and linguistically appropriate manner.	Absence of repeat maltreatment	12	467,078		3,370,819		3,045,067		\$ 6,882,964			N	Y		ORS 409.290 to 409.300					
			CW	Residential Care	Residential Treatment	Behavioral Rehabilitation Services (BRS) and therapeutic foster care for children with high needs.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	57,886,724		6,652,968		64,132,355		\$ 128,672,047			N	Y	FM	ORS 418.015	All - see program unit/activity description				
			CW	Residential Care	FOCUS	Child specific contracts for out-of-state placements and additional supports to assure children's needs are being met while they are in care.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	25,250,456		1,055,838		1,499,906		\$ 27,806,200			N	Y	FM	ORS 418.015	All - see program unit/activity description				
			CW	Foster Care	Personal Care	Specific services provided to a child with a chronic medical condition, with medical needs requiring specialized care, or with a physically handicapping condition requiring care and assistance in most domains of daily functioning. The TA-DVS program provides temporary financial assistance and support to families affected by domestic violence during crisis or emergent situations when other resources are not available. TA-DVS is used to help the domestic violence survivor and the children address their safety concerns and stabilize their living situation, reducing the likelihood of the survivor returning to the abuser. The TA-DVS Benefits are 100% federally funded by the TANF Program.	Teen suicide, Absence of repeat maltreatment	12	3,312,362		271,978		4,088,349		\$ 7,672,689			N	Y	FM	ORS 418.015	All - see program unit/activity description				
			SSP	TA Domestic Violence Survivors			TANF re-entry, TANF family stability, Absence of repeat maltreatment	12	1,352				8,205,557		8,206,909			N	N	FO	45 CFR 260.31 (b) & ORS 411.117 (1) (e)					
			SSP	TA-DVS Advocates		DHS contracts with local Domestic Violence Sexual Assault agencies to provide co-located Certified Domestic Violence (DV) Advocates in Self-Sufficiency and Child Welfare offices. The goal of the Co-located DV Advocates Program is to improve outcomes and stability for families experiencing domestic violence through services including but not limited to: safety planning, risk and fatality assessment, shelter services, support in referrals to other community resources such as housing, mental health services, counseling, peer support groups, etc.		12	4,113,109						4,113,109			N	N	S	ORS 411.117 (1) (c)					
			CW	Community Based Sexual Assault Victims Fund		DHS makes grants available to domestic violence and sexual assault service providers throughout Oregon. These providers offer crisis lines, crisis response, emergency shelter and other related services to survivors of sexual assault, survivors of domestic violence, and their children, in a culturally and linguistically appropriate manner.		12	82,282		533,332				615,614			N	Y		ORS 409.273 to 409.285					
			CW	Other Tribal Programs		General Fund portion of foster care maintenance payments and payment for BRS placements for children in Tribal custody.		12	841,365		32,824		4,945,695		5,819,884			N	N		ORS 418.015					
			APD	APD Program	Oregon Supplemental Income Program (OSIP)	OSIP offers cash and medical assistance to eligible clients who qualify by meeting means tested income and resource requirements. Other prerequisites such as residency and citizen/alien status must also be considered prior to granting benefits. In general the Oregon Supplemental Income Program Medical (OSIPM) is provided to two groups of individuals. First are those eligible for Supplemental Security Income (SSI), as provided for under Section XVI of the Social Security Act. This group is assumed eligible for Medicaid due to age or disability, as long as they also meet specific Medicaid requirements such as residency, pursuing health care coverage and cash medical support, the resource limit for a couple determined through a resource assessment, etc. These individuals receive the basic SSI standard from the Social Security Administration and OSIPM (OHP plus benefit package) from the Department. Second are eligible for medical coverage as an OSIPM client either when the individual receives home or community based services or when they reside in a nursing facility or state institution. The income standard for this group is based on 300% of the SSI standard for an individual. Those with income above the standard can be eligible by means of an income cap trust. Both OSIPM groups can receive cash payments called "special needs" if the client meets the requirements of the rules. The client may receive a one-time special need payment for a home repair or a monthly, ongoing special need payment for a laundry allowance, for example. This program is the basis under which Medicaid is granted under the Old Age Assistance, Aid to the Disabled and Aid to the Blind Programs whereby the client receives medical assistance through a managed care provider. Depending on the client's living arrangement, case management responsibilities are provided either by the Department, AAA or county mental health or developmental disabilities programs. Eligible OSIP and OSIPM clients can be qualified for other programs while receiving cash or medical benefits. These programs include the Qualified Medicare Beneficiary Program (QMB) or the the Specified Low Income Medicare Beneficiary Program (SMB).		12	12,992,220					12,992,220			N		N	FO	ORS 410.070	All - see program unit/activity description				

						In-home services are the cornerstone of Oregon's community-based care system. For older adults or people with physical disabilities, the ability to live in their own homes is compromised by the need for support in regular activities of daily living. For more than 25 years, Oregon has created options to meet people's needs in their own homes. All options are funded with support of the Medicaid program through home- and community-based waivers or state plan options. Oregon has been able to create cost-effective programs that meet people's needs in their homes and other community settings using these options and spared Oregonians from the unnecessary use of much higher cost services, primarily offered in nursing facilities. Services to older adults and people with physical disabilities are designed to support assistance with fundamental activities of daily living (ADLs), such as mobility, cognition, eating, personal hygiene, dressing, toileting and bathing. To receive in-home services, an individual must be financially eligible for Medicaid. A case manager works with the client and together they identify needs and develop a plan for the in-home services.		12	349,857,196		4,338,775		741,575,273		1,095,771,244			Y	N	FO	ORS 410.070	All - see program unit/activity description	POP 140 - APD Consumer Community Integration Package
			APD	APD Program	In-home Program			12	349,857,196		4,338,775		741,575,273		1,095,771,244			Y	N	FO	ORS 410.070	All - see program unit/activity description	POP 140 - APD Consumer Community Integration Package
			APD	APD Program	Community-Based Care Facilities	These include a variety of 24-hour care settings and services to provide an alternative to nursing facilities. Services include assistance with activities of daily living, medication oversight and social activities. Services can include nursing and behavioral supports to meet complex needs. State and federal guidelines related to health and safety of these facilities have to be met.		12	330,321,302		15,030,952		650,523,573		995,875,827			Y	Y	FO	ORS 410.070	All - see program unit/activity description	POP 121 - Community Based Care Medicaid Access Package, POP 140 Consumer Community Integration Package
			APD	APD Program	Nursing Facilities	Institutional services for older adults and people with physical disabilities are provided in nursing facilities licensed and regulated by DHS. Nursing facilities provide individuals with skilled nursing services, housing, related services and ongoing assistance with activities of daily living. Oregon has led the nation since 1981 in the development of lower cost alternatives to institutional (nursing facility) care. Home- and community-based alternatives to nursing facility services emphasize independence, dignity and choice and offer needed services and supports at lower costs than medical models.		12	243,628,237		165,895,182		693,878,627		1,103,402,046			N	Y	FM	ORS 410.070	All - see program unit/activity description	
			I/DD	I/DD Program	K Plan Services (Includes community living supports (CLS))	K-Plan or Community First Choice Option (CFCO) provides a broad range of home and community-based services and supports for people with disabilities, including those with I/DD. Most used service under the K-Plan is Attendant Care which provides support for people to perform activities of daily living and instrumental activities of daily living (ADL/IADL), which may include skills training in those areas. With CFCO, this is the primary service available to people with I/DD. Attendant care services and are generally categorized based on the setting in which the person lives. Services that now fall under attendant care include: • In-home supports for children and adults • Children's intensive in-home services • 24-hour services. • Group home for children and adults • Adult and child foster care • Supported living (adults only) • Day supports • Stabilization and Crisis Unit (SACU) Other services provided under the K-plan include environmental safety modifications, assistive technology, behavioral consultation, transportation.	People with disabilities in community settings	12	749,271,660		7,909,899		1,541,361,206		2,298,542,765			Y	Y	FO	42 CFR 441 subp	All - see program unit/activity description	POP 126 - Workforce & Expansion Development POP 129- Expanded Supports for Kids with Significant Needs POP 133- Intensive Employment Supports (Day Supports)
			I/DD	I/DD Program	Waiver Services - Employment First (no CSL)	These services have been strengthened and improved as part of the important Employment First initiative. I/DD has restructured employment services to encourage integrated, competitively paid employment for people with I/DD. Employment services are no longer bundled with attendant care services, they have been broken out into discrete services to support people as they learn about, find and maintain employment. Employment services are not offered through the CFCO, they remain available through the Medicaid waiver. Employment services include: Employment path; job discovery; Job development; Job coaching and Small-group supported employment.	People with disabilities in community settings	12	42,958,084		0		66,557,934		109,516,018			Y	Y	FO	EO 15-01 https://www.oregon.gov/DHS/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Executive%20Order%2015-01.pdf	All - see program unit/activity description	POP 133- Intensive Employment Supports
			I/DD	I/DD Program	Waiver Services - No Employment	1915c Waivers include Adult HCBS Waiver, Children's HCBS Waiver and three model Waivers for children under 18 with complex needs: Medically Involved Children's Model Waiver, Medically Fragile Model Waiver, and Behavioral Model Waiver. These waivers primary service is case management that is furnished to assist individuals in gaining access to needed medical, social, educational and other services. Waiver Case Management includes the following assistance: assessment and periodic reassessment of individual needs, development (and periodic revision) of a specific care plan, referral and related activities, and monitoring and follow-up activities. Other 1915c Waiver services include environmental safety modifications, vehicle modifications, family training, specialized medical supplies, and direct nursing services (for adults only).	People with disabilities in community settings	12	16,835,675		8,535,364		23,200,341		48,571,380			Y	Y	FO	42 CFR 441 Subpart G https://www.ecfr.gov/cgi-bin/text-id?SID=ee1d5a7b4341f1514069eca301e17436&mc=true&node=p42.4.441&rgn=div5	All - see program unit/activity description	POP 102 - 100% Workload Model POP 118 - I/DD Data Management System POP 126 -Workforce Expansion & Development POP 129 - Expanded Supports for Kids with Significant Needs (CIS) POP 138 - Improve Health & Safety for People with I/DD
			I/DD	I/DD Program	Stabilization and Crisis Unit (k plan group homes)	SACU is a 24-hour service provided under the CFCO. SACU provides a safety net for Oregon's most vulnerable, intensive, medically and behaviorally challenged people with I/DD. SACU provides services when no other community-based option is available for a person. This includes persons with I/DD coming out of the Oregon State Hospital, corrections systems, and from crisis situations where counties and private providers cannot meet the needs of the person to ensure their health and safety. SACU focuses on supporting people in community-based settings and enabling them to return to less intensive service levels as quickly as possible. SACU provides 24-hour residential and day supports to people with I/DD from across the state who have significant medical or behavioral needs. The services are provided in licensed five-bed group homes.	People with disabilities in community settings	12	44,673,828		1,466,880		85,627,051		131,767,759	745	721.00	N	Y	FO	42 CFR 441 subp	All - see program unit/activity description	N/A
			CW	Foster Care	Independent Living Services	Helps youth who are, or were, in foster care to become self-sufficient adults. Gives an opportunity for youth to learn valuable skills necessary to make a successful transition from state or tribal care to living independently.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	10,919,562		131,642		5,938,290		16,989,494			Y	Y	FM	ORS 419A and 419B	All - see program unit/activity description	POP 142 to increase services to current and former foster youth
			CW	Foster Care	Nursing Assessments	Every child receives an intake nursing assessment by a DHS contracted nurse shortly after entering foster care. This assessment assures the child has all prescribed medication and assistive devices and is second set of eyes assuring safety. The contracted nurse also works with the foster/relative care provider to assure they have a clear understanding of the child's needs and can expedite referral to a physical, dental or mental health assessment when necessary.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	537,950		6,879		942,413		1,487,242			Y	Y	FM	ORS 419A and 419B	All - see program unit/activity description	POP 137 to provide nursing assessments for young children with an in home case and for children going home on a trial reunification.
			CW	Foster Care	Other Medical	Other Medical is used to pay for services to help guide good case planning when the services are not covered by Medicaid or private health insurance, such as: Parent/Child Interaction, Sibling Interaction, Urinalysis Drug Testing, Psychosexual Evaluations, etc.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	5,256,683		24,706				5,281,389			N	Y	FM	ORS 419A and 419B	All - see program unit/activity description	

			CW	Foster Care	Client Transportation	Client Transportation is used to fund transportation related to visitation, medical appointments, court hearings, etc.	Timeliness and permanency of child reunification	12	4,951,861		975,427		2,157,017		8,084,305			Y	Y	FM	ORS 419A and 419B	All - see program unit/activity description	POP 144 PLACEHOLDER for Family First Legislation, which will impact all services and their funding sources across child welfare.
			CW	Foster Care	IV-E Waiver Care	Title IV-E Waiver project is Leveraging Intensive Family Engagement (LIFE). LIFE services include intensive family finding efforts to create and strengthen relationships with kith and kin, structured case planning meetings that are strengths based; trauma informed; culturally responsive, and family driven, and referrals to parent mentors who can facilitate the family's navigation through the system to help shorten the lengths of stay for children predicted to stay in the system for more than 3 years.	Timeliness and permanency of child reunification	12	2,515,866		37,291				2,553,157			Y	N	FO	ORS 419A and 419B	All - see program unit/activity description	POP 143 to restore lost FF due to the ending of the IV-E Waiver Program to support the LIFE Program in its current state. POP 145 Expand the LIFE Program statewide.
			CW	Foster Care	Contracted Foster Care Svc	Contracted services to support the recruitment and retention of good foster families.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	4,855,699		24,836		5,189,907		10,070,442			Y	Y	FO	ORS 419A and 419B	All - see program unit/activity description	POP 139 to provide continuing education for caregivers.
			CW	Foster Care	Interstate Compacts	The Interstate Compact for the Placement of Children (ICPC) Program processes requests for placement across state lines in the context of dependency cases and in private placements, ensuring that legal and administrative requirements are met so that children are placed in safe and appropriate permanent homes. In addition, field-based specialized ICPC workers complete home studies for Oregon families across the state who are seeking placement of their relative children from another state's foster care program.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	506,072		17,117		320,337		843,526			N	N	FO	ORS 419A and 419B	All - see program unit/activity description	
			CW	In-Home Safety and Reunification Services		This program provides culturally appropriate intensive, short term services to families with children who can remain safely in their homes, and to children and families who are safely reunited. ISRS provides a combination of safety and strengths-based services that lead to lasting safety changes within the family. These services are time limited and are complemented by SPRF services for families in need of longer term or more intensive services.		12	1,439,676		204,338		18,407,605		20,051,619			N	Y	FO	ORS 419A and 419B	All - see program unit/activity description	
			CW	Recovering Families Mutual Homes		Services in Washington, Clackamas and Lane counties that allow parents who have just completed residential treatment for their addiction to stabilize in their communities in settings that are alcohol and drug free and staff supported. Decreases foster care costs as children stay with their parents. Family Support Teams are a combination of contracted staff with expertise in addiction treatment and intervention and Child Welfare caseworkers responding to parents with substance use disorders. Service providers include addictions counselors and peer level supports known as 'outreach workers' housed in Child Welfare branches for immediate access by caseworkers and families.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	313,756		159		219,409		533,324			N	Y	FO	ORS 419A and 419B	All - see program unit/activity description	
			CW	Family Support Teams			Absence of repeat maltreatment	12	1,797,998		300,510		4,700,894		6,799,402			N	Y	FO	ORS 419A and 419B	All - see program unit/activity description	
			CW	System of Care		System of Care funds support Oregon's most vulnerable children by providing local child welfare offices with the flexibility to purchase specific services to meet a family's specific needs to assure the safety, permanency and well-being of their child(ren). Services are identified and planned for through family engagement and involvement in case planning. Whenever possible, shared funding of custom-designed services is achieved through collaboration with community partners.	Absence of repeat maltreatment	12	3,936,981		345,243		8,843,787		13,126,011			N	Y	FO	ORS 418.015	All - see program unit/activity description	
			CW	Strengtheng, Presrvg & Reunfg Families (SPRF)		The Strengthening Preserving and Reunifying Families law (ORS 418.575-418.598) allows funding for an array of services for families through collaboration between DHS and local community partners. The Department has developed outcome-based contracts for services to specifically address the needs of children and families who come to the attention of child welfare through a screened in report of abuse or neglect. These outcome based contracts are foundational for an overall ability to report on results associated with SPRF services and funding.		12	14,516,616		0		0		14,516,616			Y	Y	FO	ORS 418.575 th	All - see program unit/activity description	POP 143 to restore lost FF due to the ending of the IV-E Waiver Program.
			CW	Guardianship Assistance		Guardianship Assistance is intended to help prevent a child from remaining in foster care when reunification with parents and adoption are not appropriate permanency options. Guardianship assistance supports relatives assuming legal guardianship by providing financial and medical assistance until the child/young adult is 18 years of age, to guardians who are not able to meet their child's needs without assistance.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	9,975,392		995,693		20,637,614		31,608,699			N	N	FO	Social Security Act, Section 473; ORS 418.330; ICWA	All - see program unit/activity description	
			CW	Adoption Assistance		Adoption Assistance is intended to help prevent a child from remaining in foster care when they cannot be safely returned to parent(s), and provides financial and medical assistance until the child/young adult is 18 years of age, to adoptive parents who are not able to meet the child/young adult's needs without assistance.	Timely adoption, Timeliness and permanency of child reunification	12	72,466,055		205,341		69,359,769		142,031,165			N	N	FM	Public Law 96-272; Public Law 105-89; Social Security Act , Section 473; ICWA	All - see program unit/activity description	
			CW	Post Adoption-Services		Post Adoption Services support adoptive parents and guardians through training, specialized support, mentoring, etc.	Timely adoption, Timeliness and permanency of child reunification	12	320,014		3,073,764		795,366		4,189,144			N	Y	FO	ORS 419A and 419B	All - see program unit/activity description	
			SSP	Supplemental Nutrition Asst. Program	EBT SNAP	SNAP offers food assistance to low-income individuals and families to help meet their nutritional needs. Benefits to participants are 100 percent federally funded; however, the administration of the program requires a 50 percent state match. Approximately one in five Oregonians receive food assistance through SNAP. SNAP is an important and constantly growing anti-poverty program. Recent research has shown that SNAP benefits reduce the depth and severity of poverty, and have a particularly strong effect on reducing child poverty. SNAP benefits add about \$1.1 billion dollars per year to the Oregon Economy including rural Oregon. Self-Sufficiency offices across the state serve the majority of the SNAP population. Elderly persons (60 and older) plus persons with disabilities who require services are assisted by Aging and People with Disabilities (APD) Program offices and their contracted: Area Agencies on Aging, Disability Services Offices and Councils of Government.	Food stamp utilization, Food stamp accuracy	12						2,122,011,827	2,122,011,827			N	N	FM	SNAP is guided by federal legislation found in the "Farm Bill" authorized by the Agricultural Act of 2014 (P.L. 113-79, Feb. 7,2014). Program policy is reauthorized every five years through the Farm Bill.	All - see program unit/activity description	
			SSP	Supplemental Nutrition Asst. Program	SNAP Cashout	SNAP offers food assistance to low-income individuals and families to help meet their nutritional needs. Benefits to participants are 100 percent federally funded; however, the administration of the program requires a 50 percent state match. Approximately one in five Oregonians receive food assistance through SNAP. SNAP is an important and constantly growing anti-poverty program. Recent research has shown that SNAP benefits reduce the depth and severity of poverty, and have a particularly strong effect on reducing child poverty. SNAP benefits add about \$1.1 billion dollars per year to the Oregon Economy including rural Oregon. Self-Sufficiency offices across the state serve the majority of the SNAP population. Elderly persons (60 and older) plus persons with disabilities who require services are assisted by Aging and People with Disabilities (APD) Program offices and their contracted: Area Agencies on Aging, Disability Services Offices and Councils of Government.	Food stamp utilization, Food stamp accuracy	12						92,333,504	92,333,504			N	N	FM	SNAP is guided by federal legislation found in the "Farm Bill" authorized by the Agricultural Act of 2014 (P.L. 113-79, Feb. 7,2014). Program policy is reauthorized every five years through the Farm Bill.	All - see program unit/activity description	
			APD	Disability Determination Services Program		People with disabilities may be able to qualify for one of two federal disability programs: Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI). These programs are governed by the federal Social Security Administration (SSA). Oregon performs this work on behalf of the Social Security Administration under contract. DDS employs over 200 employees and has a budget of over \$60M.							19,813,867		19,813,867			N	N	FM	N/A		

			SSP	Cash Assistance	State Family Pre SSI/SSDI	The State Family Pre-SSI/SSDI (SFPSS) Program is designed to assist TANF-eligible individuals with disabilities obtain Social Security disability benefits through the Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) programs. The program serves individuals who are not required to participate in the JOBS program. The program provides families with a cash grant, professional assistance with Social Security Administration (SSA) applications and appeals as well as case management services. Once a client is awarded SSI benefits, the department recovers a portion of the payments it made to the family during the application process from the client's initial SSI lump-sum payment. Most adults must meet additional requirements to receive TANF services. The JOBS program provides employment, education, skill-building and family stability services to individuals of families receiving TANF assistance. Individuals participate in JOBS to gain skills necessary to join the workforce and retain employment.	TANF re-entry, TANF family stability	12	2,907,389		1,688,072		265,519		4,860,980			N	Y	FO	State Statutes Chapters 411 and 412.	All - see program unit/activity description	
			SSP	JOBS Contracts/Support Services Activities	TANF Programs		TANF re-entry, TANF family stability	12	45,889,660		451,439		40,564,946		86,906,045			Y	N	FO	State Statutes Chapters 411 and 412.	All - see program unit/activity description	POP 122 - Emergency Housing Assistance; POP 127 - ED Attainment Support for TANF & SNAP Parents
			I/DD	I/DD Program	Other Services (Includes Housing)	The I/DD Community Housing Program assists persons with developmental disabilities to live successfully in community housing that is affordable and safe and contributes to their independence and quality of life. I/DD Community Housing supports services to persons with developmental disabilities by overseeing the property management of homes developed for the former Fairview State Training Center residents, develops and manages funds eligible for home modification for IDD individuals, coordinating the operation of the Fairview Community Housing Trust that was established with revenue from the sale of Fairview and providing technical assistance to individuals, families, brokerages, and counties regarding housing issues faced by persons with developmental disabilities and best practices to implement solutions.	People with disabilities in community settings	12	1,816,655		9,822,334		3,187		11,642,176			N	Y	FO	42 CFR 441 subp	All - see program unit/activity description	N/A
			VR	VR - Basic Rehabilitative Services		These are basic services provided to individuals whose disabilities present a potential barrier to employment. A rehabilitation counselor conducts a comprehensive assessment to evaluate vocational potential, including diagnostic and related services necessary for the determination of eligibility for services as well as the nature and scope of services to be provided. Vocational counseling and guidance builds on this assessment and helps the client identify a vocational goal. The counselor, in partnership with the client, develops an individualized plan for employment and authorizes appropriate services in support of the plan while maintaining a counseling relationship with the client. This program has a mandated set aside for providing students with Pre-employment Transition Services as well as a set aside to serve youth with the most significant disabilities in supported employment.	Vocational rehabilitation services employment	12	17,110,877		2,004,349		38,362,989		57,478,215			Y	Y	FO	29 U.S.C. 796c and 29 U.S.C 796e-2	All - see program unit/activity description	POP 135 - VR Career Technical
			VR	State Independent Living Council (SILC)		This funding supports the seven Centers for Independent Living through out the state of Oregon. Centers for Independent Living are designed to help individuals who experience disabilities achieve personal goals for independence and participation in their families and communities.	Vocational rehabilitation services employment	12	1,908,516				534,362		2,442,878			N	Y	FO	29 U.S.C. 796d	All - see program unit/activity description	
			APD	APD Program	Other Services	The Centers for Medicare and Medicaid Services (CMS) requires DHS to coordinate with Medicare in many areas and clients need help accessing other programs for which they are eligible. The federal Medicare program is the most common program clients need assistance with. APD determines client eligibility and submits client data to CMS for two Medicare-related programs: Medicare buy-in and Medicare Part D low-income subsidy. APD served more than 130,000 clients in these two programs over one year. These programs help low-income beneficiaries with their cost-sharing requirements. Securing this coverage also ensures Medicare remains in a "first payor" status, ultimately saving the state's Medicaid program significant money.		12	5,855,130		3,821,204		11,896,217		21,572,551			Y	Y	FO	ORS 410.070	All - see program unit/activity description	POP 128 - Family Caregiver & Community Support Initiative, POP 132 Deaf and Hard of Hearing Services
			APD	APD Program	Older Americans Act	Services and supports provided to individuals under the Older Americans Act (OAA) provide vital assistance designed to prevent or delay entry into Medicaid-funded long-term care such as In-Home or 24-hour residential services. The OAA is a Federal law that set out a national aging network structure consisting of the U.S. Administration on Aging (AoA) now part of the Administration for Community Living, State Units on Aging (DHS/Aging and People with Disabilities program), and Area Agencies on Aging (AAAs). The OAA authorizes funding and services through this network to serve older individuals in their homes and communities, through local entities. All individuals, aged 60 or older, regardless of income are eligible to receive services but the programs are targeted towards those in greatest social or economic need. A specific focus on how to better serve diverse populations of older adults across race/ethnicity, sexual orientation, gender, veteran status, and other intersecting categories are essential with the continually changing demographics of Oregon.		12	2,235,831				33,427,805		35,663,636			N	Y	FO	ORS 410.070	All - see program unit/activity description	
			APD	APD Program	Oregon Project Independence	This is a 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 or a related dementia disorder. Approximately 5,000 Oregonians are served in this program. It represents a critical element in Oregon's strategy to prevent or delay individuals from leaving their own homes to receive services in more expensive facility-based settings, or depleting their personal assets sooner than necessary and accessing more expensive Medicaid health and long-term service benefits. The program was expanded by the 2005 Oregon Legislature to include younger adults with disabilities. In 2014 and 2015 a pilot program was funded expanding the program to adults ages 19-59 with physical disabilities. Through this pilot more than 500 individuals have been served. OPI is administered statewide by local Area Agencies on Aging (AAAs). Many areas have waiting lists due to high demand and limited program funding. Client eligibility is determined by an assessment of functional ability and natural supports related to activities of daily living. Typical services include assistance with housekeeping, bathing, grooming, health care tasks, meal preparation, caregiver respite, chore services, adult day services and transportation. The OPI program has no financial asset limitations for clients. A sliding fee scale is applied to clients with net monthly income between 100 and 200 percent of the federal poverty level (FPL) to pay toward the cost of service. A small group with income above 200 percent of FPL pays the full rate for services provided. Generally, this is because they benefit from the case management, ongoing support and monitoring, in addition to the actual purchased services.		12	28,106,710						28,106,710			N	Y	S	ORS 410.410		

				SSP	Employment Related Daycare		ERDC assists low-income families in obtaining child care so they can work and attend training or education needed to advance in their employment. The ability to go to work and not worry about child care assists parents in gaining economic stability. Parents receive a sliding subsidy amount based on income toward their child care allowing them more options in connecting to reliable, quality providers. Quality providers can help improve school readiness during the critical learning years of birth to five. The program has a higher rate of payment available for working families who need child care and have a child with special needs. Providers approved by DHS meet a set of health and safety standards, attend training, submit to monitoring visits and pass required background checks before they can receive payment on behalf of the family.	Enhanced child care	12	74,640,480		95,922,857				170,563,337			Y	N	FO	ORS 409.010(2)©, 411.141 and 418.485	All - see program unit/activity description	POP 125 - Expand ERDC
				SSP	Refugee Program		The program serves individuals and families who fled persecution in their country of origin and were legally admitted for resettlement by the United States government. Refugees and people who have been granted asylum access the program for financial, employment-related and acculturation services. The program guides refugees toward economic stability through employment as early as possible. The program serves only those persons in immigration categories approved by the Federal Office of Refugee Resettlement (ORR).		12				13,645,633			13,645,633			N	N	FM	ORS 411.060, 409.010(2) ©, 409.010(2) (h)	All - see program unit/activity description	
				SSP	Cash Assistance	TANF Transition	Services are available to families who transition from TANF cash benefits to employment. These programs include allowing families to make more money before closing the TANF grant, a reduced copay for childcare, and three months of supportive cash benefits once the TANF has closed. These services are intended to provide a glide path for families as they transition to employment and help ease the burden of the costs related to this change.	TANF re-entry, TANF family stability	12	3,353,140						3,353,140			N	N	FO	State Statutes Chapters 411 and 412.	All - see program unit/activity description	
				SSP	Youth Services		My Future - My Choice program is an age-appropriate, medically accurate, sexual health education program. This service supports community prevention efforts to help families break the generational connection to public assistance. The program expands on the historical teen pregnancy prevention program to provide education and tools for youth to resist multiple risk-taking behaviors. DHS partners with the Oregon Department of Education and the My Future - My Choice Advisory Committee to develop and implement the program.		12	2,554,375			1,397,335			3,951,710			N	N	FO	The Title V Federal Abstinence Education Program Grant	All - see program unit/activity description	
				SSP	Teen Parent Child-Care		Teen parent contracted child care services are administered through the DHS Child Care Program. The program assists teen parents with income below 185% FPL in accessing child care to allow them to participate in an approved education program leading to graduation from high school or a general education diploma (GED) completion program. The goal of the teen parent program is to support teens in education to help this vulnerable population out of poverty. The contracts were transferred from the Early Learning Division to DHS beginning January 1, 2018. There are currently 32 contracts in all DHS districts except 7 and 13. The contracted child care services are paid through the Child Care Development Funds (CCDF). Due to federal funding limitations the child care program cannot pay child care services for teen parents who are eligible for TANF (teen parents must pursue TANF first).		12			2,708,000				2,708,000			N	N	FO	ORS 409.010(2)©, 411.141 and 418.485		
				SSP	SUD Childcare		The Department of Education, Early Learning Division (ELD) supported contracts with Substance Use Disorder (SUD) treatment clinics to cover child care for parents in treatment for several years. Due to changes in the funding source, 2014 Reauthorization of the Child Care Development Block Grant, ELD was no longer able to leverage these funds to support the contracts. Department of Human Services (DHS) worked closely with the SUD facilities, ELD, Child Welfare, and Oregon Health Authority to create the DHS SUD child care program to allow for continued support for the SUD facilities and the families they serve. DHS leveraged TANF Federal funding to support the contracts to cover child care needs for families in SUD treatment. The TANF funding allows DHS to cover the cost of care for up to 4 months while the families apply for a TANF grant and work with their local DHS worker to create a case plan that includes SUD treatment. Once a case plan is in place the child care is covered through the local DHS JOBS support service payment budgets.		12				900,000			900,000			N	N	FO	45 CFR 260.31 (b) & ORS 411.117 (1) (e)		
				CW	Private Adoption Services		Adoptions finalized in an Oregon court for a child who is not in the custody of the Department of Human Services. DHS provides background checks and files petitions and provides adoption assistance for eligible private adoptions.	Timely adoption, Timeliness and permanency of child reunification	12	570,310			683,761			1,254,071			N	Y	FO	ORS 109.309	All - see program unit/activity description	
				CW	Contracted Adoption Services		Contrators provide adoption committee presentation, placement, adoption supervision and finalization services.	Timely adoption, Timeliness and permanency of child reunification	12	2,343,551			2,127,602			4,471,153			N	Y	FO	ORS 419A and 419B	All - see program unit/activity description	
				CW	Independent Adoption Services		Contracted adoption agencies provide placement reports for independent adoptions as assigned by DHS. They also complete home studies when assigned by DHS.	Timely adoption, Timeliness and permanency of child reunification	12			256,442				256,442			N	N	FO	ORS 109.309	All - see program unit/activity description	
				CW	Assisted Search Services		Contractors provide assisted search services for the Adoption Search & Registry Program, search for eligible birth and adoptive persons.	Timely adoption, Timeliness and permanency of child reunification	12			93,318				93,318			N	N	FO	ORS 109.309	All - see program unit/activity description	
				CW	Youth Investment Programs		State only funding for Homeless, Runaway Youth programs and funding for the Early Learning Division for Relief Nurseries, etc.	Timely adoption, Absence of repeat maltreatment, Timeliness and permanency of child reunification	12	216,663			8,370,317			8,586,980			N	Y	S	ORS 418.015		
				CW	Child Care for Foster Parents		\$375 per month per child reimbursement to foster parents when all foster parents work outside of the home.		12		7,171,980	4,610,089			11,782,069			N	N	FM	ORS 418.015			
										2,355,799,528	0	357,082,948	0	4,450,655,164	2,214,345,331	9,377,882,971	745	721.00						



★ Oregon Health Authority (OHA) Shared Service: OHA program also providing services to DHS.
★ Department of Human Services (DHS) Shared Service: DHS program also providing services to OHA.

**DEPARTMENT OF HUMAN SERVICES
2017-19 Legislatively Approved Budget
Budget Structure**

Department of Human Services

9,056 Pos / 8,612.17 FTE

**Central Services, Shared Services,
State Assessments & Enterprise-wide Costs**

975 Pos / 916.69 FTE

VR Basic Rehabilitative Services

259 Pos / 258.25 FTE

Self Sufficiency

2,524 Pos / 2,368.29 FTE

Aging and People with Disabilities

1,462 Pos / 1,395.51 FTE

Child Welfare

2,922 Pos / 2,763.73 FTE

Intellectual & Developmental Disabilities

914 Pos / 909.70 FTE

**DEPARTMENT OF HUMAN SERVICES
2019-21 Governor's Budget
Budget Structure**

Department of Human Services

9,339 Pos / 9,122.81 FTE

**Central Services, Shared Services,
State Assessments & Enterprise-wide Costs**

930 Pos / 914.81 FTE

VR Basic Rehabilitative Services

261 Pos / 260.04 FTE

Self Sufficiency

2,520 Pos / 2,517.10 FTE

Aging and People with Disabilities

1,487 Pos / 1,489.22 FTE

Child Welfare

3,217 Pos / 3,045.70 FTE

Intellectual & Developmental Disabilities

924 Pos / 895.94 FTE

**Department of Human Services
2019-21 Agency Request Budget
Revenue Narrative**

Forecast methods and assumptions

Revenues for the Department of Human Services comes from funding sources classified as the state General Fund, Other Funds and Federal Funds. Three major methodologies are used to project revenues for the department:

- The category of expenditures based on estimated Average Daily Populations (ADP) and Cost per Case (CPC) is primarily used for federal entitlement grants.
- Grant cycles and where they fall within the biennium are considered for block grants. Assumptions based on the results of prior grant averaging and the anticipated effect of the federal budget process both are used to project the amount of funds that will be received.
- The historical receipt trends method is used for Other Funds sources such as collections of overpayments and fees unless the agency has additional information, such as anticipated special projects that would increase revenue or a temporary need for additional staff that will change the projections for a specific period.
- Recent changes in state or federal statutes and regulations that affect the availability or timing of revenue receipts.

Significant known federal revenue changes or risk factors

Sequestration & Reauthorization

The possibility of sequestration being implemented at the federal level could cause a significant impact in federal funding for programs related to Child Welfare, Self Sufficiency and Vocational Rehabilitation. Additionally, there are several federal programs up for reauthorization that could also impact funding.

Major funding sources

The following section identifies the major funding sources for DHS. All references to a grant “Title” are references to the originating statute in the federal Social Security Act.

Federal Revenues

Medicaid (Title XIX)

Medicaid provides reimbursement to states for medical care and related services to low income and other medically needy individuals, and currently funds services in all DHS programs. This includes financing for:

- Health care services provided under the Oregon Health Plan;
- Private insurance premiums;
- Long-term care in institutional and community-based care settings;
- Some client care provided in state hospitals;
- Residential treatment services to adults and youth;
- Central administration of alcohol and drug programs;
- Medical and non-medical transportation for Medicaid eligible individuals;
- Family planning services for individuals not enrolled in the Oregon Health Plan; and
- Uncompensated care provided by hospitals serving a high proportion of Medicaid and uninsured individuals.

State General Fund or Other Funds must be used to match federal Medicaid dollars for administration and direct service payments. The administration match rate is primarily 50 percent. A 75 percent Federal Fund match is available for skilled professional medical personnel, certification of nursing facilities, and related information systems activities, including the Medicaid Management Information System (MMIS) computer system support and Preadmission Screening and Resident Review (PASRR) activities. The current average federal Title XIX match rate for service payments to providers for the 2017-19 biennium is 63.33 percent and projected 61.39 percent for 2019-21. The cost of services and supplies for Family Planning is matched at 90 percent. The Breast and Cervical Cancer (Treatment) program, which is an optional Medicaid program, receives the enhanced CHIP Title XXI match rate of 97.33 percent in the 2017-19 biennium and a projected rate of 81.60 percent in the 2019-21 biennium.

Most services in Oregon are provided through seven Medicaid programs that require waivers of federal requirements. The Oregon Health Plan is the largest of these waiver programs. DHS must obtain approval from the

federal Centers for Medicare and Medicaid Services (CMS) to make changes to its Medicaid program whether the changes are Medicaid state plan services or waiver services.

Supplemental Nutrition Assistance Program (SNAP)

The SNAP program provides children and low-income people access to food, a healthy diet and nutrition education. The program is 100 percent federally funded by the US Department of Agriculture (USDA) Food and Nutrition Service (FNS). SNAP benefits are distributed by DHS in the form of an Electronic Benefits Transfer (EBT) card, known as the Oregon Trail Card. The cash out program provides SNAP benefits to selected elderly clients in four counties using a direct cash payment. These benefits are also 100 percent federally funded.

The SNAP employment and training program provides some reimbursement to families and individuals participating in educational activities and finding employment. The program is 100 percent federally funded up to the state's specified cap. Expenditures above the cap are funded with 50 percent state funds and 50 percent Federal Funds.

FNS funds 50 percent of the state's administrative costs for operating the SNAP EBT program, the cash out program and the employment and training program. States may receive enhanced funding for up to 60 percent of their administrative costs if their SNAP error rate is below the national average.

This grant currently funds programs in DHS Self Sufficiency and Aging and People with Disabilities. The projection of revenue is based on estimated Average Daily Populations (ADP) and Cost per Case (CPC).

Temporary Assistance for Needy Families (TANF, Title IV-A)

Under the Personal Responsibility and Work Act of 1996 (PRWOA), Oregon is eligible to receive an annual Temporary Assistance for Needy Families (TANF) federal block grant. To qualify for this grant, the state must expend a minimum of state and local revenues on TANF-related services to meet federal maintenance of effort requirements (MOE).

Some of these state and federal revenues fund Temporary Assistance to Needy Families (TANF)-eligible services. In Oregon, these services are cash assistance for single and two-parent families, domestic violence emergency assistance, and employment and training (JOBS) services. DHS and other agencies also use TANF revenue to fund related programs such as foster care, prevention services, alcohol and drug treatment services, transportation, and housing assistance for homeless persons. Administrative and direct service costs can also be reimbursed using TANF revenues. Administrative costs are limited to no more than 15 percent of total TANF expenditures with certain limited exceptions.

The block grant concept, under which TANF operates, places restraints on service delivery. Federal funds are capped, which means no federal revenue is available for increasing program costs. This limitation on revenue requires Oregon to essentially self-fund any program increases. This grant currently funds programs in DHS Self Sufficiency and Child Welfare. The projection of revenue is based on the grant cycle.

Foster care and adoption services (Title IV-E)

The foster care and adoption assistance program is an entitlement program funded under the Social Security Act, Title IV-E. Children taken into custody due to imminent risk of harm because of abuse and neglect are provided foster care placement and medical care through grant funding. Title IV-E eligibility is based on many factors including the income of the child and the family. Title IV-E-eligible children are also categorically eligible for Medicaid.

Federal financial participation is available at the Medicaid FMAP rate for program costs, and at the rate of 50 percent for administrative expenditures necessary for the administration of the Title IV-E state plan. The state's cost allocation plan identifies which administrative costs are allocated and claimed under this program. Federal financial participation also is available at the rate of 75 percent for the costs of:

- Training personnel employed or preparing for employment by the state or local agency administering the plan; and
- Providing short-term training to current or prospective foster or adoptive parents and the members of the

state licensed or approved child care institutions providing care to foster and adopted children receiving Title IV-E assistance.

All training activities and costs funded under Title IV-E must be included in the state agency's Child Welfare services training plan. This grant funds Child Welfare programs. The projection of revenue is based on estimated Average Daily Populations and Cost per Case.

Section 110 (Basic 110 Grant)

Basic 110 Grant, (US Department of Education) which is available to assist people with disabilities in becoming employed, is a formula grant based on the state's population and per capita income. The funds available to Oregon are divided between Vocational Rehabilitation (84.4 percent) and the Commission for the Blind (15.6 percent). These Federal Funds must be matched with state funds. Under the new Workforce Investments and Opportunities Act, 15% of this grant must be set aside to be spent on pre-employment transition services for youth.

Oregon Disability Determination Services (DDS)

Oregon Disability Determination Services (DDS) provides timely and accurate eligibility for Oregon citizens applying for Social Security disability benefits. Although the disability program, as part of the Social Security Administration (SSA), is administered by the federal government, state agencies make the initial medical determination of disability. The Oregon DDS is 100 percent federally funded.

Social Services Block Grant (SSBG, Title XX)

The Social Services Block Grant (SSBG) is one of the most flexible grants provided by the U.S. Department of Health and Human Services. The objective of SSBG is to provide the social services that best meet the needs of individuals residing in the state. Oregon uses SSBG to fund varied programs, including Child Welfare Prevention and Safety programs. SSBG has no matching or maintenance of effort requirements. Congress is considering discontinuing this grant.

Older Americans Act

Funds are allocated to Oregon annually through the Older Americans Act. The Aging and People with Disabilities (APD) program allocates program funds by a federally approved population formula to the 17 area agencies on aging. Emphasis is placed on serving the most economically and socially needy persons 60 years of age and older. There is a 15 percent match requirement of which 10 percent is met by area agencies on aging and 5 percent from state sources through local funds, in-kind and Oregon Project Independence (OPI) allocations.

- State administration funds provide for state plan administration. There is a 25 percent match requirement met with OPI funds.
- Title III funds provide for support services such as transportation, legal assistance, in-home care, and congregate and home-delivered meals programs. The act allows for provision of in-home services for frail individuals to prevent premature institutionalization and preventive health services for elderly clients in rural areas. It also provides funding for family caregiver support and training and services to prevent abuse of the elderly. The match requirement ranges from 15 to 25 percent depending on whether the funds are for administration or program expenditures.
- Title V programs subsidize part-time paid community service work for low-income persons, aged 55 and over and job training skill. There is a 10 percent match requirement, which is met by the program operators.
- Title VII funding provides support for the long-term care ombudsman and prevention of elder abuse, neglect and exploitation. No match is required for Title VII.
- The Nutrition Services Incentive Program grant (NSIP) supplements Title III-C local funds to provide nutrition services to eligible Older Americans Act participants. Funds are 100 percent federal. No match is required.

Child welfare services (CWS) block grants (Title IV-B)

Title IV-B consists of two formula grants. The first is the basic child welfare services grant. It may be used for many services including homemaker, protective and reunification services, and on a limited basis for foster care, adoptions and day care. The amount of federal funding allotted to the state for this grant is based on the state's population of children and state per capita income. IV-B subpart one requires a 26 percent state match.

The second part of Title IV-B is the Promoting Safe and Stable Families grant. The focus of the grant is on family preservation, family support services, reunification, and adoption promotion and support. The amount of federal funding allotted to the state is based on the number of children in the state receiving Supplemental Nutrition Assistance Program (SNAP, formerly food stamps). Match for IV-B sub-part two is a 25 percent state match.

Medicaid XIX Local Match

The Intellectual & Developmental Disabilities (I/DD) program matches Medicaid Title XIX funds with funds or services from transit districts, community developmental disability programs and others for providing enhanced non-medical transportation and administrative costs.

Refugee resettlement

The refugee resettlement program provides time-limited cash and medical assistance as well as social services to refugees entering the country. The refugee resettlement program and administration expenditures are 100 percent Federal Funds, as defined by the Immigration and Nationality Act of 1980.

Chafee Foster Care Independence grants (Title IV-E)

The Chafee Foster Care Independent Living program was established to assist youth likely to remain in foster care until 18 years of age and children who “age out” of foster care but have not yet turned 21. The program is designed to help eligible youth make the transition from foster care to independent living. This program also includes the Education and Training Vouchers program.

The Chafee Foster Care Independent Living program is funded with a formula grant based on the number of children in the state in foster care. These grants currently fund DHS Well Being programs. The projection of revenue is based on grant cycle and require a 20 percent state match.

Children's Health Insurance Program (Title XXI)

The Children's Health Insurance Program (CHIP) provides federal matching funds for medical care of children through age 18 who do not have insurance but whose parents earn too much for traditional Medicaid. These services are covered through the Oregon Health Plan (OHP). This grant currently funds the Self Sufficiency OHP Processing Center.

Family Violence Prevention grant

The Family Violence grant is a discretionary grant that supports states in the establishment, maintenance and expansion of programs and projects to prevent incidents of family violence as well as programs that provide immediate shelter and related assistance for victims of family violence and their dependents. This grant currently funds DHS Child Welfare programs. The projection of revenue is based on grant cycle.

Developmentally Disabled Service Act (DDSA)

Congress sets a national allocation determining the amount of annual funding for this grant, which is administered by the Developmental Disabilities (DD) Council in partnership with DHS. Program expenditures are limited to programs for clients with developmental disabilities and are guided by a state plan submitted to the federal government. There is a 5 percent limit on administrative expenditures except for expenditures by the DD Council.

This grant currently funds DHS Intellectual & Developmental Disabilities programs. The projection of revenue is expenditures-based using estimated Average Daily Populations and Cost per Case. Federal law requires a state or local match, most of which can be in-kind.

Assistive technology

The Assistive Technology Act of 1998 supports state efforts to improve the provision of assistive technology (AT). Grant funds allow implementation of programs designed to meet the AT needs of individuals with disabilities, including plans that improve access to and acquisition of AT devices and services for individuals with disabilities. This grant is in the VR – Basic Rehabilitative Services program.

Child Abuse Prevention and Treatment Act grant

The Child Abuse Prevention and Treatment Act grant (CAPTA) provides funding to help states improve their child protective service system within the Child Welfare programs. The funding is administered by the US Department of Health and Human Services, Administration for Children, Youth and Families. Federal legislation authorizes an annual award of funds to states that submit plans designed to improve their child welfare service system every five years and meet certain other eligibility requirements. The amount of CAPTA funding varies from year to year and has no matching requirement. Funding is provided to the state for use on a statewide basis.

Section 633 (Title VI-C grant for supported employment)

This grant assists the state in developing programs with public and private agencies for training and services leading to supported employment for individuals with severe disabilities. This grant under the new Workforce Investments and Opportunities Act must set aside 50 percent for services to the most severely disabled youth. The 50 percent set aside must be matched with 10 percent non-federal fund expenditures. The remaining 50 percent of the grant is 100 percent Federal Funds and does not require state match.

Section 711 (Independent living rehabilitation, Part B)

Independent living rehabilitation funds support the state Independent Living Council and Independent Living Centers. This grant has a required 10 percent match.

K-Plan and Plan of Care

APD and I/DD implemented the K Plan and the Plan of Care in the 2013-15 Biennium. The K Plan is a Medicaid state plan option that allows Oregon to provide home and community-based services and supports while receiving a six percent increase in federal medical assistance funds for those services. Plan of Care in the I/DD program will replace the need for General Fund allocations to County Developmental Disability Programs and Brokerages, allowing all providers to bill on a fee for service basis.

Rehabilitation Act grants (US Department of Education)

The Rehabilitation Act grants are the major funding source for programs provided through Vocational Rehabilitation Services (VR). The projection of revenue is based on grant cycle.

Other Funds

Long-term care facilities tax

The current tax rate is set to collect up to 6 percent of resident service revenues of non-exempt long-term care facilities. Revenue projections are based on previous years' cost reports, current year tax reports, and a growth factor. Provider tax dollars are used to offset General Fund expenditures for nursing facility services. The provider tax will sunset in June 2021.

Client account collections estate recoveries

Funds are collected from the estates of clients to reimburse previous cost of care. Collections are used to reimburse cost and offset both the Title XIX program cost and General Fund costs.

Collection of overpayment

Overpayment recoveries are recovered program dollars incorrectly paid to or for clients through client error or fraud. Recovery may be made in any of several program areas including food stamps, child care, public assistance cash and public assistance grant reductions. The projection for these revenues are developed using past performance, inflation and changes in caseloads and regulations as indicators of future trends. Public assistance recoveries are applied against program expenditures during the month of the recovery. Food stamp and child care overpayment recoveries are budgeted as Other Funds.

The projection of revenue is based on historic receipt trends.

Care of state wards

Trust recoveries are Other Funds collected from Social Security Administration (SSA), Social Security Insurance (SSI) and child support payments and used to reimburse the state for the maintenance cost of children in care. Trust

recoveries come from collection of SSI disability payments, child support payments and SSA death and survivor benefits. Trust recoveries are used in place of General Fund to match Title XIX Federal Funds for the long-term care program. Trust recoveries currently fund Child Welfare (CW) and Intellectual & Developmental Disabilities (I/DD) programs. The projection of revenue is based on caseload trends and historical receipt trends.

Quality of Care Fund

During the 2009 Legislative Session, HB 2442 required the establishment of the Quality of Care Fund and increases in fee schedules for adult foster homes, residential care and assisted living facilities, as well as increases in state civil penalties. Revenue collected from APD and I/DD licensing fees and civil penalties are dedicated to promoting quality of care and life in long-term care settings, including enhancement and maintenance of long-term care facility licensing and regulatory activities and additional training and technical assistance for facilities.

Fees and premiums

The CW programs collect fees for adoption home study and registry, sexual abuse therapy fees, and fees for fingerprinting under ORS 409.015.

Domestic violence receipts

Enacted in 1981, marriage license fees are dedicated to fund the domestic violence program. Legislation directed that the unitary tax and the criminal fines and assessments account provide additional funding for this program. Expenditures are limited to the amount of revenue received. Domestic violence receipts currently fund programs in the Self Sufficiency (SS) programs. The projection of revenue is based on historical receipt trends for marriage license fees and Department of Revenue projections for criminal fines and assessments accounts.

Local school funding for rehabilitation services

Other Funds from local schools are used as the 21.3 percent state match needed for the Basic 110 Grant for rehabilitation services which is funded with 78.7 percent federal funds. The Youth Transition Project (YTP) is a collaborative program with school districts that assists youth with disabilities in their transition from school to the community work force. The projection of revenue is capped based on agreements with schools.

Child Care and Development Fund

CCDF is authorized by the Child Care and Development Block Grant Act (CCDBG) and Section 418 of the Social Security Act. CCDF assists low-income families in obtaining child care so they can work or attend training/education. The program also improves the quality of child care and promotes coordination among early childhood development and afterschool programs.

On February 9, 2018, Congress passed, and the President signed a two-year federal budget, which included an additional \$5.8 billion in discretionary funding for the CCDBG. This represents the single largest increase in federal child care funding since the enactment of CCDBG, increasing discretionary funding from \$2.9 billion in Federal Fiscal Year (FFY) 2017 to \$5.8 billion in FFY 2018.

Oregon's share of these new federal funds is \$25,600,808 for FFY 2018 and is estimated to equal this increase for FFY 2019.

Department of Human Services

Revenue Estimate Report

Biennium: 2019-21

Revenue Source	Fund	ORBITS Revenue Acct	Type (Fee, Charge for Service, Other)	2015-17 Actual	2017-19 Leg Adopted	2017-19 Projected (Actuals + Estimate for remainder of biennium)	2019-21 Estimate	Comments**
Food Stamp Authorizations	Federal N/L	0995	CFDA # 10.551 USDA	2,118,672,729	2,202,659,975	2,019,178,557	2,019,178,557	
Summer Meals	Federal N/L	0995	CFDA # 10.559 USDA	11,239,794	11,685,356	11,473,129	11,473,129	
Total Federal Funds Non-Limited				2,129,912,523	2,214,345,331	2,030,651,686	2,030,651,686	
Food Stamp Administration	Federal Ltd	0995	CFDA # 10.561 USDA	156,140,376	185,390,734	189,467,231	155,789,664	
Food Stamp Employment & Train	Federal Ltd	0995	CFDA # 10.561 USDA	6,873,249	18,160,840	14,284,987	14,284,987	
SNAP 2 year Nutrition Obesity	Federal Ltd	0995	CFDA # 10.561 USDA	15,253,844	18,111,403	13,435,232	13,435,232	
Basic 110	Federal Ltd	0995	CFDA # 84.126 USED	98,275,329	115,685,612	110,578,342	110,578,342	Current grant ends in 19-21, possible to renew
Prog for the Aging VII	Federal Ltd	0995	CFDA # 93.045 USDHHS	30,258,254	35,926,645	12,135,400	12,135,400	
NSIP Cash-in-Lieu	Federal Ltd	0995	CFDA # 93.053 USDHHS	3,836,703	4,555,447	2,745,789	2,745,789	
Title IV-E Guardianship Assist	Federal Ltd	0995	CFDA # 93.090 USDHHS	14,252,241	18,922,166	17,217,347	17,217,347	CW Permanency model + cost allocation est.
National Background Check Prog	Federal Ltd	0995	CFDA # 93.506 USDHHS	233,561	277,315	311,375	311,375	
IV-B Caseworker Visits	Federal Ltd	0995	CFDA # 93.556 USDHHS	8,123,359	9,645,138	5,110,254	5,110,254	working w/ Grants staff to get a firmer number
Temp Assistance for Needy Families	Federal Ltd	0995	CFDA # 93.558 USDHHS	331,859,834	392,028,372	317,913,519	281,366,377	BPA TANF Analysis
Chafee Educ & Training Vouchers	Federal Ltd	0995	CFDA # 93.599 USDHHS	2,041,927	2,424,449	1,199,469	1,199,469	
Title IV-B CWS-Subpart 1	Federal Ltd	0995	CFDA # 93.645 USDHHS	7,876,669	14,352,235	12,849,917	12,849,917	
Title IV-E Foster Care Program	Federal Ltd	0995	CFDA # 93.658 USDHHS	186,658,429	207,625,847	156,836,518	128,741,824	CW Safety & Well being models + CA est
Title IV-E Adoption Assistance	Federal Ltd	0995	CFDA # 93.659 USDHHS	80,667,451	95,779,185	75,579,207	72,316,017	CW Permanency model + cost allocation est
Title XX Social Services Block Grant	Federal Ltd	0995	CFDA # 93.667 USDHHS	38,902,480	46,190,226	35,125,232	35,125,232	CW Analysts / Award letters
Title IV-E Independent Living	Federal Ltd	0995	CFDA # 93.674 USDHHS	5,304,209	6,297,866	5,682,600	5,682,600	CW Well being model
Medicare Cerification Admin	Federal Ltd	0995	CFDA # 93.777 USDHHS	6,345,114	7,533,768	7,545,349	6,145,349	
Medicaid-Admin	Federal Ltd	0995	CFDA # 93.778 USDHHS	256,501,737	354,553,162	328,104,200	290,426,309	
Medicaid-MAP	Federal Ltd	0995	CFDA # 93.778 USDHHS	3,257,903,299	3,817,218,448	3,402,967,721	3,375,781,589	
Medicaid Certification	Federal Ltd	0995	CFDA # 93.796 USDHHS	5,304,807	7,298,576	7,537,926	6,174,400	
DDS Disability Determination Serv	Federal Ltd	0995	CFDA # 96.001 Social Securi	58,515,553	69,477,489	70,534,268	62,200,000	DDS Model + Cost allocation estimate
Misc Federal Grants	Federal Ltd	0995	Misc Federal Grants	30,010,671	35,632,682	31,884,117	30,010,671	
Total Federal Funds Limited				4,601,139,096	5,463,087,605	4,819,046,000	4,639,628,144	
APD Provider Tax	Other Ltd	0190	Other Selective Taxes	117,696,672	156,381,795	156,381,795	141,128,643	
CW Child Safety-Marriage License Tax for Don	Other Ltd	0205	Business Lic & Fees	1,596,625	1,271,016	919,600	919,600	
CW Children's Ombudsman- Revenues and Bi	Other Ltd	0205	Business Lic & Fees	318,499	223,546	257,155	257,155	
CW Permanency Adoption Admin Fees	Other Ltd	0205	Business Lic & Fees	66,382	88,486	53,613	53,613	
DD License Renewals- LTC Quality Initiatives	Other Ltd	0205	Business Lic & Fees	972,644	769,813	1,351,722	1,351,722	
IDD Care of State Wards	Other Ltd	0420	Care of State Wards	9,405,015	17,856,523	7,919,282	7,919,282	
APD Design Fines and Forfeitures	Other Ltd	0505	Fines & Forfeits	789,369	-	1,389,352	1,389,352	penalties
CAM & IE Bond Sales	Other Ltd	0555	General Obligation Bonds	9,710,000	12,160,329	12,160,329	-	19-21 if IE/ME POP it could be bonded
Interest Income for APD, IDD and CW	Other Ltd	0605	Interest & Investments	1,615,437	-	719,505	719,505	
Sales Income for CW Discovery, APD, Del&De	Other Ltd	0705	Other Sales Income	31,416	-	13,482	-	Unable to project on sales
Donations CW	Other Ltd	0905	Donations	208,734	-	198,165	-	Unable to project on donations
OF Grants- Casey Family	Other Ltd	0910	Grants (Non-Fed)	304,499	-	-	-	carry over only
SAEC, Shared, Central, APD-CW-SS Deliver &	Other Ltd	0975	Other Revenue	154,230,283	189,322,172	185,079,172	185,079,172	Includes Shared
APD Client Contributions	Other Ltd	0975	Other Revenue	5,735,284	13,706,584	13,041,795	13,041,795	
APD-XIX Estates Recoveries	Other Ltd	0975	Other Revenue	22,675,160	30,468,942	29,923,402	29,923,402	
APD Saif Dividend	Other Ltd	0975	Other Revenue	1,969,706	2,746,723	1,400,000	1,400,000	

Department of Human Services

APD-Medicaid MAP	Other Ltd	0975	Other Revenue	6,629,405	9,008,028	5,369,970	5,369,970	grant rev less estate and loans
IDD-Settlement Community-IDD	Other Ltd	0975	Other Revenue	4,821,974	6,579,356	-	-	carry over only
IDD-SAIF Dividend Dist for HCW/PSW	Other Ltd	0975	Other Revenue	1,665,701	2,297,721	1,200,000	1,200,000	
IDD-Medicaid Admin Match Revenue	Other Ltd	0975	Other Revenue	4,250,147	5,810,984	4,206,096	4,206,096	
IDD-Medicaid Map Match Revenue	Other Ltd	0975	Other Revenue	9,597,099	12,895,761	5,730,138	5,730,138	
CW Well Being Trust in Lieu	Other Ltd	0975	Other Revenue	10,712,367	14,394,363	10,375,712	10,375,712	
SSP A/R's Due to Overpayments	Other Ltd	0975	Other Revenue	5,199,845	6,987,107	3,093,642	3,093,642	(restitution + Ovp)
TANF Non Reportable	Other Ltd	0975	Other Revenue	930,224	1,249,955	1,100,000	1,100,000	
State Family Pre SSI Other Fund	Other Ltd	0975	Other Revenue	551,966	741,685	446,472	446,472	
SAEC One-time Rent	Other Ltd	0975	Other Revenue	2,608,120	3,504,569	-	-	One time
SAEC Sublease Rent	Other Ltd	0975	Other Revenue	1,336,849	1,336,849	1,336,849	1,336,849	
VR YTP Grant Match	Other Ltd	0975	Other Revenue	2,263,657	2,820,112	2,549,557	2,549,557	
Spots Visa Rebate	Other Ltd	0975	Other Revenue	326,634	438,903	287,936	287,936	
Misc Other Funds	Other Ltd	0975	Other Revenue	106,571	143,201	2,261,205		
Loan Proceeds	Other Ltd	0980	Loan Proceeds	9,000,000	-	-	-	OF Loan limitation is in SAEC
Transfer in Intrafund-IDD DD Housing Funds &	Other Ltd	1010	Tsfr In Intrafund	3,801,531	-	-	-	Accounting posts it in 1010
Transfer in from General Fund- See entry above	Other Ltd	1060	Tsfr In From General Fund	-	3,753,409	3,200,832	3,200,832	1060 and 6060 have to balance in ORBITS
Tsfr from Revenue-Child Safety Domestic Violence	Other Ltd	1150	Tsfr In From Dept of Rev	2,183,422	2,758,007	2,145,117	2,145,117	
Tsfr from OHA- Vital Records Match	Other Ltd	1443	Tsfr In From Or Health Auth	2,126,063	-	-	-	no revenue to date
Tsfr from Education-SSP Child Care	Other Ltd	1581	Tsfr In From Education	87,671,965	97,035,929	97,037,957	97,037,957	
Tsfr from Transportation- CW Foster Youth Drive	Other Ltd	1730	Tsfr In From Transportation	19,935	106,811	11,909	11,909	
Tsfr from Nursing- XIX Adm 50% Non-waiver	Other Ltd	1851	Tsfr In From Nursing	1,175,221	1,385,878	1,090,709	1,090,709	
XI-Q Bonds CAM and IE	Other Ltd	9999	Agency Transactions	1,126,826	-	2,279,112		From IE/ME Project Office Budget
Total Other Funds Limited				485,431,247	598,244,557	554,531,582	522,366,137	

*When does this revenue typically arrive? Once a year (if yes, give timeframe), seasonally (if yes, give seasonal peaks)?

**Comments: if the revenue comes from a fee, what is the basis for the fee (e.g. who pays)? Has the population of payers increased or decreased?

Are there market forces that may reduce or increase the number of payers and is this expected to continue? Please provide the same kind of information for Charges for Services.

Note: Shaded columns are reported on the Revenue reporting form in the budget binder (107BF07).

Department of Human Services Central and Shared Services, and State Assessments and Enterprise-wide Costs

Mission

To help Oregonians in their own communities achieve safety, well-being and independence through opportunities that protect, empower, respect choice and preserve dignity.

Goals

- Every Oregon child and youth in our care deserves to grow up safely - with support for success in school.
- Every Oregon adult deserves to live in safety – free from abuse, neglect and financial exploitation.
- Every Oregonian has the right to live as independently as possible - with dignity, choice and self-determination.
- Every Oregonian can work to the best of their abilities and contribute to their family and their community.
- All Oregonians deserve efficient and effective services from DHS.

Overview

DHS Central and Shared Services provide critical leadership and business supports necessary to achieve the agency’s mission: helping Oregonians achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity.

DHS and OHA govern their shared services through a board composed of operational leaders of the two agencies, ensuring that shared services are prioritized and managed to support program needs. The board and its subgroups have established service level agreements and performance measures for each service, implemented recent budget cuts selectively, moved staff in and out of shared services to rationalize service delivery, and begun implementing more integrated systems to support the performance of all our employees.

DHS Central Services

DHS Central Services provide essential supports to programs in achieving the department and programs mission, vision and outcomes.

Office of the Director

The DHS Director's Office is responsible for agency leadership, policy development, resource allocation, and administrative oversight for all programs, staff and offices in DHS in a manner that supports equitable outcomes for Oregon's diverse population. These functions are led by the Director and Deputy Director, and coordinated by the Director Cabinet members, with the Governor's Office, the Legislature, other state and federal agencies, Tribes, partners and stakeholders, communities of color, LGBTQIA+ communities, local governments, advocacy and client groups, and the private sector. The Director and Deputy Director oversee Internal Audits and the Office of Training, Investigations and Safety, which provide shared services for both DHS and OHA.

Chief of Staff

The Chief of Staff oversees projects and initiatives with DHS-wide or cross-agency enterprise-wide impact on behalf of the Director. The Chief of Staff also oversees the Governor's Advocacy Office (GAO), which helps affected parties work through questions, concerns, or complaints related to DHS services or departmental action. The office includes the DHS ombudsman program, the office of the Children's Advocate, the Foster Care Ombudsman, and civil rights and discrimination investigations, which also governs the agency's formal complaint process. The GAO works cooperatively with field and central office staff, program staff, legislators, DHS leadership and other key stakeholders to successfully, equitably and respectfully reach issue resolution.

Tribal Affairs

The DHS Director's Office is also home to Tribal Affairs. We are committed to positive working relationships with the nine tribes in Oregon. Staff regularly engages with tribal governments through tribal liaisons and continually strives to ensure these communities receive equitable, sufficient and appropriate services.

Office of the Chief Financial Officer

Office of the Chief Financial Officer (OCFO) provides optimal business services to ensure accountability, data driven decisions, and stewardship of resources in support of the mission of DHS. This is done by working closely with DHS and OHA programs and the OHA Chief Financial Officer, to ensure accurate, timely and

efficient recording and management of financial resources; culturally competent and equitable services; authorizing the redistribution of available resources to meet changing needs; and establishing administrative controls. This office also oversees budget, planning and analysis functions for DHS based programs and leadership of the DHS budget with the Governor's Office, Legislature, Department of Administrative Services (DAS), Legislative Fiscal Office (LFO) and DHS partners.

Office of the Chief Administrative Officer

Office of the Chief Administrative Officer (CAO) provides leadership and direction for the DHS Shared Services and selected Central Services. The CAO oversees the service level agreements (SLA) between Shared Services and OHA. Through SLAs, the CAO provides leadership to ensure that the services provided by each unit utilize the most current best practices from their respective fields to optimize services in the most fiscally responsible and equitable manner possible. The CAO insures that all services and business practices are conducted in a culturally responsive and equitable manner. This oversight includes that of the Office of Program Integrity, which provide operational and case reviews, often mandated by law, to determine how accurately the agency is making eligibility determination; the office provides training where needed. The CAO also oversees Information Support Services and the Office of Business Information, again to ensure policy integrity through data and IT solutions.

Office of Human Resources

The Office of Human Resources serves as a strategic partner to staff by providing proactive and comprehensive human resources services, in alignment with agency and program mission and goals. HR works closely with internal customers on Workforce Strategies that support agency and program needs and strategies and builds a healthy and inclusive workplace culture of ongoing development and feedback to ensure the agency has a diverse workforce with the right people with the right skills, training, and support to do their work, now and in the future. The Office of Human Resources ensures compliance with all federal, state, and local laws pertaining to personnel matters, including affirmative action and equal employment opportunity.

Office of Communications

This office supports the mission by providing accurate information to a diversity of employees, clients, legislators, stakeholders and interest groups, providers and partners, local governments, other state and federal agencies, policymakers, tribes, the news media, targeted audiences, as well as the public. The unit prides itself on

culturally relevant and linguistically competent communication practices. Effective communication is the primary vehicle to demonstrate public transparency, accountability and trust. The office also provides support to the department's priority projects as defined by the DHS Director and executive team.

Office of Government Relations

This unit is essential to the agency's core functions through ensuring that any statutory, policy and budget implications positively impact the Oregonians that we serve. This team coordinates all DHS legislative matters, key stakeholders, federal partners and the Governor's Office. The government relations unit also supports both field and central office staff providing consultation and support in legislative and policy changes, primarily working with central office staff on policy development for program services. Staff in this unit support the director of DHS, the directors of all program and operations in DHS and the district managers in field offices. Legislative work is conducted with the intent of eliminating existing inequities and to promote equitable outcomes, using a comprehensive equity lens.

Office of Legal Relations

This unit manages all lawsuits, tort claims, and subpoenas related to DHS program and operations. Staff in this unit provide expert consultation to DHS field and central office staff, Department of Justice (DOJ) and Department of Administrative Services (DAS) Risk Management in policy related to legal matters. This team ensures timely completion of the required judicial documents to move smoothly through a complex legal matter.

Office of Equity and Multicultural Services

Office of Equity and Multicultural Services (OEMS) provides leadership and direction in supporting the integration of equity, diversity and inclusion policies and initiatives throughout the agency. As an office that assists all DHS program areas, OEMS has two main charges. The first is to guide the agency to ensure a diverse workforce that has the cultural agility and language skills to serve the needs of all Oregonians; and second is to help the agency work toward equitable outcomes for all populations using DHS services. OEMS accomplishes this mission through policy-making, strategic planning, quality improvement consulting, technical assistance, research, Employee Resource Groups (ERGs), Diversity Committees, community engagement, advocacy, ally-ship, partnerships, and continuous learning.

Office of Reporting, Research, Analytics, and Implementation

The Office of Reporting, Research, Analytics, and Implementation (ORRAI)

compiles reports, conducts research, analyzes data, implements research, and provides inter-agency program as well as enterprise wide data. ORRAI provides mission critical information to directors, legislators, partner agencies, and the public. The office utilizes predictive analytics, workload modeling, and DHS and inter-agency program data to improve outcomes for children and families. The office translates data into information and develops practitioner tools to ensure decisions are data informed.

Integrated Eligibility Project Office

Integrated Eligibility Project Office was established to carry out the project's requirements, as described in the Budget Narrative of this document, including promoting and protecting civil rights of Medicaid clients.

Office of Organizational Development

The Office of Organizational Development oversees organizational capacity for continuous advancement toward the DHS mission critical goals. This includes building enterprise partnerships within the community; managing a portfolio of projects impacting organizational development; supporting employee development towards change; employing Lean principles through continuous improvement activities; implementing the DHS performance management system; and supporting volunteerism centrally in DHS and throughout field operations.

Shared Services

DHS Shared Services supports both DHS and OHA by providing optimal business services to ensure accountability, data informed decisions, and stewardship of resources. DHS Shared Services contains the following key offices and programs that serve both DHS and OHA.

Budget Center

This area provides program and administrative budget planning, financial analysis and technical budget support for DHS and OHA. These services are provided for department leadership, program, policy and field managers, staff and external policymakers.

Office of Forecasting and Research and Analysis

Office of Forecasting and Research and Analysis (OFRA) supports DHS and OHA by providing accurate, timely, unbiased caseload forecasts, and related research and analysis to support budgeting, policy development, identification and elimination of inequitable outcomes, and operational planning. This unit reports to

the DHS OCFO.

The Office of Enterprise Data Analytics (OEDA)

This office conducts inter-agency research and advanced statistical modeling to answer cross agency and/or cross programmatic operational questions.

Office of Financial Services

This area provides accounting services, administers employee benefits and payroll, prepares financial reports, and collects funds for DHS and OHA. This area provides accurate, accountable and responsive financial management and business services to clients, providers, vendors, stakeholders and employees to ensure compliance with state laws and federal policies, rules and regulations. This unit reports to the DHS OCFO.

Human Resources Center (HR)

This office provides essential HR administrative functions and services for DHS and OHA, and supports organizational development and an improved common culture of leadership, diversity, inclusion, and engagement across both agencies, through; personnel records management; leave administration; ADA reasonable accommodations, centralized position administration; safety and risk response and management; staff and management training; facilitation service; HR data analysis and reporting; HR policy administration; and internal communication strategies and resources for managers and staff.

Background Check Unit

The Background Check Unit (BCU) provides a comprehensive background screening process to determine if an individual should be allowed to have access to vulnerable people, IT systems or client information. BCU also provides centralized support for FBI Criminal Justice Information Services (CJIS) clearance and training for DHS and OHA staff. BCU is also Oregon's point of contact for processing out-of-state child protective service check requests in support of federal legislation.

Office of Facilities Management

This office provides the management and oversight of all facility and leasing related matters for DHS and OHA administrative offices, branch offices, and other facilities statewide. Its staff and operations support the departments' mission by ensuring that buildings are safe and universally accessible, and by maintaining and operating buildings, telecommunications, and their physical infrastructure in a cost-effective, sustainable, and environmentally responsible manner. This office

collaborates with both DHS and OHA leadership to develop long term strategic plans for the facilities needs of both organizations.

Office of Imaging and Records Management

This office provides services tailored to the business and program operational needs related to: agencies delegated authority regarding imaging, electronic and physical document and records management; data entry of documents to send data to mainframe applications to generate payment to medical and childcare providers; image and data capture of source documents into a central repository; image and data capture of documents into electronic workflow eliminating the need for the customer(s) to process physical documents; archive storage of physical records; tracking of archived records; shipping of archived records; and destruction of physical documents/records per agreement and Secretary of State's Office retention schedule.

Office of Contracts and Procurement

The Office of Contracts and Procurement (OC&P) supports all offices of the DHS, the OHA, and the Home Care Commission by procuring supplies and services in the most cost-effective manner through innovative and responsible solutions. OC&P assists agencies with their supplier diversity programs that seek to include women, minority, and emerging small businesses.

Office of Training Investigations and Safety (OTIS)

This office is responsible for conducting and coordinating abuse investigations and providing protective services statewide in response to reports of abuse and neglect to people they serve, including:

- Adults over the age of 65
- Adults with physical disabilities
- Adults with intellectual or developmental disabilities
- Adults with mental illness, and
- Children receiving residential treatment services

Office of Internal Audit and Consulting

This unit provides independent and objective information and consulting services for DHS/OHA. The internal audit team reviews all areas of DHS/OHA including centralized operations and programs, field offices, and institutions. The unit provides other services such as consultation on internal controls and process improvement efforts, facilitation of risk assessment activities, coordination of

external audits, and tracking and follow-up on both internal and external audit findings.

Office of Payment Accuracy and Recovery

This office provides recovery services by identifying and recovering funds paid in error to clients or providers; investigates allegations of fraudulent activities; investigates and recovers state funds expended for services when a third party should have covered the service; and recovers funds from the estates of Medicaid recipients for the cost of cash and medical benefits provided.

Publications and Creative Design Services

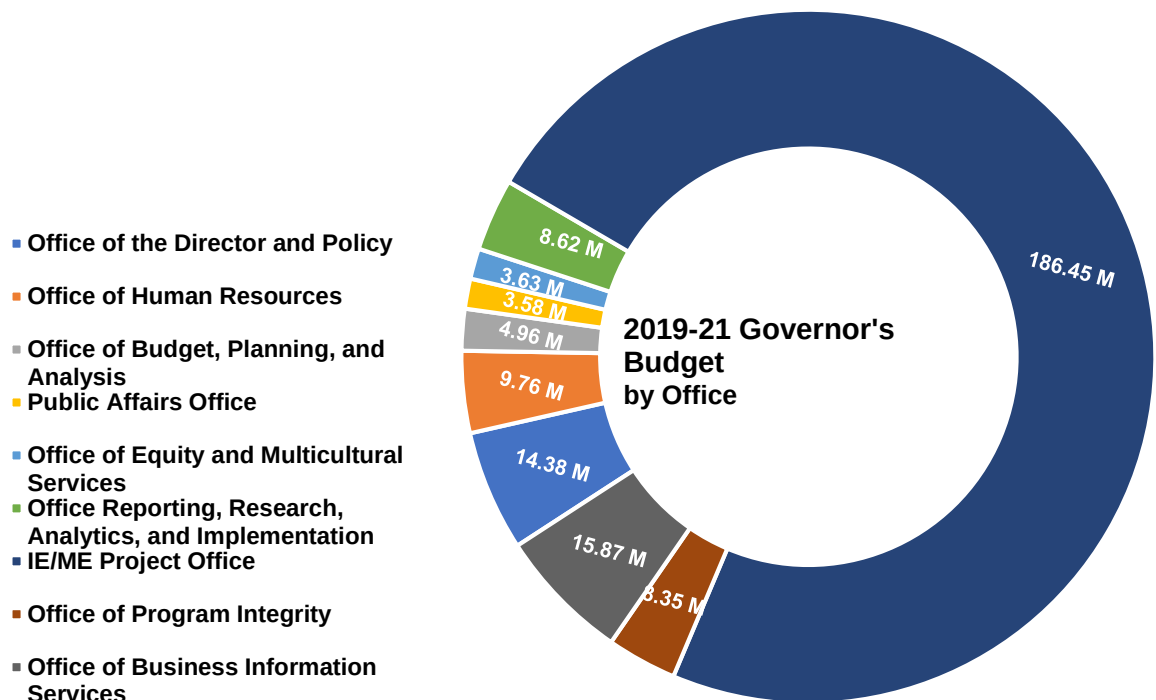
Publications and Design manages the writing, design, development, printing and distribution of DHS and OHA publications for internal and external audiences, which includes accessible formats and multiple languages. P&D provides consulting to plan professional quality publications that reflect DHS and OHA style guidelines; edit and proof materials created by staff experts and partners in their individual fields; provide graphic design, layout, original and digital illustration, forms creation, graphic artwork and Web and electronic materials.

State Assessments and Enterprise-wide Costs

DHS also has statewide assessments that include DAS charges such as the State Government Service Charge, Risk Assessment and State Data Center Charges. Rent for all of DHS is in the Facilities budget, IT Direct is for all computer replacement needs. The Shared Services funding is the revenue for the DHS portion of DHS and OHA shared services and Debt services is to pay off Certificates of Participation or Q-Bond loans taken for major DHS projects. Each service, both shared and assessed, are important for DHS to attain its programmatic outcomes. It is critical to continue to look for efficiencies in our systems, processes or staffing.

Department of Human Services: Central Services

Primary Long-Term Focus Area: Excellence in State Government
Secondary Long-Term Focus Area: N/A
Program Contact: Eric Moore



Program Overview

DHS Central Services' budget consists of the Office of the Director and Policy, the Office of Human Resources, the Office of Budget, Planning, and Analysis, Public Affairs Office, the Office of Equity and Multicultural Services (OEMS), the Office of Reporting Research Analytics Implementation (ORRAI), Office of Business Information Systems, and the Integrated Eligibility/Medical Eligibility Project Office. These offices provide essential business supports to programs in achieving the department and programs mission, vision and outcomes.

Program Funding Request

	General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
2017 - 19 LAB	35,505,162	48,080,362	173,438,062	248,710,610	193	192.12
2019 - 21 GB	52,479,494	40,247,768	162,869,146	255,596,408	255	245.42
Difference	16,974,332	(7,832,594)	(10,568,916)	6,885,798	62	53.3
Percent change	47.8	(16.3)	(0.6)	27.7	32.1	21.7

Office of the Director and Policy

The Director's Office is responsible for overall leadership, policy development, and administrative oversight. These functions are coordinated with the Governor's Office, the Legislature, other state and federal agencies, partners and stakeholders, local governments, advocacy and client groups, and the private sector.

The Director's Office provides leadership in achieving the mission of the agency: helping Oregonians achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity. The office supports all DHS field offices and central office programs by managing legislative and legal matters, client concerns, written rules, and contested hearings.

Governor's Advocacy Office (GAO)

This office responds to concerns and complaints, including civil rights and discrimination, related to DHS programs and services. This office operates independently of DHS programs and reports directly to the Governor and DHS Director by providing a quarterly report on the status of patterns of complaint. This team of ombudsmen works closely with field and central office staff, the Governor's Office, legislators, community partners, and the DHS Director's Office to successfully, equitably and respectfully reach a resolution.

Chief of Staff

The Chief of Staff also oversees the Governor's Advocacy Office (GAO) - This office handles client complaints, including civil rights and discrimination, related to DHS services. This office operates independently in the investigations performed and reports directly to the Governor by providing a quarterly report on the status of the complaints. The team in this office works closely with field and central office staff; program staff; the Governor's Office; key stakeholders; and the DHS Director's Office to successfully, equitably and respectfully reach a conclusion.

Tribal Affairs

The DHS Director's Office is also home to Tribal Affairs. We are committed to positive working relationships with the nine tribes in Oregon. Staff regularly engages with tribal governments through tribal liaisons and continually strives to ensure these communities receive equitable, sufficient and appropriate human services.

Office of the Deputy Director

The DHS Deputy Director is responsible for Internal Audits, Business Intelligence, Licensing and Regulatory Oversight, Continuous Improvement, Information Technology (IT) Business Supports, Adult Abuse Prevention and Investigations, Program Integrity, Office of Payment Accuracy and Recovery, and the Chief Financial Officer.

Office of the Chief Administrative Officer

Office of the Chief Administrative Officer (CAO) provides leadership and direction for the DHS Shared Services and selected Central Services. The CAO works with the shared and central service managers to maintain updated service level agreements that define and guide the service array and delivery for each unit. In addition, the CAO partners with DHS and OHA leadership to ensure that the services provided by each unit utilize the most current best practices from their respective fields to optimize services in the most fiscally responsible and equitable manner possible. The CAO insures that all services and business practices are conducted in a culturally responsive and equitable manner.

Office of Program Integrity (OPI)

OPI conducts analysis and tests to determine whether DHS is implementing programs in the way they were designed and trains caseworkers based on their findings to improve program integrity. The office conducts operational and case reviews as well as field visits, many mandated by federal law, to determine how accurately each program is making eligibility and other determinations.

Office of the Chief Financial Officer (OCFO)

The chief financial officer provides optimal business services to ensure accountability, data driven decisions, and stewardship of resources in support of the mission of DHS. This is done by working closely with DHS programs and the OHA CFO and programs to ensure accurate, timely, and efficient recording and management of financial resources; culturally competent and equitable services; authorizing the redistribution of available resources to meet changing needs; and

establishing administrative controls. The CFO is responsible to provide leadership and direction to the DHS Budget Office and the fiscal offices located in DHS that serve both DHS and OHA, including the Budget Center, Office of Financial Services, and Office of Forecasting, Research, and Analysis. These offices ensure that accounting, budget, and forecasting practices comply with all applicable laws, rules, and professional standards and ensure transparency and accountability in the financial practices of DHS and OHA.

Budget, Planning and Analysis (BPA)

This office functions as the central budget for DHS based programs working under the guidance of the CFO. The CFO is responsible to provide leadership and direction to the DHS Budget Office and the fiscal offices located in DHS that serve both DHS and OHA, including the Office of Financial Services, the Central Budget Unit, and Office of Forecasting. These offices ensure that accounting, budget, and forecasting practices comply with all applicable laws, rules, and professional standards and ensure transparency and accountability in the financial practices of DHS and OHA.

Office of Human Resources (Dedicated HR)

Human Resources serves as a strategic partner to our staff, providing proactive, comprehensive human resources services, in alignment with agency and program's mission and goals. This office works closely with internal customers and management on Workforce Strategies that support agency and program needs and strategies, and building a healthy workplace culture of ongoing development and feedback to ensure the agency has a diverse workforce with the right people with the right skills, training, and support to do their work, now and in the future.

Public Affairs Office

The Public Affairs Office is made up of three work units: Communications, Legislative, and Legal. The office provides DHS with unified support and coordination in outreach and communication, legislative action and strategy:

- **Communications Unit** - This office supports the mission by providing accurate information to a myriad of employees, clients, legislators, stakeholders and interest groups, providers and partners, local governments, other state and federal agencies, policymakers, the news media, targeted audiences and the public. Effective communication is the primary vehicle to demonstrate public transparency, accountability, and trust. The office also provides support to the department's priority projects as defined by the DHS Director and executive team.

- **Government Relations Unit** - This unit is essential to the agency's core functions through ensuring that any statutory, policy and budget implications are positively impacting the Oregonians that we serve. This team coordinates all DHS legislative matters with legislative offices, key stakeholders and the Governor's Office. The government relations unit also supports both field and central office staff providing consultation and support in legislative and policy changes, primarily working with central office staff on policy development for program services. During a legislative session, this unit tracks, assigns, reviews and focuses on policy implications of upwards of 600 bills related to DHS program and operations. Staff in this unit support the director of DHS, the directors of all program and operations in DHS and the district managers in field offices. Legislative work is conducted with the intent of eliminating existing inequities and to promote equitable outcomes, using a comprehensive equity lens.
- **Legal Unit** - This Unit manages all lawsuits, tort claims and subpoenas related to DHS program and operations. Staff in this unit provide expert consultation to DHS field and central office staff, Department of Justice (DOJ) and Department of Administrative Services (DAS) Risk Management in policy related to legal matters. This team ensures timely completion of the required judicial documents to move smoothly through a complicated legal matter.

Office of Equity and Multicultural Services (OEMS)

The Office of Equity and Multicultural Services provides leadership and direction in supporting equity, diversity and inclusion initiatives throughout the agency. OEMS guides systemic changes to both internal workforce developments as well as improve service delivery to all Oregonians. The office also investigates all claims of discrimination and harassment. The goals of the office include reducing service disparities in all program areas; ensuring a diverse and culturally competent workforce; removing barriers to a welcoming work environment; and improving life outcomes for all DHS clients.

Office of Reporting, Research, Analytics, and Implementation

The Office of Reporting, Research, Analytics, and Implementation (ORRAI) compiles reports, conducts research, analyzes data, implements research, and provides caseload/workload estimates for five DHS programs. ORRAI provides mission critical information to directors, legislators, partner agencies, and the public. The office translates data into information and develops practitioner tools to insure decisions are data informed. The Office is reliant on predictive analytics to improve outcomes for children and families. ORRAI also implements an equity

analyses to identify inequities and progress towards equitable outcomes, as well as to inform agency programs and decision-making.

Office of Business Information Services

The Office of Business Information Services is responsible for ensuring DHS program and policy integrity in Enterprise IT Projects and in operations and maintenance efforts. OBIS specialize in standards and practices of Business Analysis and User Acceptance Testing Services related to Enterprise IT solutions. OBIS contribute to the DHS mission and program integrity through the following services:

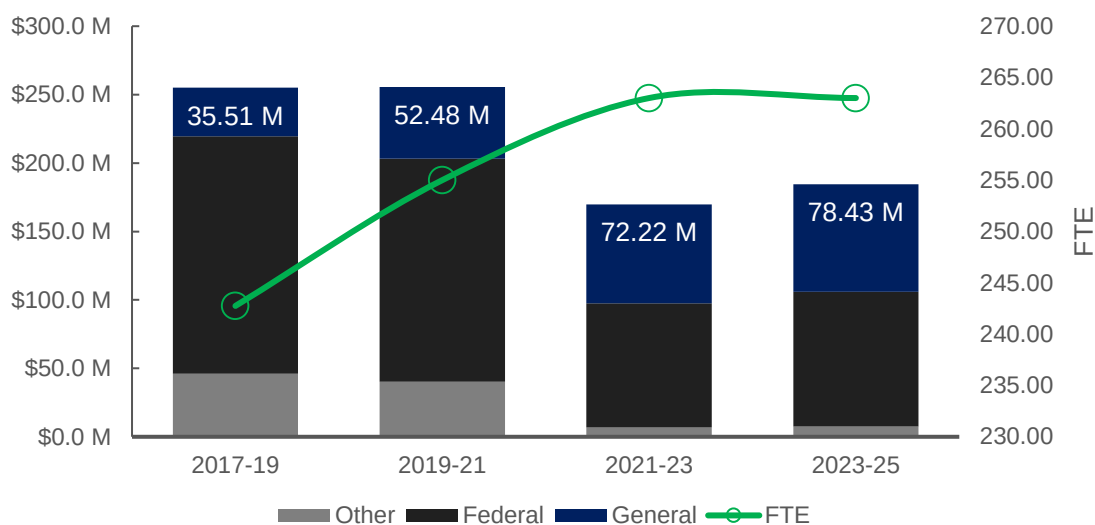
- Provides collaboration and strategic planning with State, Agency, Program and other related business and IT organizations regarding governance, priority and resource management of IT projects and enhancement, as related to State and DHS Business Information Services
- Provides vendor, contract and budgetary oversight, as directed, for some Enterprise IT projects and operations and maintenance solutions, as defined
- Design and application of Enterprise level business analytic and testing service standards and practices
- Provides centralized Business Analytic support to Enterprise level IT projects and enhancements
- Provides centralized Business Analysis and User Acceptance Testing services for the Oregon Eligibility system
- Provides a scalable central BA and UAT model for other IT solutions, as defined
- Collaborates with all other agency Business Support Units (BSUs), Business Information Service units (BISs) and other to promote best practices, process improvement and increased program integrity across all Business Analytic services bridge the gap between IT solutions and business need. They assist DHS program policy-makers maximize strategic use of technology, while defining clarity and precision in our business solutions. Rigorous Business Analytics and system testing improve our projects, systems and increase program integrity across our Enterprise.

Integrated Eligibility and Medicaid Eligibility Project Office

Integrated Eligibility and Medicaid Eligibility (IE/ME) Project Office has been established to carry out the requirements of the Integrated Eligibility and Medicaid Eligibility IT Project, as described in the Budget Narrative of this document, including promoting and protecting civil rights of Medicaid clients.

Program Justification and Link to Focus Areas

DHS Central Services Budget Outlook



Central Services provide critical leadership and business supports necessary to achieve the mission of the agency: helping Oregonians achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity. Central Services include the cost of DHS Budget, Planning and Analysis, the Director, Governor’s Ombudsmen, Legislative and Communications & support, Diversity and Dedicated Human Resources.

The DHS Central Services budgets are structured and administered according to the following principles:

Control over major costs

The department centrally manages many major costs. Some of these costs, like many DAS charges, are essentially fixed to the agency. Others, like facility rents, are managed centrally to control the costs. Also, the department strongly supports and actively participates in statewide efforts to locate work across the enterprise and install performance management systems to perform administrative functions more efficiently and effectively.

Performance management system

The department uses a performance management system containing the following key elements:

- A clear statement of the outcomes DHS must achieve.
- Descriptions of the processes DHS uses to achieve its outcomes.
- Measures of success for each outcome and process.

- Owners for each measure.
- Written “breakthrough” strategies for each initiative that will significantly improve outcomes and processes.
- A quarterly all-day all-leadership review of progress on each measure and strategy.
- Best practices in installing performance management require specific skills - especially in project management, Lean tools, data analysis, and professional development of managers. DHS has reallocated resources and used savings to make some of these investments, but it must increase these skills as much more needs to be done.

Enabling Legislation/Program Authorization

ORS 409.010

Funding Streams

- Allocated Costs – Costs benefiting more than one federal or state program are charged to a cost allocation pool. The allocating grant numbers accumulate costs until the monthly cost allocation process is run.
- Direct Charge – Costs benefiting a single federal or state program are charged directly to the grant number representing the program. There is no additional allocation for these costs.
- Monthly Process – The process runs each month based on actual accumulated costs. Monthly, statistics are generated to complete the allocation process. The cost allocation pools are cleared each month by the operation of the cost allocation process to transfer the costs to the final grant and cost objective.
- Federal Financial Participation (FFP) Calculation – After costs are allocated to final cost objectives, DHS calculates and records the level of Federal Financial Participation for the specific grant.

Funding Justification and Significant Changes to CSL

There were eight policy option packages included in Central Services’ Agency Request Budget. Four have moved forward to Governor’s Budget.

PACKAGE NO. 112	PACKAGE TITLE Increase DHS Budget Staff Capacity				
GENERAL FUND 632,772	OTHER FUNDS 0	FEDERAL FUNDS 420,470	TOTAL FUNDS 1,053,242	POSITIONS 5	FTE 4.40
PACKAGE DESCRIPTION Over the past few years the complexity of the DHS budget has grown. Currently there are only 8 budget analysts, one manager. and one support position for the 5 main program areas and central office which include over 9,000 budgeted position, and an \$11.6 billion-dollar budget with multiple complex funding streams each with their own requirements and limitations. DHS requests the addition of 1 PEMF deputy budget director, 2 FA2s and 2 FA3 to further the agency's ability to: track budgets at the levels not expected of the unit in the past, focus on revenue analysis, provide backup to positions that are only 1 deep in each program and design/delivery area. To assist in the production of ever more detailed and complex information requests for budgeting and decision-making purposes. And to provide coordinated position management resources for the over 9000 budgeted positions at DHS.					

PACKAGE NO. 201	PACKAGE TITLE Integrated Eligibility & Medical Eligibility				
GENERAL FUND 13,047,490	OTHER FUNDS 38,572,563	FEDERAL FUNDS 121,950,843	TOTAL FUNDS 173,570,896	POSITIONS 33	FTE 25.26
PACKAGE DESCRIPTION This POP will provide resources to support the continuation of the Department's ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project during FY19-21 resulting in a single eligibility determination system for Non-MAGI Medicaid, Supplemental Nutrition Assistance Program (SNAP Food Stamps), Temporary Assistance for Needy Families (TANF Cash Assistance), and Employment Related Day Care (ERDC Child Care subsidies). This POP would further the development, and implementation period for the Integrated ONE System –for the purposes of Eligibility Determination work. DHS plans to put the system into pilot in the Summer of 2019, followed by a six-month implementation roll-out beginning early in 2020 and being rolled out statewide by Summer of 2020. This POP takes advantage of enhanced federal funds across two separate federal agencies. Without funding, DHS will not be able to continue its project in a timely manner, resulting in increased state general fund cost, subsequent federal audits, and required modifications to our Legacy systems which would cost more than the total cost of this project.					

PACKAGE NO. 202	PACKAGE TITLE Medicaid Modularity				
GENERAL FUND 277,922	OTHER FUNDS 0	FEDERAL FUNDS 276,444	TOTAL FUNDS 810,378	POSITIONS 2	FTE 2.00
PACKAGE DESCRIPTION This POP requests additional positions and funding to support continuation of planning and begin implementation activities for modularization of the systems supporting Oregon Medicaid. The outcome will be a solution set that meets CMS modularity criteria, with the ability to make updates as needed to meet federal and state demands over time. Funding is for OHA division leadership and subject matter expertise and for professional consulting services supporting planning and road-mapping efforts. This POP requests 3 permanent positions for OHA HSD to work in partnership with OIS and \$1,415,000 TF for consulting services. DHS companion POP to request 2 complimentary positions to represent DHS related Medicaid. Due to delays in 2017-19 planning efforts less than \$1,000,000 approved TF (under \$100,000 GF) from the 2017-19 POP will be expended by the start of 2019-21. CMS will fund 90% of positions and consulting during planning/implementation and 75% for on-going maintenance.					

PACKAGE NO. 208	PACKAGE TITLE CAM Maintenance and Operations				
GENERAL FUND 3,512,949	OTHER FUNDS 0	FEDERAL FUNDS 0	TOTAL FUNDS 3,512,949	POSITIONS 3	FTE 2.64
PACKAGE DESCRIPTION House Bill 4151 (2014) requires the state of Oregon and DHS as its agent, to standardize its processes and technology related to abuse of vulnerable adults. Oregon's current environment for tracking, reporting, analyzing, and investigating incidents of adult abuse relies on accessing information from nine distinct systems or data sources. Additionally, local offices have created their own one-off mechanisms for supporting the abuse investigation processes, further complicating, and decentralizing information. Existing systems limitations include the inability to search across program populations, inhibiting the ability to track perpetrators and/or victims over time and between populations. This heightens the risk of not capturing all abuse allegations. This POP requests general funds to implement Centralized Abuse Management's (CAM) ongoing maintenance and additional enhancements that will build upon the capabilities of a base system implemented in the 2017-19 biennium, for an integrated solution, which meets HB 4151 criteria and helps protect vulnerable Oregonians. Not funding this POP will limit Oregon's ability support the system after Go-Live.					

Department of Human Services: State Assessments and Enterprise-wide Costs

Primary Long-Term Focus Area: Excellence in State Government

Secondary Long-Term Focus Area:

Program Contact: Eric Moore

SAEC Budget	GF	OF	FF	TF
State Government Service Charge	26,754,521	465,561	17,275,130	44,495,212
Risk Assessment	12,402,097	-	9,853,381	22,255,478
State Data Center	21,410,069	771,551	20,929,513	43,111,133
Facilities	74,432,162	3,452,519	63,024,936	140,909,617
Computer Replacement	5,186,590	76,801	4,132,082	9,395,473
Shared Services Funding	104,029,541	2,927,212	91,616,191	198,572,944
Debt Service	26,418,852	-	-	26,418,852
Telecommunications	4,991,007	64,409	4,329,232	9,384,648
Mass Transit	2,734,175	-	-	2,734,175
Unemployment	1,071,419	42,994	837,019	1,951,432
Treasury Credit Line	-	31,105,912	-	31,105,912
Office of Administrative Hearings	1,592,466	-	502,333	2,094,799
All Other Assessments	675,000	-	-	675,000
Total SAEC ARB	281,697,899	38,906,959	212,499,817	533,104,675

Note: There are no positions or FTE in the SAEC budget

Program Overview

The SAEC budget includes statewide and other enterprise assessments costs such as State Government Service Charges, the enterprise technology services, rent, computer replacement costs and the cost of DHS/OHA shared services.

Program Funding Request

SAEC	GF	OF	FF	TF
LAB 17-19	247,426,946	39,518,096	195,872,368	482,817,410
GB 19-21	281,697,899	38,906,959	212,499,817	533,104,675
Diff.	34,270,953	(611,137)	16,627,449	50,287,265
% Diff.	14%	-2%	8%	10%

Program Description

DHS has statewide assessments that include DAS charges such as the State Government Service Charge, Risk Assessment and enterprise technology services

Charges. Rent for all of DHS is in the Facilities budget. This budget includes the computer replacement budget. The Shared Services funding is the revenue for the DHS portion of DHS and OHA shared services. When the agency split, DHS and OHA agreed to share information technology, financial, investigations, and other services to avoid cost increases and permit a greater focus on improving performance and efficiency.

Debt services is to pay off Certificates of Participation or Q-Bond loans taken for major DHS projects. Each service, both shared and assessed, are important for DHS to attain its programmatic outcomes. It is critical to continue to look for efficiencies in our systems, processes and staffing.

This budget also includes the costs of telecommunications, unemployment insurance, mass transit, administrative hearings and limitation for a line of credit from the Treasury Department used for cash flow purposes at the end of the biennium.

Program Justification and Link to Focus Areas

There is a direct link between this program and Excellence in State Government focus area. DHS strives to control major program support costs. DHS centrally manages many major costs. Some of these costs, like many DAS charges, are fixed to the agency. Other costs, such as facility rents, are centrally controlled. DHS also strongly supports and actively participates in statewide efforts to locate work across the enterprise and install performance management systems to perform administrative functions more efficiently and effectively.

Program Performance

DHS is committed to customer-driven shared services. When the agency split, DHS and OHA agreed to maintain many administrative functions as shared services to prevent cost increases, maintain centers of excellence, and preserve standards that help the agencies work together. DHS and OHA govern their shared services through a joint committee composed of operational leaders of the two agencies. This approach ensures that shared services are prioritized and managed to support program needs. The committee and its subgroups have established service level agreements and performance measures for each service, moved staff in and out of shared services to rationalize service delivery, and begun implementing more integrated systems to support the performance of all our employees.

DHS pays for services from the Department of Administrative services including general charges and costs of the enterprise technology services. DHS also actively supports statewide projects like Workday and OregonBuys intended to make government more efficient and cost effective.

Enabling Legislation/Program Authorization

The authorization for these budgets comes from legislative budget bills each biennium. Spending authority for the agency is a part of the general authority granted to the agency through statute and federal law. General DHS statutes include ORS 409.010, ORS 409.110 and ORS 409.160.

Funding Streams

A mix of state general and federal dollars fund the majority of the services provided in SAEC many of the areas are assessed to federal funds through a cost allocation processes.

Funding Justification, Significant Changes and Comparison to 19-21 CSL

The following policy option packages (POP) is recommended in the DHS Governor's Budget above the current service level for SAEC.

	GF	OF	FF	TF	POS	FTE
GB Build - POPS	5,273,482	675,000	-	5,948,482	-	-
POP 201 - Integrated Eligibility Medicaid Eligibility	5,273,482	675,000	-	5,948,482	-	-

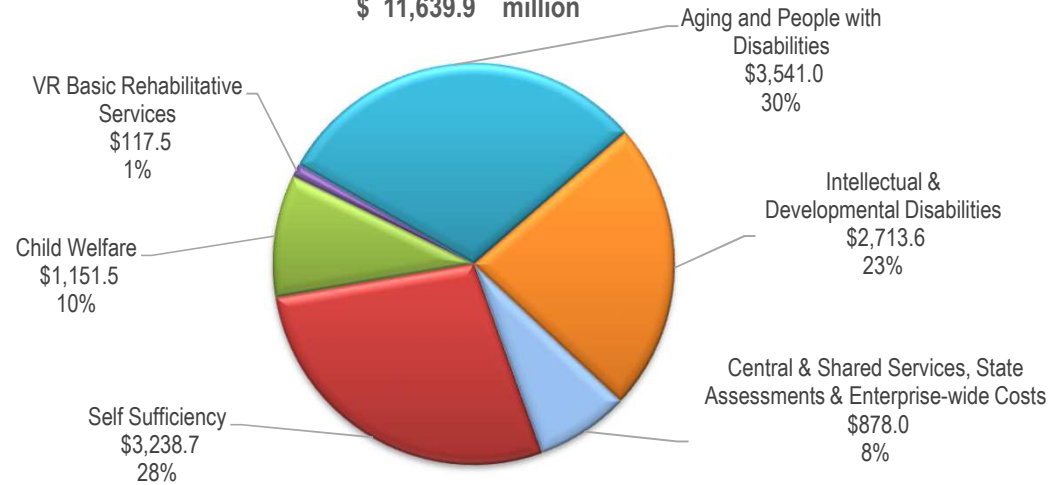
201 – Integrated Eligibility / Medicaid Eligibility System Project

This POP requests resources to support the continuation of the ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project from Medicaid, Shared Services, and DAS Enterprise Technology Services. The ONE system will be a single eligibility determination system for Non-MAGI Medicaid, Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, and Employment Related Day Care programs. These resources would support DHS' business needs and is related to the Legacy System Project DHS is undertaking to ensure functionality not assumed into the Integrated ONE system from legacy systems remains available for DHS business usage.

The corresponding DHS POP would further the testing and implementation period for the Integrated ONE System for the purposes of Eligibility Determination work. DHS plans to pilot the system in Summer 2019 to be followed by a six-month

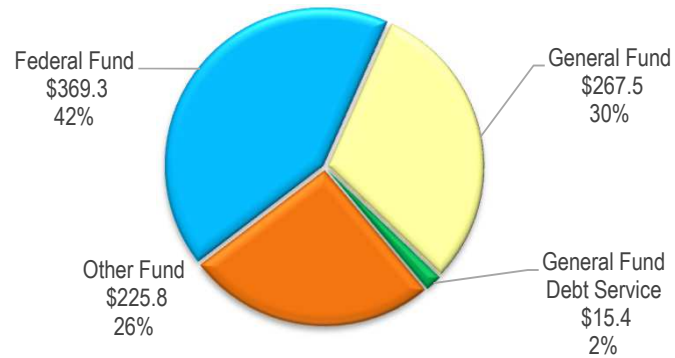
implementation roll-out beginning early in 2020 and statewide roll-out by Summer of 2020. This POP would take advantage of enhanced federal funds across two federal agencies. Without this funding, DHS would not be able to continue its project in a timely manner, resulting in increased General Fund cost, federal audits, and modifications to Legacy systems. It also includes funding for Eligibility Transformation work that supports changes to DHS' delivery system.

**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**



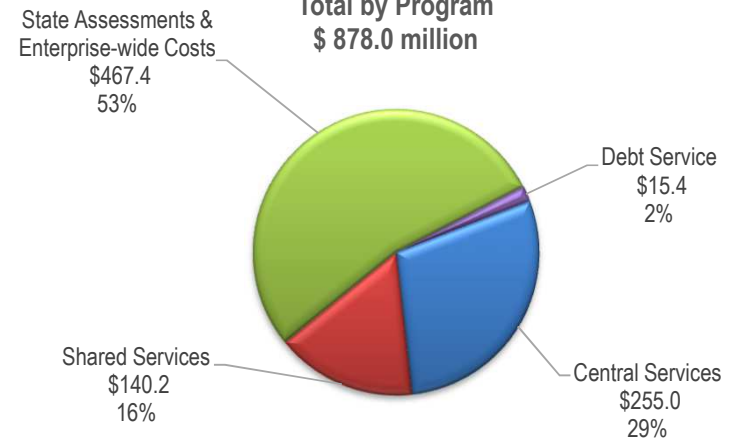
**Central & Shared Services, State
Assessments & Enterprise-wide Costs**

**Total by Fund Type
\$ 878.0 million**

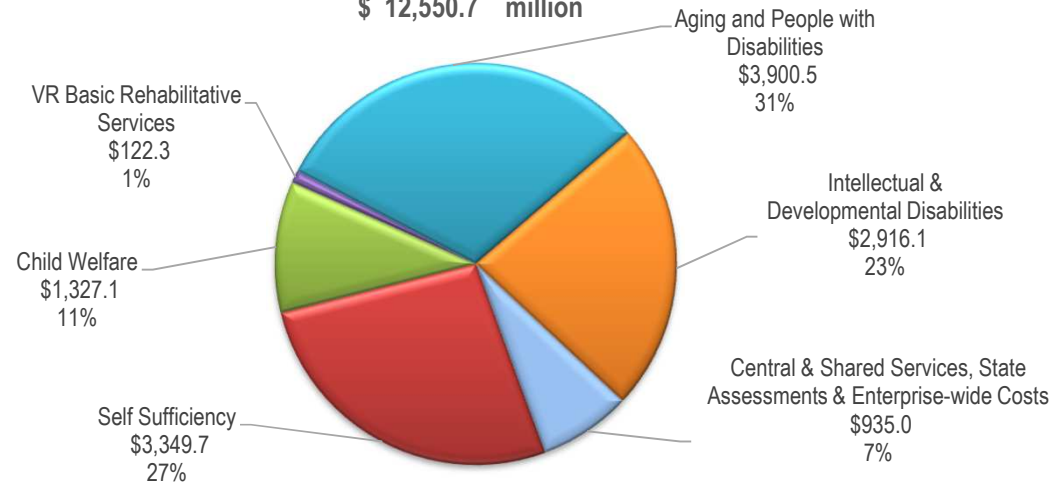


**Central Services, Shared Services, State
Assessments & Enterprise-wide Costs**

**Total by Program
\$ 878.0 million**

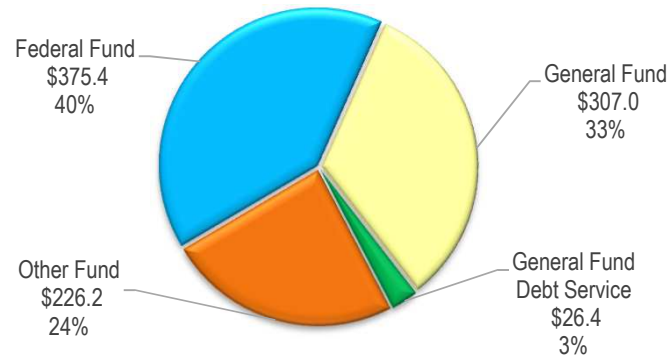


**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



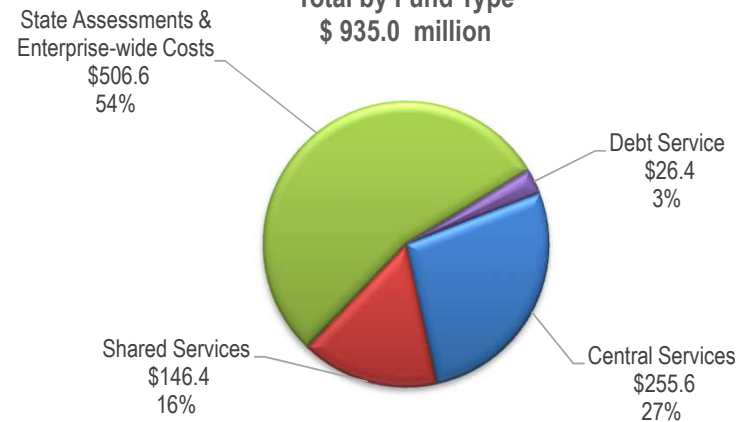
**Central & Shared Services, State
Assessments & Enterprise-wide Costs**

**Total by Fund Type
\$ 935.0 million**



**Central & Shared Services, State
Assessments & Enterprise-wide Costs**

**Total by Fund Type
\$ 935.0 million**



Department of Human Services

Self-Sufficiency Program

Mission

To provide a safety net, family stability and a connection to careers that guide Oregonians out of poverty

Program

The Self-Sufficiency Program (SSP) provides low-income Oregonians with services to support participants' movement towards stability and prepare individuals for employment. Recognition of existing disparities provide a background from which to plan increased service equity within the programs. The programs emphasize the safety and healthy development of children, the strength of the individual and family and often serve to prevent abuse or neglect that may lead to out-of-home placement in the more expensive foster care program.

Oregonians access SSP services when they are in need and have limited alternatives. Program participants access services through a network of local offices in every county.

SSP works to achieve its mission by focusing its efforts on five foundational operating principles:

- Family engagement;
- Economic stability;
- Collective impact;
- Integrity and stewardship; and
- Professional Development

The services offered through SSP are:

- Employment Related Day Care (ERDC)
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance for Needy Families (TANF)
- TANF-related programs such as the Job Opportunity and Basic Skills (JOBS) program and Family Support and Connections (FS&C)
- Temporary Assistance for Domestic Violence Survivors (TA-DVS)
- Refugee Program

- Youth Services Program
- Oregon Health Plan

The current housing crisis, available and affordable child care and attainable living-wage jobs all affect SSP caseloads. Many participants are working but have lower wages or fewer hours and don't earn enough to make ends meet on their own. Poverty and disparity factors such as geography (rural/urban), education, English language proficiency, race/ethnicity, and age continue to affect the ability for families to achieve economic stability.

Services

Employment Related Day Care program (ERDC)

ERDC assists low-income families in obtaining child care so they can work and attend training or education needed to advance in their employment. The ability to go to work and not worry about child care assists parents in gaining economic stability. Parents receive a sliding subsidy amount based on income toward their child care allowing them more options in connecting to reliable, quality providers. Quality providers can help improve school readiness during the critical learning years of birth to five. By working to improve the quality of providers within disparate populations, the entire community benefits. The program has a higher rate of payment available for working families who need child care and have a child with special needs.

Providers approved by DHS meet a set of health and safety standards, attend training, submit to monitoring visits and pass required background checks before they can receive payment on behalf of the family.

Supplemental Nutrition Assistance Program (SNAP)

SNAP offers food assistance to low-income individuals and families to help meet their nutritional needs. Benefits to participants are 100 percent federally funded; however, the administration of the program requires a 50 percent state match. Approximately one in five Oregonians receive food assistance through SNAP.

SNAP is an important and constantly growing anti-poverty program. Recent research has shown that SNAP benefits reduce the depth and severity of poverty, and have a particularly strong effect on reducing child poverty. SNAP benefits add about \$1.1 billion dollars per year to the Oregon economy including rural Oregon.

Self-Sufficiency offices across the state serve the majority of the SNAP population. Elderly persons (60 and older) plus persons with disabilities who require services are assisted by Aging and People with Disabilities (APD) Program offices and their contracted partners: Area Agencies on Aging, Disability Services Offices and Councils of Government.

Oregon is federally required to offer a limited companion employment and training program. SNAP participants may be enrolled in one of the following programs: Oregon Food Stamp Employment Transition (OFSET) program and the Able-Bodied Adults Without Dependents (ABAWD) program. More comprehensive services are provided through the 50/50 employment and training program, referred to in Oregon as SNAP Training and Employment Program (STEP).

Commodities Supplemental Food Program (CSFP)

This program provides a monthly prescribed nutritious commodity package to help meet the needs of low-income elderly persons (aged 60 or older). Food packages are distributed through local agencies and include canned fruits and vegetables, canned meat, poultry and other protein items, grain products such as pasta, as well as other foods. While CSFP food packages do not provide a complete diet, they are good sources of the nutrients typically lacking in the diets of the target population. Participants are also offered the opportunity to receive nutrition education instruction and information, often in their preferred language and with culturally appropriate recipes.

The Emergency Food Assistance Program (TEFAP)

This federal program helps supplement the diets of low-income Oregonians by providing emergency food and nutrition assistance at no cost. The amount of food Oregon receives is based on the number of unemployed persons and the number of people with incomes below the federal poverty level. The State of Oregon provides USDA commodities, as well as administrative funds, to the Oregon Food Bank (OFB) who is the State Distributing Agency. The OFB works with a cooperative network of regional food banks, partner agencies, and programs to distribute emergency food to hungry families.

Temporary Assistance for Needy Families (TANF)

TANF is a collection of programs directed at improving the lives of very low-income Oregon families with children. It is a critical safety net program for families with children living in extreme poverty and helps families from a variety of diverse backgrounds to address their most basic needs. TANF provides eligible

families with cash assistance, cultural and language specific connections to support and community resources, case management, and employment and training services.

Families typically use TANF funds to prevent homelessness and to help with other factors contributing to family instability. The goal of the program is to help families address barriers, recognize their own strengths, gain skills and access employment opportunities to become self-sufficient.

TANF-Related Programs

- **Job Opportunity and Basic Skills (JOBS) program:** Most adults must meet additional requirements to receive TANF services. The JOBS program provides employment, education, skill-building and family stability services to individuals of families receiving TANF assistance. Individuals participate in JOBS to gain skills necessary to join the workforce and retain employment.
- **Family Support and Connections:** Provides supports to prevent children in the TANF program from entering the child welfare system. Home visiting and community-based services are some of the interventions used to build on family strengths and address family functioning issues.

Temporary Assistance to Domestic Violence Survivors (TA-DVS)

Provides temporary financial assistance and support services to families with children affected by domestic violence when other resources are not available. TA-DVS is used to help vulnerable children and their parents address safety concerns and stabilize their living situation. This reduces the likelihood of the survivor returning to the abuser and can prevent life-threatening situations. Services help prevent child abuse and the need for child welfare intervention.

Refugee Program

The program serves individuals and families who fled persecution in their country of origin and were legally admitted for resettlement by the United States government. Refugees and people who have been granted asylum access the program for financial, employment-related and life skills resources to provide a sense of community for the newly arrived. The program guides refugees toward economic stability through employment as early as possible. The program serves only those persons in immigration categories approved by the Federal Office of Refugee Resettlement (ORR).

Youth Services Programs

My Future - My Choice program is an age-appropriate, medically accurate, sexual health education program. This service supports community prevention efforts to help families break the generational connection to public assistance. The program expands on the historical teen pregnancy prevention program to provide education and tools for youth to resist multiple risk-taking behaviors. DHS partners with the Oregon Department of Education and the My Future - My Choice Advisory Committee to develop and implement the program.

The Runaway and Homeless Youth (RHY) program provides services and supports to young people under age 18 to 21 without shelter. The program currently administers funding to local non-profit providers across the state to provide shelter services, drop-in & outreach services, and job development & mentoring services. DH partners with a cross-system advisory group to coordinate statewide policy and planning for addressing the needs of runaway and homeless youth.

Oregon Health Plan

The Oregon Health Plan (OHP) is the state's medical assistance program, serving approximately 1.1 million Oregonians. Funded by Medicaid, Children's Health Insurance Program and state resources, OHP offers free health care for people who meet income and other requirements, including age and disability status. OHP covers physical, dental, and behavioral health care. The majority of members receive their care through regional networks called coordinated care organizations (CCOs).

SSP staff assist with linguistically appropriate services for OHP eligibility, including customer service and application processing.

Program Design and Delivery

Provides program direction, planning, reporting, implementation, training, eligibility and benefit issuance for SSP. Staff at state and local levels also coordinate closely with other DHS programs, including Child Welfare, with the goal of increasing individual and family stability.

SSP collaborates with other agencies and statewide initiatives, including the alignment and improvement of the state's workforce system. This effort is to ensure that service delivery and outcomes are improved for both employer and job seeker. Other collaborations have been built around domestic violence, housing, addictions and mental health treatment, vocational rehabilitation, health care and

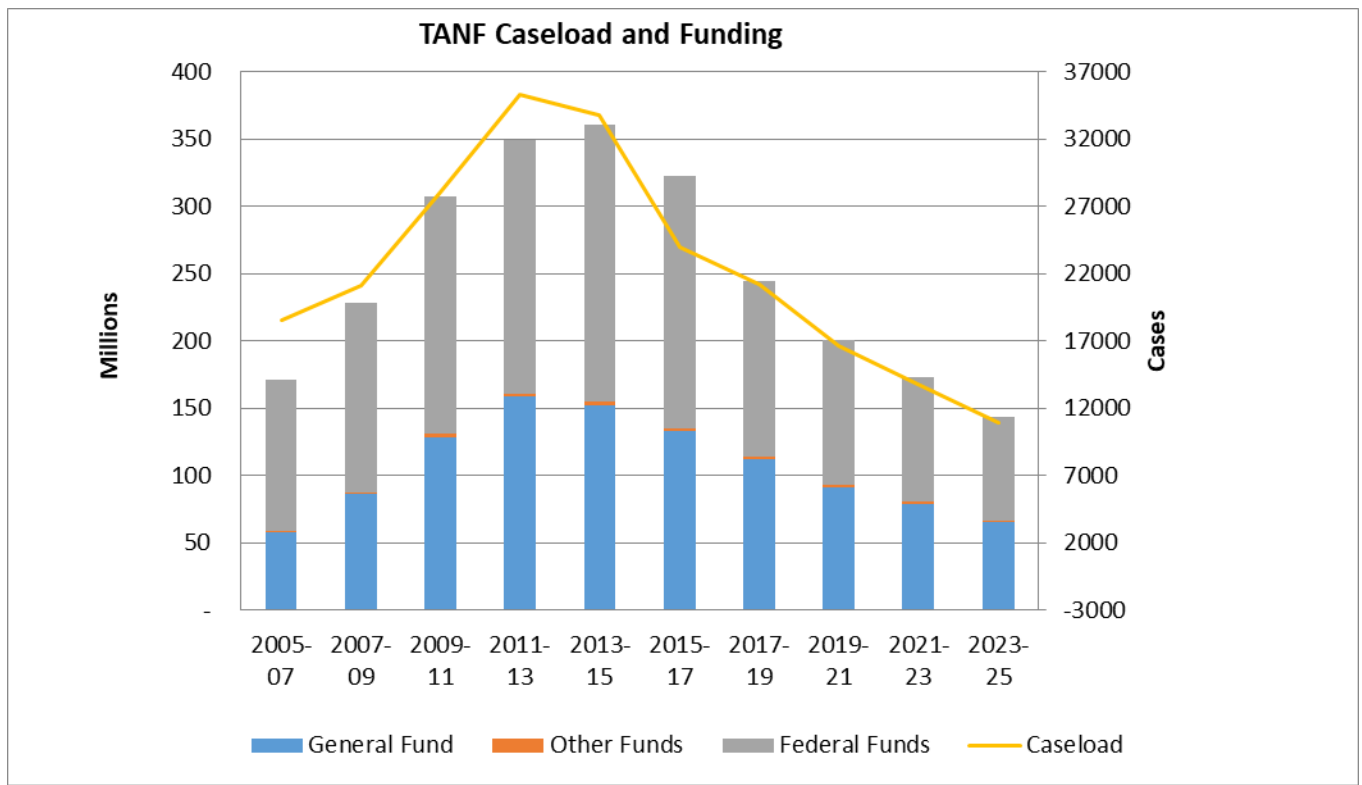
education. Throughout SSP, collaboration efforts include taking into consideration the community, culture and language needs of those served by the program. SSP has a strong commitment to have bilingual staff that can provide assistance directly to the families & individuals served. Additionally, work is being moved forward to better understand the communities served through enhanced Race, Ethnicity, Language & Disability data collection and analysis.

Department of Human Services: Temporary Assistance for Needy Families – Cash Assistance

Primary Long-Term Focus Area: Safer, Healthier Communities
Secondary Long-Term Focus Area: Excellence in State Government
Program Contact: Belit Burke

Program Overview

Temporary Assistance for Needy Families (TANF) is a critical safety net program for families with children who live in extreme poverty. TANF helps families, including more than 38,000 children, from a variety of diverse backgrounds to address their most basic needs. TANF provides eligible families with cash assistance, connections to support and community resources, case management, and employment and training services. The goal of the program is to engage families in becoming self-sufficient by helping them address challenges, gain skills, and access employment opportunities.



Program Funding Request

SSP - TANF (Basic, UN, Pre-SSI, Transition) TOTAL				
	GF	OF	FF	TF
17-19 LAB	68,764,315	2,047,112	136,880,780	207,692,207
19-21 GB	63,896,742	2,047,112	151,005,444	216,949,298
Diff.	(4,867,573)	-	14,124,664	9,257,091
% Diff.	-7%	0%	10%	4%

Program Description

TANF is a collection of programs directed at improving the lives of very low-income Oregon families with children. Our overall TANF program provides immediate cash assistance at a point when families have exhausted all other resources. We also provide employment and training services, linkages to services in the community and short-term interventions, such as support to strengthen parenting skills or the healthy development of children.

Most parents and caretaker relatives must meet additional requirements to continue receiving TANF services, such as participating in the Job Opportunity and Basic Skills (JOBS) program. These individuals participate in JOBS to gain the skills necessary to join the workforce and retain employment. A TANF family may participate in the JOBS program and access a variety of programs and services as part of the plan to move towards self-sufficiency.

To qualify for TANF, a family of three must be below 36 percent of the Federal Poverty Limit (FPL). This means the family's income cannot be more than \$616 per month. Currently the maximum monthly benefit for a family of three is \$506 (approximately 30 percent of FPL). There is a 60-month time limit for adults to receive TANF.

The TANF program serves a diverse population with a wide range of abilities and challenges. Over 90 percent of TANF recipients have no current earnings and about 31 percent of adults receiving TANF have at least one documented or self-disclosed disability. Approximately, 9 percent of TANF households are homeless. Culturally appropriate eligibility and case management services are provided in numerous languages on a continual basis. They include but are not limited to Spanish, Russian, Vietnamese, Somali, Bosnian, Mandarin, Arabic, Burmese, etc. In situations where the office does not have staff to provide specific language services, interpreters are available.

Approximately 38.5 percent of all children receiving TANF are 0-6 years old. In about 15 percent of TANF households, the adults receive assistance for the children but not for themselves. In these households, many have an adult who is disabled and receives Social Security benefits or a caretaker relative, such as an aunt, uncle or grandparent, who is caring for the children.

The State Family Pre-SSI/SSDI (SFPSS) Program is designed to assist TANF-eligible individuals with disabilities obtain Social Security disability benefits through the Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) programs. The program serves individuals who are not required to participate in the JOBS program. The program provides families with a cash grant, professional assistance with Social Security Administration (SSA) applications and appeals as well as case management services. Once a client is awarded SSI benefits, the department recovers a portion of the payments it made to the family during the application process from the client's initial SSI lump-sum payment. In 2017, 137 SFPSS participants were approved for SSI and from January through April 2018, 35 SFPSS participants were approved for SSI.

Program Justification and Link to Focus Areas

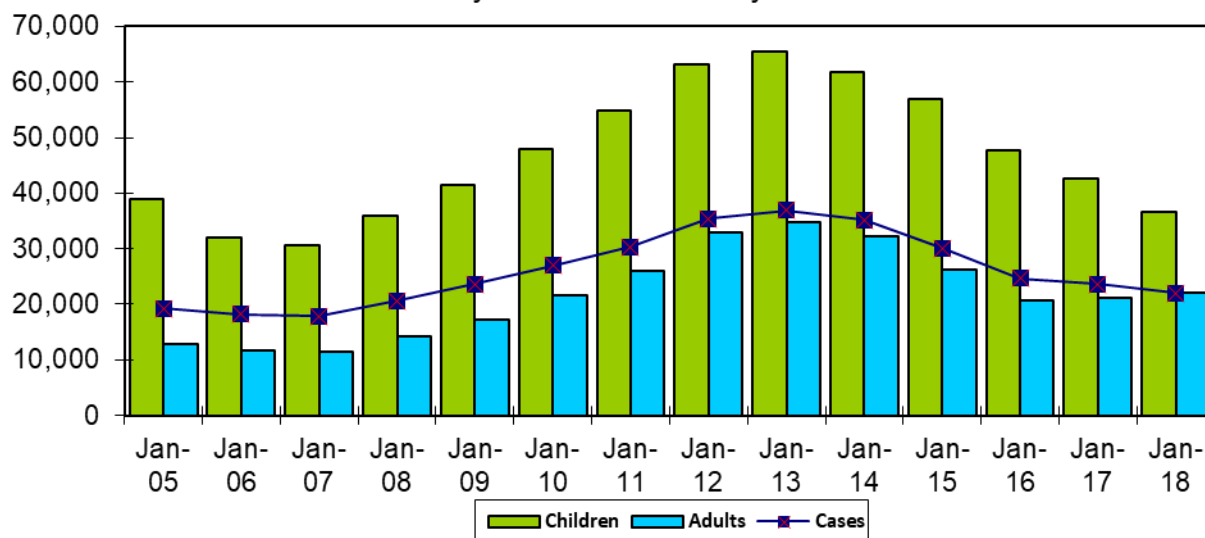
The TANF and Pre-SSI/SSDI cash assistance programs are key safety net programs that provide assistance to the most vulnerable of Oregonians. Without TANF cash assistance, more families would be homeless, which makes finding and maintaining employment extremely difficult. Being in a constant state of crisis can negatively impact children, including their ability to attend school and progress in learning. The program works with families to identify a pathway to self-reliance. The cash assistance, skill development and job placement help families to meet their basic needs while striving to move forward. Meeting the basic needs of families, increasing their job-readiness, or helping them receive disability benefits, promotes safer and healthier communities.

The TANF program has reinvested funds into efforts that maximize the dollars for benefits targeted at building participant progression in work related activities, identifying and building on skills and leveraging community collaborations to provide solid foundations that lead not only to employment placement but retention and advancement. A new Family Assessment Tool was developed and piloted in 2017 to assess the needs and goals of families receiving TANF. A data tracking tool was also created to identify family progression. The tool was released for use statewide as of January 2018 and is required to be offered to work-eligible adults within 90 days of TANF approval and yearly at recertification. Additional time is

needed to track and accumulate data, which will be used to track family progression and more readily address the needs of TANF recipients.

Program Performance

TANF & Pre-SSI/SSDI Children, Adults and Cases -
January 2005 to January 2018



In February 2018, the TANF and Pre-SSI/SSDI programs combined served 21,664 families. These households included 38,821 children and 18,571 adults from a diverse range of abilities, cultures and communities. TANF cash assistance expenditures increased since the onset of the economic recession but are slowly decreasing as the caseload drops. In the 2017-2019 Biennium we increased from 78 percent to 93 percent of staffing need, according to the workload model, by adding more Family Coaches (case managers). We will be able to maintain 93 percent of need through the 2019-2021 biennium, even with anticipated changes in workload. The case management resources are critical for improving outcomes of engaging clients in plans to achieve self-reliance, increase family stability, maintain federal participation rates, and achieve enhanced employment placements.

Enabling Legislation/Program Authorization

The TANF program is authorized under Title IV-A of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and the Deficit Reduction Act of 2005. A significant portion of the TANF eligibility criteria is codified in state statute chapters 411 and 412.

Funding Streams

TANF is funded primarily through General Fund dollars and the TANF Federal block grant that requires a minimum state expenditure level, known as Maintenance of Effort (MOE). Oregon's TANF block grant is \$166.8 million per year. Oregon's MOE requirement is equal to 80 percent of the state's historic expenditures or approximately \$98 million per year. Expenditures counted towards MOE must not be from a federal source and must not be matched to other federal funds. Oregon generally meets MOE through a combination of eligible DHS and other agency expenditures.

Both the TANF federal block grant and MOE expenditures must be spent in a manner reasonably calculated to meet one of the four federally-mandated TANF purposes which are: 1) provide assistance to needy families; 2) end dependence of needy parents by promoting job preparation, work and marriage; 3) prevent and reduce out-of-wedlock pregnancies, and 4) encourage and maintain family formations.

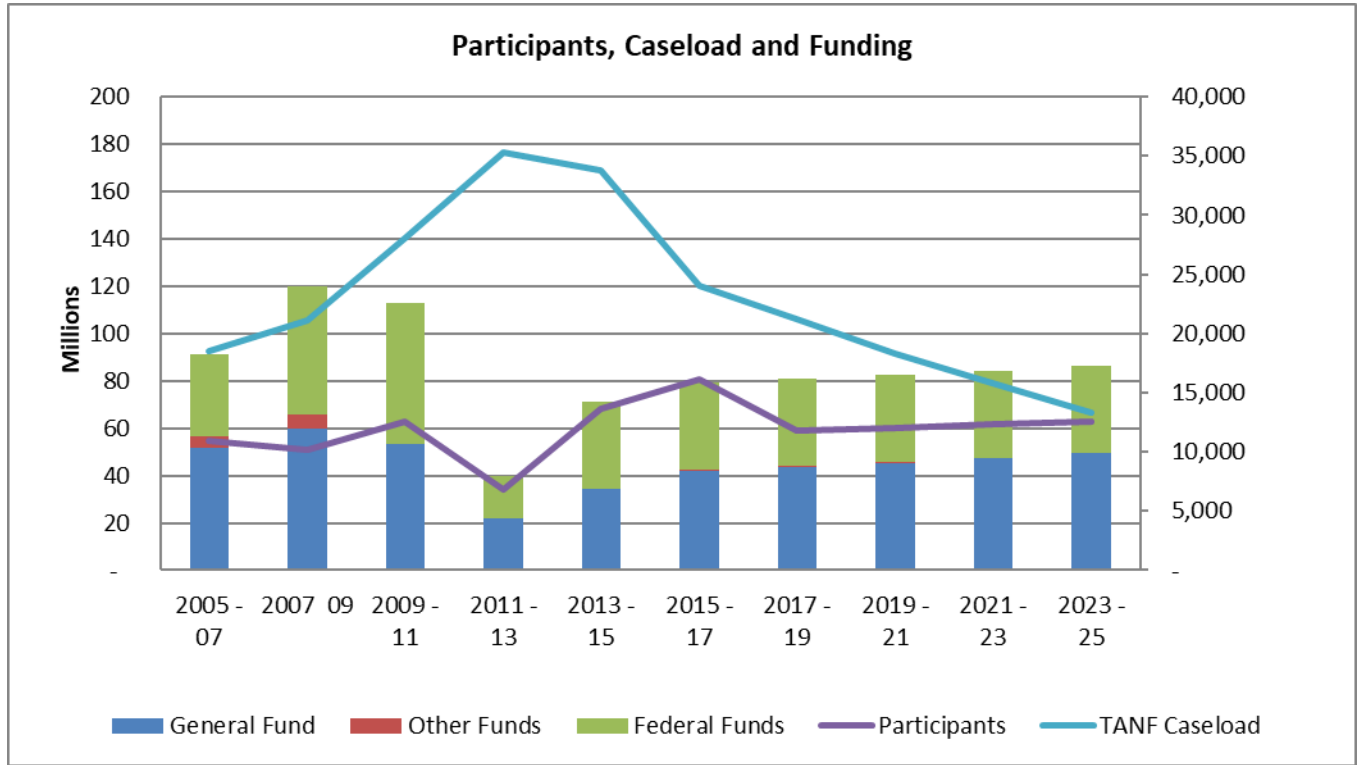
While TANF benefits for most single-parent families are funded with a split of TANF Federal block grant funds and General Fund dollars counted towards Oregon's MOE requirement, TANF benefits for two-parent families are funded solely with General Fund dollars that are not counted towards Oregon's TANF MOE requirement. In addition, the State Family Pre-SSI/SSDI (SFP) program is funded with General Fund dollars not counted towards Oregon's MOE requirement. The Department recovers a portion of SFP funds expended through client reimbursements.

Funding Justification, and Significant Changes to CSL:

The GB fully funds the TANF caseload forecasted for 19-21 and continues current eligibility and timelines.

Department of Human Services: Job Opportunity and Basic Skills – Temporary Assistance for Needy Families

Primary Long-Term Focus Area: A Thriving Oregon Economy
Secondary Long-Term Focus Area: Healthy and Safe Communities
Program Contact: Belit Burke, Program Director



Program Overview

The Job Opportunity and Basic Skills (JOBS) program is an employment and training program for individuals receiving Temporary Assistance for Needy Families (TANF) cash benefits. The goal of the program is to help adults, caretaker relatives, and minor parents in TANF families gain the skills needed to become self-sufficient through employment, training and education, as well as family stability-related services that address other obstacles to employment.

TANF serves families with children who are in deep poverty and represent an increasingly diverse population. Most parents or caretakers in these families are federally required to participate in JOBS program work activities to maintain their eligibility for cash assistance. They can face sanctions that include losing benefits,

if they fail to participate. JOBS services are available in every county, provided through DHS field offices and a network of contracted providers.

For the period April 1, 2017 through March 31, 2018 the average monthly number of TANF families receiving cash assistance was 21,601. The average monthly number of individuals required to participate in JOBS activities was 12,869, which relates to 60 percent of TANF families.

Program Funding Request

	SSP -JOBS			
	GF	OF	FF	TF
17-19 LAB	44,247,215	184,320	36,923,404	81,354,939
19-21 GRB	45,889,660	184,320	40,564,946	86,638,926
Diff.	1,642,445	-	3,641,542	5,283,987
% Diff.	3.7%	0.0%	9.9%	6.5%

Program Description

DHS family coaches work with TANF families to develop individualized case plans to achieve self-sufficiency, provide supports, and monitor progress in achieving family goals. The customized case plan outlines the JOBS activities selected and designed to help them achieve their goals. The plan also includes the support service payments to be provided, such as transportation and child care, so they can fully engage in their plan.

DHS administers the JOBS program through an extensive, statewide network of community partners that help deliver services. Partners include contracted JOBS service providers, Workforce Innovation and Opportunity Act (WIOA) agencies, community colleges and the education community, the Oregon Employment Department, Work Source Oregon One-Stop offices, and many local and county-based organizations. Services are delivered at partner locations and some are available on-site at local DHS offices.

The JOBS program provides an array of employment and training-related services which include: job preparation, unpaid work experience, subsidized employment, job placements, vocational training and education, Life Skills, and Adult Basic Education, High School and GED services. Additional services are offered to assist families address issues that prevent them from looking for, accepting, or maintaining employment.

JOBS participants include individuals from diverse populations. Program services are designed to ensure activities are delivered with service equity, equal access, and cultural appropriateness.

JOBS also provide a Job Participation Incentive (JPI) food benefit to Supplemental Nutrition Assistance Program (SNAP) participants with dependent children who meet the TANF federal work participation rate by working in unsubsidized employment.

Over the past decade, the program experienced several challenges in meeting the employment and training-related needs of participants. The economic struggles that started in 2008 triggered extreme program reductions implemented July 1, 2011. The JOBS program was reduced by over 50 percent, which caused severe cuts to the program's service array and eliminated approximately 75 percent of contracted staff available to serve participants. Among the limited services that remained were job search, unpaid work experience, supported work, and subsidized employment. Child care, transportation assistance and other supports continued to be available in a reduced manner.

The reduction to program services and capacity, combined with the increased caseload, low staffing levels for family coaches, and lack of jobs to transition participants into, the state was unable to meet federal regulations that require 50 percent of work-eligible adults in the TANF program participate in work preparation activities. Oregon was not compliant with the federal work participation requirement in 2007. The department submitted a Corrective Compliance Plan that outlined the steps to be taken to meet participation goals. By following the plan, working with partner agencies to employ participation strategies, and fully utilizing the family coaching resources to engage more families in the program, the state met federal participation requirements and avoided penalties starting with FFY 2008.

In the 2013-15 biennium, the budget allowed for added flexibility in contracts and support services so that families in the TANF program could have support in vocational training and education, GED completion, and life skills classes. Other services previously eliminated have since been added back including: Adult Basic Education, Life Skills classes, services that helped participants remove other obstacles to employment such as home visitor specialists, vocational nurse consultants and specialists who helped parents or caretaker relatives with criminal history or fines work with the courts on expungement. They also provided

guidance to clients for talking with prospective employers during job searches about these issues.

In July 2015, with the support of the Legislature, additional expansion was implemented with the passage of HB 3535, in which projected savings from caseload reduction was reinvested back in to the TANF program resulting in strategies and policy changes to improve outcomes for families. Funding provided opportunities for community-based collaborative impact contracts that focused on family stabilization, preventing entry into TANF, promoting job retention. The program was also able to increase flexibility in support service payments and family supportive services. Additional family coaching resources helped test strategies to engage families in ways that improved outcomes in the areas of engagement in a self-sufficiency plan, improving family stability, improving federal participation rates, and increasing employment placements. These services continue to improve outcomes for TANF families in the current 2017-19 biennium.

Program Justification and Link to Focus Areas

The primary focus area of the JOBS program is to impact and actively contribute to a Thriving Oregon Economy. The JOBS program aims to reduce unemployment for participants, including underrepresented and underserved individuals, and create job-ready communities that contribute to Oregon's overall economic well-being.

There is also a direct link to a secondary focus of Healthy and Safe Communities. JOBS is an integral part of Oregon's workforce service delivery system by providing employment and training services to low-income families receiving TANF. Many of the parents or caretakers of the children in this program have limited or no work experience. The JOBS employment and training program provides activities and services focused on preparing participants to enter the workforce, help them find employment, and support them as they transition off public assistance.

TANF is a required partner under WIOA. While WIOA programs serve all Oregonians, the JOBS program provides services geared to address specific needs of TANF participants to obtain job skills and work-experience-related training, assist with connections to employment opportunities, and family stability efforts. WIOA affords the state additional opportunities to expand and maximize coordination of employment and training workforce partners at the state and local

levels, establishing a continuum of services that improves outcomes for all job seekers.

Program Performance

DHS measures total employment placements reported by parents or caretaker relatives served by the JOBS program each month. Due to the economic downturn, average monthly placements in FY 2010 were 30 percent lower than in FY 2008. With gradual flexibility added to the program since July 2013, additional investments in the program starting July 2015, and improvements in the economy, job placements have increased back to levels ranging from 900 to 1,000 per month. Prior to July 2013, placements last reached these levels in December 2007. The average monthly placements for FY 2017 was 921. 22 percent of placements are at least 30 hours per week and at least \$11.55 per hour (benchmark placements).

In April 2018, the statewide average wage for full or part-time wages combined was \$11.44 per hour, ranging between \$11.13 and \$11.68. The state minimum wage ranges between \$10.00 / \$10.25 / \$11.25, depending on the area.

The percentage of parents or caretaker relatives who exit TANF due to employment and do not return within 18 months is currently 62 percent. Future data is expected to start showing an increased percentage based on the improving economy and expanded program design.

Enabling Legislation/Program Authorization

The TANF program is authorized under Title IV-A of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and the Deficit Reduction Act of 2005. A significant portion of the JOBS program is codified in State statute chapters 411 and 412.

Funding Streams

The JOBS program is funded through the Federal TANF block grant and General Fund dollars that count towards the state Maintenance of Effort (MOE) requirement. Oregon's TANF block grant is \$166.8 million per year. Oregon's MOE requirement is equal to 80 percent of the state's historic expenditures or approximately \$98 million per year. Expenditures counted towards MOE must not have been from a Federal source and must not be matched to other Federal funds. Oregon generally meets MOE through a combination of eligible DHS and other agency expenditures. Both the TANF federal block grant and MOE expenditures must be spent in a manner reasonably calculated to meet one of four TANF

purposes, which are: 1) provide assistance to needy families; 2) end dependence of needy parents by promoting job preparation, work and marriage; 3) prevent and reduce out-of-wedlock pregnancies, and 4) encourage and maintain family formations.

Funding Justification, And Significant Changes to CSL

POP 122 – Emergency Housing Assistance

The housing crisis has greatly impacted the low-income families in Oregon, making them even more vulnerable. This policy option package addresses the housing need by expanding the Department of Human Services, Self-Sufficiency Programs' ability to provide emergency housing services and supports to homeless families and families at risk of homelessness in areas where assistance is not available, including maximizing coordinated efforts with housing and community action agencies and other local partner organizations across the state. If this policy option package is not funded, homelessness and housing needs will remain unmet, reducing the ability to strengthen and stabilize the living situation of low-income families, and potentially requiring reliance on assistance programs.

An investment of \$6.5M TANF FF in emergency housing will be transferred to help low-income Oregonians experiencing a housing crisis to remain safe and provide wrap-around services that support families during their period of instability. The Department of Human Services (DHS) and Oregon Housing and Community Services (OHCS) are working to align services and strategies to better serve our families and provide quality person-centered assistance. DHS and OHCS will work in collaboration on the four strategies below to begin to address the statewide housing stabilization issues facing the families we serve.

POP 127 - Vocational Training and Education Expansion

This POP expands targeted vocational training and education opportunities for families receiving Temporary Assistance for Needy Families (TANF) assistance in rural locations as and provides access to underserved TANF populations statewide. The expansion would include a comprehensive service model with eligible participants enrolling in training programs that match up with in-demand, high wage job openings, such as in the healthcare or information technology areas. Participants receive a scholarship/stipend to help augment Pell grants, with average

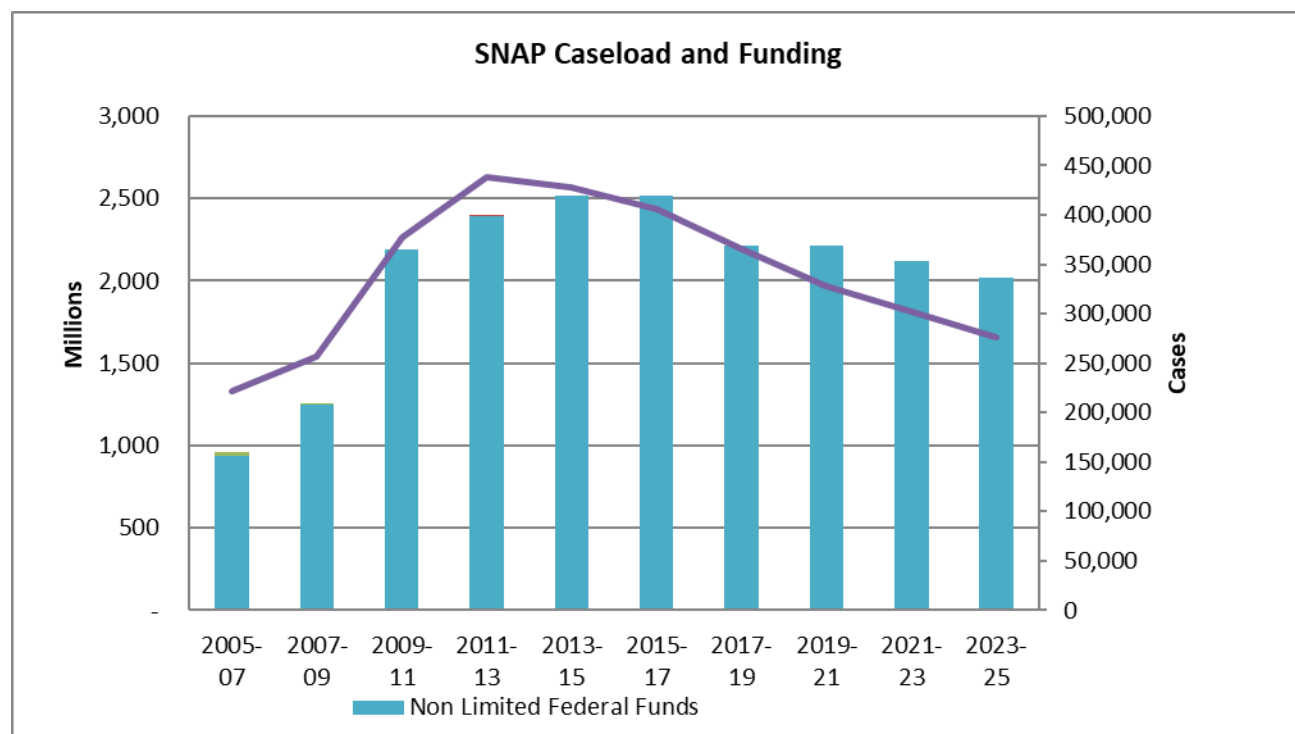
awards estimated cost at about \$2,976 per participant (\$2,000 of which is a tuition stipend) plus additional support services funding for the expanded participant group; approximately 850 individuals would participate in the program over the course of the biennium, doubling the current capacity. The pilot project will be a joint effort among workforce program partners, the education communities, and the Department of Human Services.

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 3,641,542			\$ 3,641,542		

Department of Human Services: Supplemental Nutrition Assistance Program (SNAP)

Primary Long Term Focus Area:
Secondary Long Term Focus Area:
Program Contact:

A Thriving Oregon Economy
Safer Healthier Communities
Belit Burke



Program Overview

The Supplemental Nutrition Assistance Program (SNAP) is a federally funded food benefit program. SNAP provides supplemental food benefit dollars to low-income families, seniors, single adults, people with disabilities, and children to help purchase food to meet their nutritional needs. Currently, one in six Oregonians receive these benefits. Benefits to clients are 100 percent federally funded; the administration of the program requires a 50 percent state match.

Money from the program spreads quickly through the state economy. The United States Department of Agriculture (USDA) calculates that for every \$5 of SNAP benefits, there is \$9 of total economic activity. SNAP also has been an important and constantly growing anti-poverty program. Recent research has shown that

SNAP benefits reduce the depth and severity of poverty, and have a particularly strong effect on reducing the depth and severity of child poverty.

Program Funding Request

	SSP -EBT SNAP			
	GF	OF	FF	TF
17-19 LAB	-	-	2,214,345,331	2,214,345,331
19-21 GRB	-	-	2,214,345,331	2,214,345,331
Diff.	-	-	-	-
% Diff.	0%	0%	0%	0%

Program Description

SNAP serves as a crucial safety net. Food benefits are intended to be a supplement to what families already provide. However, for households with little or no income, it is the primary means to feed their families. Food and Nutrition Service (FNS) within the USDA regulates SNAP. Although Federal regulations do allow a few state options, any significant variation from the regulations must be approved by FNS through a formal process.

For the last three years, even during times of high caseload growth, Oregon has been ranked as one of the top three states nationally for program participation. The participation rate is the percentage of potentially SNAP-eligible persons in the state receiving SNAP benefits. Outreach efforts along with policy and procedural changes have helped significantly increase participation in SNAP. Oregon SNAP Outreach currently partners with 15 non-profit organizations including: Partners for a Hunger Free Oregon, the Oregon Food Bank and 211info. These partners have been invaluable in helping to increase and maintain Oregon's SNAP participation rates.

The program caseload is slowly declining as the economy continues to recover. Simplifying policies and making it easier for Oregonians to apply and meet eligibility requirements continues to support timely benefit delivery. Approximately one in six Oregonians or 16 percent of the population receive SNAP benefits. In March of 2018, a total of 645,322 Oregonians received SNAP benefits, which includes 373,734 cases (households). In March of 2018, a total of \$79,302,512 SNAP benefit dollars was paid to Oregonians which are spent in clients' local communities. According to the USDA's Economic Research Service, 8,900 to 17,900 full-time jobs are created per \$1 billion in SNAP benefits.

Program Justification and Link to Focus Areas

SNAP directly addresses the 10-Year Outcome for Healthy People by providing an important economic boost to struggling households and access to nutritious foods. According to the USDA Economic Research Service, receipt of SNAP benefits reduced the national poverty rate by almost eight percent during the recent recession. The SNAP program can also provide limited assistance with job search and links to employment resources through the Oregon Food Stamp Employment and Training (OFSET) program and the SNAP Training and Employment Program (STEP), nationally known as the SNAP 50/50 employment program.

Program Performance

The goals of the SNAP program are to ensure that benefits are delivered accurately and in a timely manner to those who are eligible for the program. It also aims to ensure those who are eligible for the program have access to program benefits. Oregon's program has enabled the state to maintain a high participation rate along with a high Federal Quality Control (QC) rate. Oregon's SNAP program has continually performed above the national average and not paid a performance penalty in ten years.

Oregon has received multiple federal bonuses because of the state's high SNAP participation rate and has also been the recipient of multiple competitive national grants. For the past five years Oregon was one of six states recognized for the timeliness of processing SNAP application and received awards with performance bonuses totaling more than \$13.6 million. Oregon has consistently been among the best in the nation. The bonus award funding has been used over the years to support partner agencies, help meet the program's goals and, frequently, to shore up needs in other programs through the State General Fund.

Oregon is considered a model state by FNS in terms of program access and commitment to customer service. One example of this is Oregon's Lean process. The lean process has streamlined and standardized the eligibility process statewide to ensure that most applicants receive benefits within 48 hours of applying. The process continues to receive federal and national recognition resulting in visits from federal partners and other states to observe best practices.

The 2010 census data showed that 15.8 percent of Oregonians lived in poverty, which was slightly higher than the national average of 15.3 percent. SNAP participation in Oregon peaked in August 2012 at 445,508 cases serving 814,450 people. Benefits issued in Oregon from 2007 to 2013 have more than doubled from \$487,482,626 to \$1,236,125,996 respectively. This shows SNAP is an important anti-poverty program that has seen substantial growth.

Following the peak participation year of 2012, Oregon SNAP benefits have seen a decrease. However, the 2017 amount issued of \$999,429,991 remains more than double the 2007 issuance. Money from the program spreads quickly through the economy. The USDA calculates that for every \$5 of SNAP benefits, there is \$9 of total economic activity.

Calendar Year	SNAP Benefits Issued in Oregon
2009	\$910,919,825
2010	\$1,098,444,539
2011	\$1,211,274,990
2012	\$1,262,115,384
2013	\$1,236,125,966
2014	\$1,165,400,102
2015	\$1,144,506,648
2016	\$1,055,881,755
2017	\$999,429,991

Enabling Legislation/Program Authorization

SNAP is guided by federal legislation found in the "Farm Bill" authorized by The Agricultural Act of 2014 (P.L. 113-79, Feb 7, 2014). Program policy is reauthorized every five years through the Farm Bill. The Farm Bill is due for reauthorization later this year.

Funding Streams

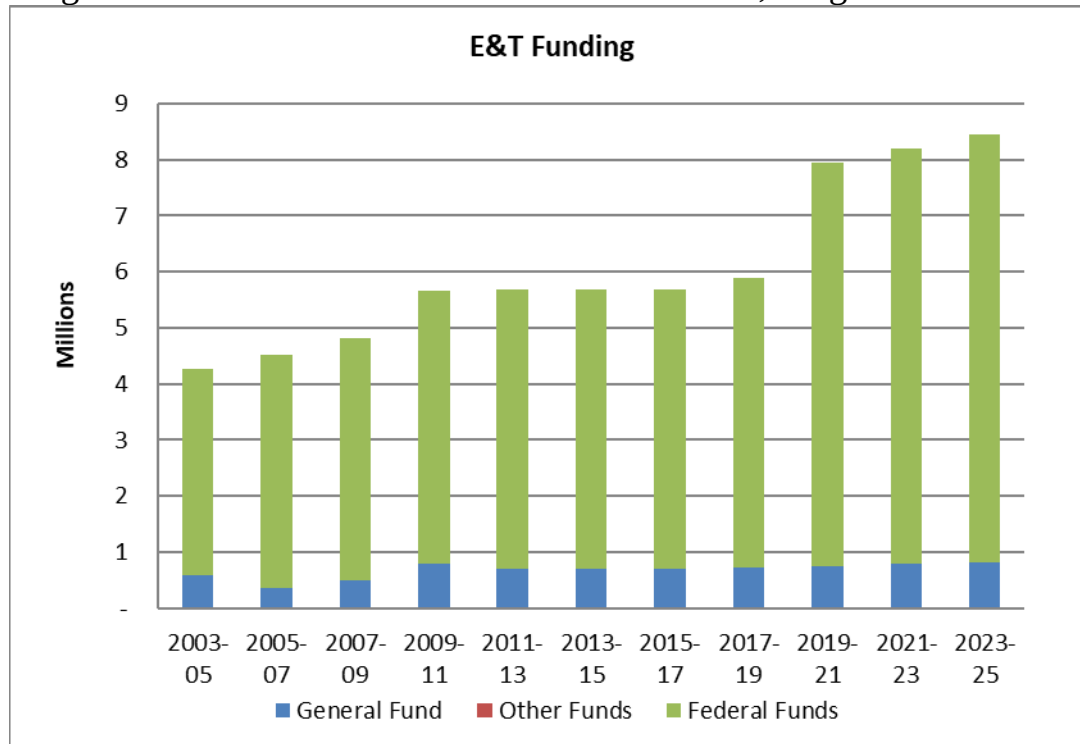
SNAP benefits are 100 percent federally funded. Oregon is responsible for 50 percent of the administrative costs. Oregon's portion of the administrative costs for SNAP comes from the State General Fund.

Funding Justification, And Significant Changes to CSL

SNAP is funded at current service level.

Department of Human Services: Supplemental Nutrition Assistance Program – Employment and Training

Primary Long Term Focus Area: A Thriving Oregon Economy
Secondary Long Term Focus Area: Healthy and Safe Communities
Program Contact: Belit Burke, Program Director



Program Overview

The Supplemental Nutrition Assistance Program (SNAP) has an Employment and Training (E&T) component. In Oregon, there are currently three different types of SNAP Employment and Training programs:

- The **Oregon Food Stamp Employment and Training (OFSET) Program** provides employment-related services to adult SNAP participants. The services for this program are 100 percent federally funded. There is a support services component required by the state to be provided to participants participating in OFSET services. Support services can only be funded through a 50/50 match, per the United States Department of Agriculture's (USDA) Food and Nutrition Services (FNS). This program assists participants to gain valuable skills, training or experience that will improve employment prospects leading to self-sufficiency and a reduced reliance on SNAP benefits. OFSET services are offered in areas that are not subject to the ABAWD policy.

- The **SNAP Training and Employment Program (STEP)**, nationally known as the SNAP 50/50 reimbursement program, provides employment-related services to SNAP participants who voluntarily choose to pursue employment and training resources. There are currently 24 contractors in Oregon who draw down federal funds with their own non-federal match to provide services in their organizations in over 80 total sites to the populations they serve. With the addition of Oregon Employment Department as a statewide provider, STEP services are available in every county. During FFY 2019, additional STEP providers will be added, including five more Community Colleges.
- **Able Bodied Adults without Dependents (ABAWD)** policy is a SNAP benefit time limit of three months within a three-year period for those individuals between the ages of 18-49 who do not meet exemption criteria and who do not meet the minimum requirements of 80 hours of work-related activity per month. The ABAWD policy was implemented in FFY 2016 in Washington and Multnomah Counties, due to these counties loss of the federal waiver in part due to dropping unemployment rates. In FFY 2017 the policy was expanded to include Clackamas County. During FFY 2018, the policy was additionally implemented in Benton, Lane, Marion, and Yamhill Counties. This policy is expected to expand to 6 more counties January 1st, 2019.

Civil Rights Training is required annually of all DHS staff involved in the administration of the SNAP program (which includes contracted partners and their staff) so they understand civil rights related laws, regulations, procedures, and directives. Participants are informed of their rights and responsibilities at certification, interim change and recertification, and on all DHS forms. This includes the right to receive information in an (alternate) format or language they understand. DHS follows the Americans with Disabilities Act and Section 504 of the Rehabilitation Act.

Contracted staff must provide services to DHS participants without regard to race, religion, national origin, sex, age, marital status, sexual orientation or disability. Contractor services must reasonably accommodate the cultural, language and other special needs of participants. Contractors that do not have individuals who speak the language contact an interpretive service for the customer and provide materials in the participants' language preferences. Participants may file a report of discrimination at any time.

Oregon's SNAP program has a proven record of partnering with a wide variety of organizations to expand and reach underserved populations, including refugees. Through the implementation of ABAWD, agreements were modified to allow communication between the Immigrant and Refugee Community Organization (IRCO) and the ABAWD contractor to streamline and minimize potential barriers.

Oregon continues to fully develop and further expand the STEP Program as part of an ongoing investment in the Oregon economy and its communities. Oregon has been moving in the direction of building a continuum of services in partnership with key stakeholders engaged in the Workforce Innovation and Opportunity Act (WIOA). Oregon will provide SNAP participants who are unemployed or underemployed, opportunities to lift themselves out of poverty, while strengthening the workforce system and employers will benefit from the number of individuals who are more fully trained and prepared for employment.

Program Funding Request

SSP -SNAP E & T				
	GF	OF	FF	TF
17-19 LAB	727,896	-	19,904,542	20,632,438
19-21 GB	755,556	-	19,904,542	20,660,098
Diff.	27,660	-	-	27,660
% Diff.	3.8%	0%	0%	0%

Program Description – OFFSET, ABAWD, STEP

Oregon has 31 contracts with employment-related partners in all Oregon counties to deliver E&T components. Contractors specialize in workforce development and job placement. Components are designed to assist SNAP participants to move into employment. Typically, participants have an assessment followed by job search training and supported independent job search

Contractors may ask participants to participate in a combination of components as needed. Other allowable activities include Adult Basic Education (GED), English as a Second Language (ESL), job retention activities, and short-term vocational training. Participation is limited to a maximum of eight weeks per year for OFFSET, but ABAWD and STEP are ongoing programs.

The USDA FNS determines the annual allotment of E&T administrative funding for the OFFSET and ABAWD Programs. FNS has a set amount of funding for all states. Each state's share is based on a formula using, in part, the state's SNAP mandatory participant figure. Mandatory participants are defined as those aged 18 to 59 (or age 16 and 17 if the participant is the primary person/head of household)

and who do not meet a federal exemption. Federal exemptions include the following:

- Caretaker of a dependent child under age 6
- Caretaker of an incapacitated individual
- Physical or mental barriers to employment
- TANF participant
- Receipt of unemployment benefits
- Participation in alcohol or drug rehabilitation
- Eligible students enrolled at least half time
- Employed 30 hours a week at federal minimum wage.

The FNS annual allotment is the major cost driver for the OFSET and ABAWD Programs. As this number is adjusted annually, services provided by contractors are scaled back to stay within budget.

A limited amount of support service funding is available to participants. Support services are provided to pay a participants' up-front transportation expense related to independent job search efforts, such as transportation to job interviews, submitting job applications and informal, in-person job search. The majority of reimbursements are vendor payments in the form of gas vouchers and bus tickets. Contractors use the lowest cost alternative available to maximize the number of participants who may receive a support service payment.

The support service budget is funded by 50 percent General Fund and 50 percent Federal fund per FNS regulations. Since 2009, the annual Oregon support service budget has remained at \$1.2 million. This figure is based on 20,000 anticipated participants using \$60 in support services per participant.

The STEP Program works in partnership with community organizations that offer employment and training opportunities to participants. Each community organization provides wraparound services to compliment E&T services that increase protective factors and success rates. The E&T program is a package of services, which includes assessment, component activities, and case management. Some STEP providers also offer participant's support services. The allowable E&T components activities provided by these organizations include job search-related activities, job search training, unpaid work experience or training, short-term education such as vocational training, and job retention efforts. STEP contractors are reimbursed 50 percent for services provided to SNAP recipients under their approved agreement. STEP funding from USDA FNS currently has no cap.

SNAP E&T contractors work to leverage resources with other workforce programs. While E&T dollars cannot be utilized for participants where there is a prior resource available (for example, job preparation activities for TANF participants would be funded with Job Opportunity and Basic Skills (JOBS) TANF-funded dollars and not SNAP E&T dollars). The program does work with programs funded through TANF and WIOA to coordinate services and refer participants into services that may not be funded by E&T but could benefit the job seeker. An example of this would be a referral of a SNAP E&T participant to a WIOA funded training program or the leveraging of job openings and referrals with co-located job placement programs.

Program Justification and Link to Focus Areas

The SNAP E&T program's goal is to assist participants in gaining skills that will improve their employment prospects and reduce reliance on SNAP benefits. Participants improve job skills, which add to the diversity and strength of Oregon's workforce. Using local contractors to deliver the E&T program results in a higher quality workforce because services can be tailored to the area and local economies benefit from these expenses. The program supports the Thriving Oregon Economy focus area with the goal of long-term economic prosperity and resiliency through people-based strategies.

Program Performance

For FFY 2018, DHS projects that a total of 84,300 participants are eligible for SNAP E&T programs. However, the program anticipates it will only serve one-third of potential participants per year because of the amount of funding received.

Enabling Legislation/Program Authorization

This program is mandated by Federal legislation found in the Food and Nutrition Act of 2008, authorized by the 2008 Farm Bill. In February 2014, President Obama signed the 2014 Farm Bill (aka. the Agricultural Act of 2014). Program policy is reauthorized every five years through the Farm Bill and the next reauthorization will happen in 2019.

Funding Streams

This program is funded primarily through Federal funds, with a small amount of General Fund dollars. E&T administrative costs are 100 percent Federal funds based on a fixed formula. ABAWD pledge funds, which are 100 percent Federal funds, are specific to support individuals who are at-risk of losing SNAP benefits.

For 2018, administrative costs are estimated at \$1,882,746. Oregon's portion of the ABAWD pledge funds are approximately \$3,362,573. E&T participant support

service costs are funded through 50 percent General Fund dollars and 50 percent Federal funds. For 2018, support service costs are \$600,000 General Fund. The total SNAP E&T program budget is \$6,445,319.

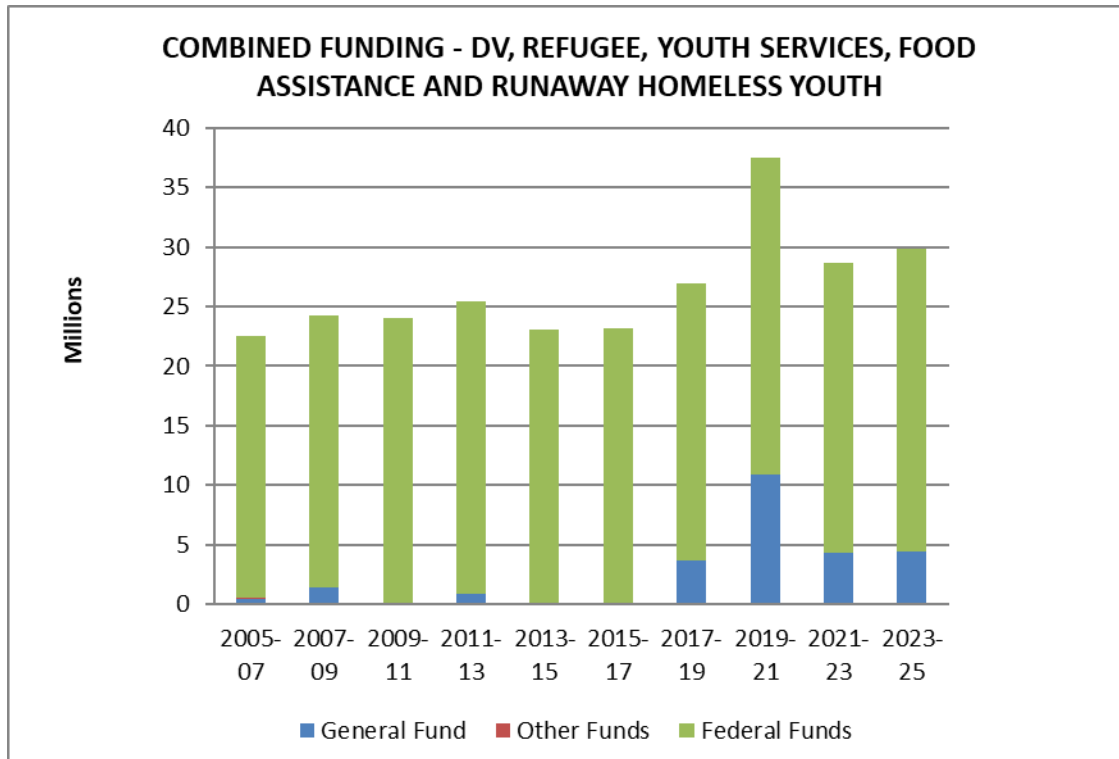
STEP Partner agencies use their own non-federal funds for the allowable costs of E&T components and receive 50% Federal reimbursement money. This allows Oregon to conserve limited resources while expanding the services available to SNAP E&T participants.

Funding Justification, And Significant Changes to CSL

This program is funded at the CSL level.

Department of Human Services: Domestic Violence, Refugee, Youth Services, Food Assistance, and Runaway Youth & Homeless

Primary Long Term Focus Area: Safer, Healthier Communities
 Secondary Long Term Focus Area: N/A
 Program Contact: Belit Burke

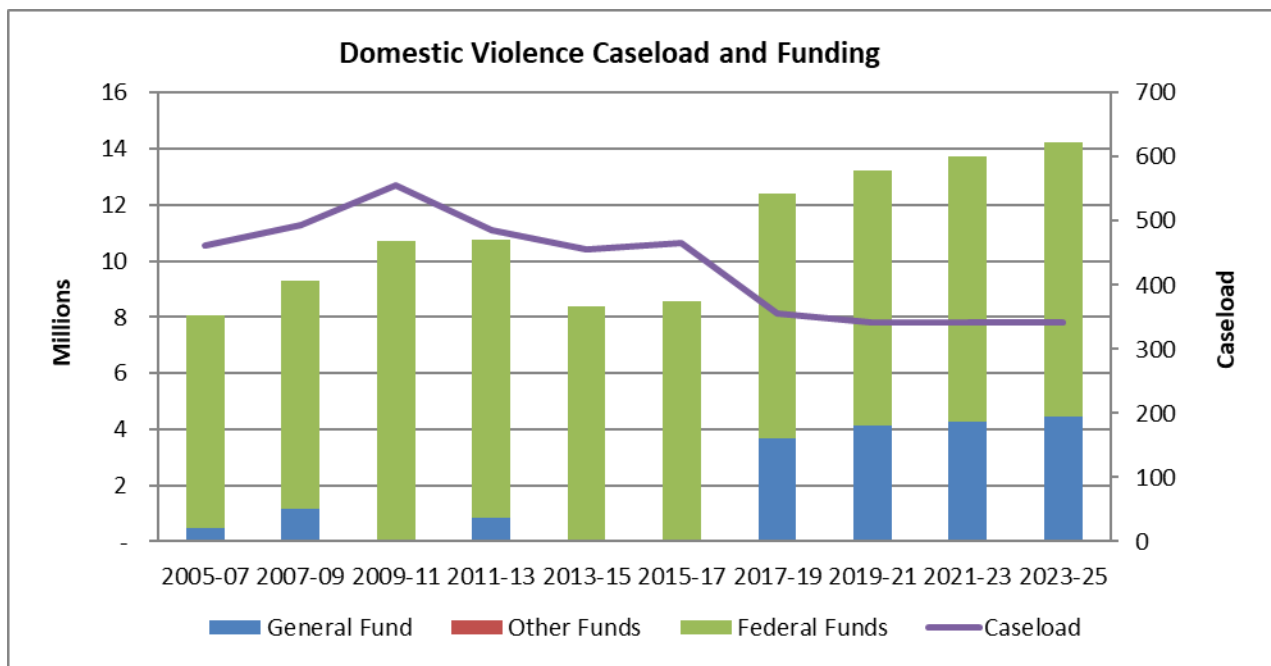


Program Funding Request

SSP -TA-DVS, Refugee, Youth Services, Food Assistance , Runaway & Homless Youth				
	GF	OF	FF	TF
17-19 LAB	9,359,081	-	25,649,162	35,008,243
19-21 GB	10,932,767	-	26,530,294	37,463,061
Diff.	1,573,686	-	881,132	2,454,818
% Diff.	17%	0%	3%	7%

Program Overview – Domestic Violence

Temporary Assistance for Domestic Violence Survivors (TA-DVS) provides temporary financial assistance and support to families affected by domestic violence during crisis or emergent situations when other resources are not available. TA-DVS is used to help the domestic violence survivor and the children address their safety concerns and stabilize their living situation, thus reducing the likelihood of the survivor returning to the abuser. The most common need for TA-DVS is when the domestic violence survivor flees the abuser. Many domestic violence survivors need additional assistance to create safety and stability in order to be successful in finding and maintaining a job, all keys to becoming self-supporting without public assistance.



Program Funding Request

	TA-DVS			
	GF	OF	FF	TF
17-19 LAB	3,651,248	-	8,729,425	12,380,673
19-21 GB	4,114,461	-	9,105,557	13,220,018
Diff.	463,213	-	376,132	839,345
% Diff.	13%	0%	4%	7%

Program Description

TA-DVS provides up to \$1,200, over a three-month period. Payments can include but are not limited to: Initial months' move-in fees, rent or utilities, moving costs, and items to help address safety. The program serves families with minor children or individuals who are pregnant, who are low-income, and meet eligibility requirements of the Temporary Assistance for Needy Families (TANF) program. Family Coaches, through DHS field offices, meet with the clients to review their situation and develop a safety plan. DHS also works in partnership with local non-profit domestic violence and sexual assault advocates who assist families with additional safety planning, confidential advocacy services, emergency shelter, and other resources.

Program Justification and Link to Focus Areas

The TA-DVS program is directly linked to the Safer, Healthier Communities focus area. Futures without Violence (formerly the Family Violence Prevention Fund) indicates that about 30 percent of women receiving public assistance have experienced domestic violence. Research has shown that individuals impacted by domestic violence have more chronic health issuesⁱ including depression and post-traumatic stress, more difficulty obtaining and maintaining employmentⁱⁱ, and that these impacts can be mitigated by addressing safety.ⁱⁱⁱ The TA-DVS program provides economic support to very low income families who are seeking services to meet basic needs while they are working towards self-sufficiency. Ensuring safety and stability helps the domestic violence survivor be more successful when they engage in job training or job search.

Program Performance

For the fiscal year ending in June 2017, the TA-DVS program served on average 1,407 cases per month. Of these 1,407 cases on average 357 received TA-DVS funds. The average payment per family was \$756.54. The low number of eligible individuals accessing the funds is primarily the result of a lack of affordable housing.

Enabling Legislation/Program Authorization

Domestic violence emergency assistance also known as TA-DVS is mandated under ORS 411.117 (1) (e). Federal authorization through the TANF block grant includes use of the TANF funds to meet non-recurrent, short-term benefits to deal with specific crisis situations including domestic violence. (See 45CFR 260.31 (b))

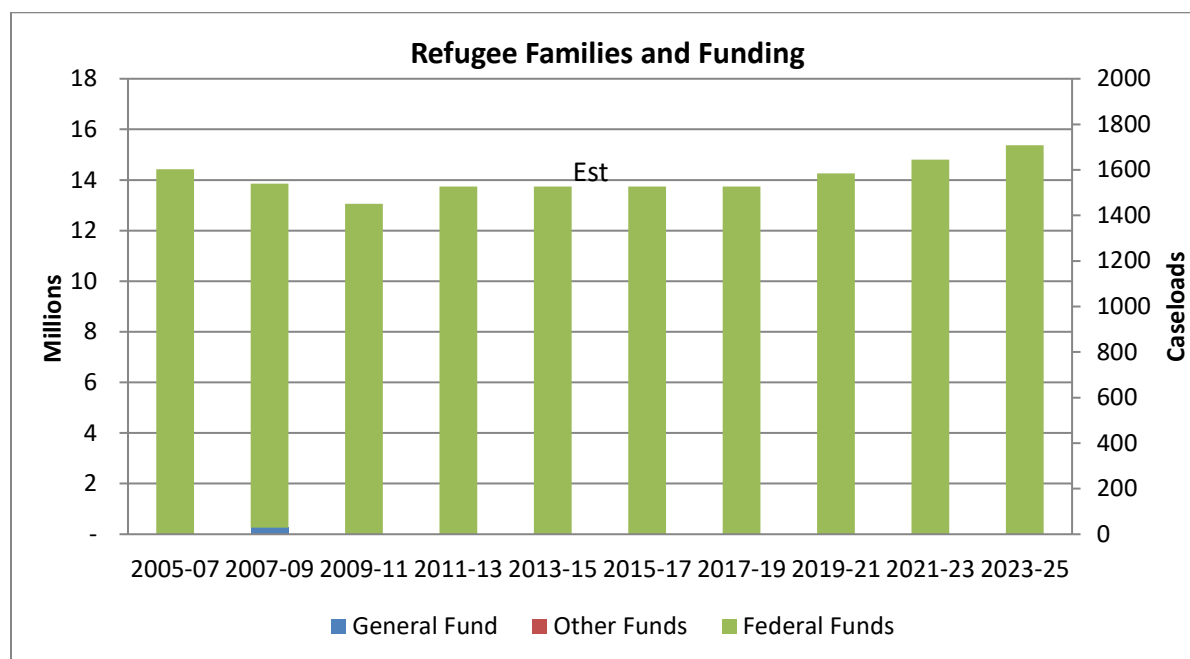
Funding Streams

TA-DVS is funded with the Federal TANF block grant. (See 45CFRPart260)

Funding Justification, And Significant Changes to CSL

The TA DVS Program is funded at Current Service Level

Refugee Services



Program Overview – Refugee Services

The Refugee Program serves individuals and families who fled persecution in their country of origin and were legally admitted for resettlement by the United States government. The program guides refugees into self-sufficiency through employment as early as possible by providing financial services, employment related services, and acculturation services, so they can become independent and contributing members of Oregon's economy.

Program Funding Request

SSP - REFUGEE				
	GF	OF	FF	TF
17-19 LAB	-	-	13,740,633	13,740,633
19-21 GB	-	-	13,645,633	13,645,633
Diff.	-	-	(95,000)	(95,000)
% Diff.	0%	0%	0%	0%

Program Description

The Refugee Services Program can serve only those persons in immigration categories approved by the Federal Office of Refugee Resettlement (ORR): Refugees, Asylees, Cuban/Haitian entrants and parolees, Amerasians, victims of human trafficking (international) and certain family members, and Iraqi/Afghan Special Immigrant Visa holders.

Resettlement services are comprehensive. Initial resettlement and most case coordination services are delivered by non-profit resettlement agencies located in the Portland area, where the majority of refugees seek services. These services may include essential tasks such as picking up refugees at the airport, finding them a place to live and helping to furnish their home with basic necessities. There has been some expansion of resettlement outside of the tri-county area in an effort to locate available affordable housing.

DHS branch offices determine TANF and REF cash eligibility, and SNAP eligibility. OHP eligibility is determined separately. Resettlement agencies will provide direct linkage services and Life Skill sessions.

During Federal Fiscal Year (FFY) 2017, the average monthly caseload for all resettlement agencies was 359 refugee cases. Employment-related services are delivered by the Immigrant and Refugee Community Organization (IRCO) in Portland. IRCO services may include: assistance with job search, employment acculturation, pre-employment training, English language classes, citizenship, and naturalization help. During FFY 2017, these services assisted an average of 832 refugees per month. Those refugees who resettle outside the tri-county area are served through a local DHS field office.

Those served through the Refugee Program come from all over the world. During FFY 2017, Oregon's Refugee Program assisted people from 27 different countries.

Most refugees who are resettled in the U.S. speak little to no English. Limited English capacity is expected and integrated into Refugee Program services.

Program Justification and Link to Focus Areas

This program is directly linked to Safer, Healthier Communities. Refugees receive help to become safe, healthy, and independent by learning how to understand and navigate the prevalent culture, become self-sufficient through employment as early as possible and become contributing members of Oregon's economy. These services enhance the ability of arriving refugees to succeed in the U.S. and also helps them become integrated members of the community. Most services are provided for up to eight months after arrival. Employment services can extend to a maximum of 60 months after arrival. Specialized services to refugee seniors are not time limited.

Program Performance

ORR requires states to establish goals related to self-sufficiency of refugees. Two of the more significant measures are the percentage of clients who become employed and the percentage who remain employed 90 days after placement. During Federal Fiscal Year (FFY) 2017, the Refugee Program was able to help gain employment for 62 percent of the on-going caseload, with the goal being 65 percent. The retention goal of 78 percent was surpassed with 85 percent for those still employed after 90 days.

Enabling Legislation/Program Authorization

The Refugee Program is authorized and operates under the Federal Immigration and Nationality Act and the Refugee Act (8 U.S.C. 1522). The Refugee Program operates as a public assistance program under ORS 411.060, 409.010(2) (c), and 409.010(2) (h).

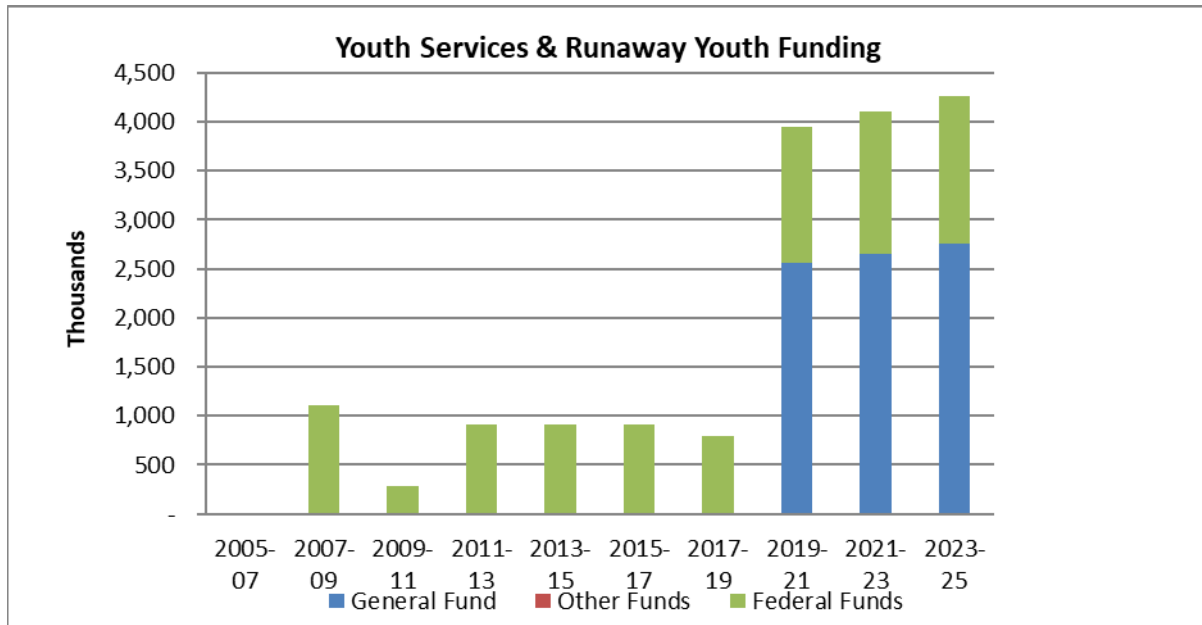
Funding Streams

During the initial resettlement period, the Refugee Program serves two different populations of refugees: those refugees who are eligible for Temporary Assistance for Needy Families (TANF) and those refugees who are eligible for ORR-funded services. The TANF eligible refugees receive cash assistance and services paid with TANF funding, and all other refugees are served with ORR funds, which are federal funds. (8 U.S.C. 1522)

Funding Justification, And Significant Changes to CSL

The Refugee Program made a base adjustment to remove the Cuban/Haitian Grant of (95,000).

Youth Services (My Future My Choice)



Program Overview - Youth Services

Youth Services include sexual health education, leadership and mentor programs. These services support community prevention efforts to enable Temporary Assistance for Needy (TANF) families to break the generational dependence on public assistance.

Program Funding Request

SSP -Youth Services and Runaway & Homless Youth				
	GF	OF	FF	TF
17-19 LAB	-	-	797,335	797,335
19-21 GB	2,554,375	-	1,397,335	3,951,710
Diff.	2,554,375	-	600,000	3,154,375
% Diff.	100%	0%	75%	396%

Program Description

The “My Future-My Choice” program includes age-appropriate, medically accurate sexual health education curriculum and services for sixth and seventh grade, and a high school leadership and mentor component. These services support community prevention efforts to enable TANF families in breaking the generational dependence on public assistance. The “My Future-My Choice” program expands on the historical teen pregnancy prevention program to provide education and tools for youth to resist multiple risk taking behaviors. DHS partners with the Oregon Department of Education and the My Future-My Choice Advisory Committee to develop and implement the program. During the 2016-2017 school year this curriculum was implemented in 17 counties and 25 school districts. Various school districts implement the program throughout the year; the 2017-2018 school year data will be available August 1, 2018

Program Justification and Link to Focus Areas

The “My Future-My Choice” program is directly linked to the Safer, Healthier Communities focus area. An analysis from the National Campaign to Prevent Teen Pregnancy shows that teen childbearing (ages 19 and younger) in Oregon cost taxpayers (federal, state and local) at least \$88 million in 2010. Of the total 2010 teen childbearing costs in Oregon, 32 percent were Federal costs and 68 percent were state and local costs. Investing in preventing teen pregnancy reduces the risk to teen pregnancy, which can lead to a lifetime of poverty for both the teen parent and the child. The teen birth rate in Oregon declined 49 percent between 1991 and 2010. The progress Oregon has made in reducing teen childbearing saved taxpayers an estimated \$116 million in 2010 alone compared to the costs they would have incurred had the rates not fallen.

Program Performance

Oregon teen pregnancy rates have consistently stayed below the national average. According to national data from the U.S. Department of Health and Human Services, the 2016 national rate for births to teens between the ages of 15 to 19 is 20.3 per 1,000 teen girls. In Oregon, the teen pregnancy rate among females 15 to 19 years continues to decline, from 39.25 per 1,000 in 2010 to 23.3 per 1,000 in 2016. Similarly, the teen birth rate among females 15 to 19 years declined from 28.45 per 1,000 in 2010 to 16.6 per 1,000 in 2016.

Enabling Legislation/Program Authorization

The Oregon Legislature passed HB 2509 in 2009, which requires that all schools provide comprehensive sexual health education. The My Future–My Choice curriculum complies with all requirements of this legislation for sixth and seventh grades. DHS partners with Oregon Health Authority and Oregon Department of Education to share in responsibility for collaborative efforts to increase youth sexual health education and services.

Funding Streams

The Title V Federal Abstinence Education Program grant provides annual funding of approximately \$962,303 to the My Future–My Choice Program through September of 2018. DHS submits a request for funding each year and continued funding is contingent on federal budget approval.

Program Description – Runaway and Homeless Youth (RHY)

The Runaway and Homeless Youth (RHY) program provides services and supports to young people under age 18 who are unable to live in a safe environment with a relative and lack safe alternative living arrangements, as well as individuals ages 18 to 21 without shelter. The program currently administers funding to 14 local non-profit providers in 12 counties across the state to provide shelter services, drop-in & outreach services, and job development & mentoring services. DHS partners with a cross-system advisory group to coordinate statewide policy and planning for addressing the needs of runaway and homeless youth.

Program Justification and Link to Focus Areas

This program is directly linked to Safer, Healthier Communities. The Runaway and Homeless Youth Program is focused on shelter, job development skill building, mentoring provision, and drop-in center / street outreach services for Youth under the age of 21.

While the RHY program has been focused on some supports, with the primary financial investment being made on temporarily lodging runaway and homeless youth, there needs to be additional focus and long-term investment on services for youth through this program. There is a dire need to focus on providing youth with the opportunity to make decisions about their own lives, with appropriate supports in place

With the program transitioning into SSP, there are increased opportunities within the TANF and SNAP program to leverage funding to build additional services for youth, allowing them to take more of a leadership role in their lives. The goal of this additional funding would be to help homeless youth finish high school and potentially connect them to additional training and work, so they can feel like they are more able to fully participate in decision making for their future. This would be an effort to keep today's homeless youth from becoming tomorrow's homeless adults.

Program Performance

Youth homelessness in Oregon, as well as across the country, continues to grow. Oregon currently ranks near the top in the country for the rate of homeless children and youth.

Every two years, during the last ten days of January, there is a nationwide effort to count every homeless person across the country. This Point-in-time count attempts to capture both sheltered and unsheltered homeless people to provide a snapshot of homelessness in the United States. It is an important source of information about neighbors who cannot find a permanent place to call home on a given night, but they do not tell the full story of homelessness in our communities.

According to the 2017 Point-in-time estimates, the number of homeless people in Oregon increased by 6%, from 13,176 in 2015 to 13,953 in 2017. Of these numbers, 605 were unaccompanied children under the age of 18. These children are overwhelmingly living in unsheltered locations, with just 18% living in shelters and the remaining 82% on the streets, cars, or other uninhabitable places.

The 2017-2018 school year saw counts of K-12 homeless students drop for the first time since 2012, but still showcased homelessness for 21,756 youth, or 3.75% of the total school enrollment. Of those numbers, almost 3,500 are listed as unaccompanied (not in the physical custody of a parent or guardian). Counts of homeless students in high-rent districts are dropping, while many rural districts are seeing increases, as families move seeking more affordable housing.

As DHS' RHY program has budget limitations, it is only one of a variety of funding streams going towards serving homeless and runaway youth. Approximately 2,700 youth are served annually by the 14 agencies receiving state

funding. The Oregon Alliance of Children’s Programs, a partner within the RHY program landscape, serves youth ~16,000 times by their membership programs – the majority of which are under age 18.

Enabling Legislation/Program Authorization

The Oregon Legislature passed HB 3260 in 2011 and transferred all duties, functions, and powers relating to coordination and delivery of services to runaway and homeless youth and their families to the Department of Human Services. In 2013, HB 3244 assisted in extending the service age limit from 18 to 21 years of age and HB 2232 in 2015 mandated that DHS provide a report highlighting a status of the system of services and supports for Runaway and Homeless Youth (RHY) developed by DHS, and information about the committee appointed to advise and provide expertise to DHS related to the needs of Runaway and Homeless Youth in Oregon.

Funding Streams

The biennial budget for this program is \$3.15M and the majority comes primarily from General Fund dollars. \$600,000 FF comes from Social Services Block Grant.

Funding Justification, And Significant Changes to CSL

A transfer of the Runaway and Homeless Youth Program (RHY) to Self-Sufficiency. The transfer was implemented as runaway and homeless youth rarely entered or re-entered the foster care system. The RHY provider network’s focus is to reconnect youth with family or to connect youth and young adults with Self-Sufficiency Program services. As an independent youth or young adult, the RHY population is often eligible for Supplemental Nutrition Assistance Program (SNAP) or other Self-Sufficiency Program benefits. Therefore, Self-Sufficiency is better situated to collaborate, support and expand the RHY network of providers.

Program Overview – Food Assistance

The Food Assistance Program help supplement the nutritional needs of elderly and other Oregonians through the provision of emergency food. The work is primarily carried out by the Oregon Food Bank and Oregon food bank network, and includes funding from both federal partners and the Oregon Hunger Response Fund.

Program Funding Request

SSP -Food Assistance				
	GF	OF	FF	TF
17-19 LAB	5,707,833	-	2,381,769	8,089,602
19-21 GB	4,263,931	-	2,381,769	6,645,700
Diff.	(1,443,902)	-	-	(1,443,902)
	-25.3%	0%	0%	-18%

Funding Justification, And Significant Changes to CSL

A phase-out of (\$1,600,000) General Fund, to the Food Assistance Program, this additional support helped the Oregon Food Bank, through its 20 regional food banks, acquire and distribute a higher volume of food to over 950 local agencies. Additionally, Oregon Food Bank also received one-time GF for improvement in cold storage infrastructure. The funding helped the state's food bank network upgrade and expand commercial refrigerators, freezers, mobile coolers, and refrigerated trucks.

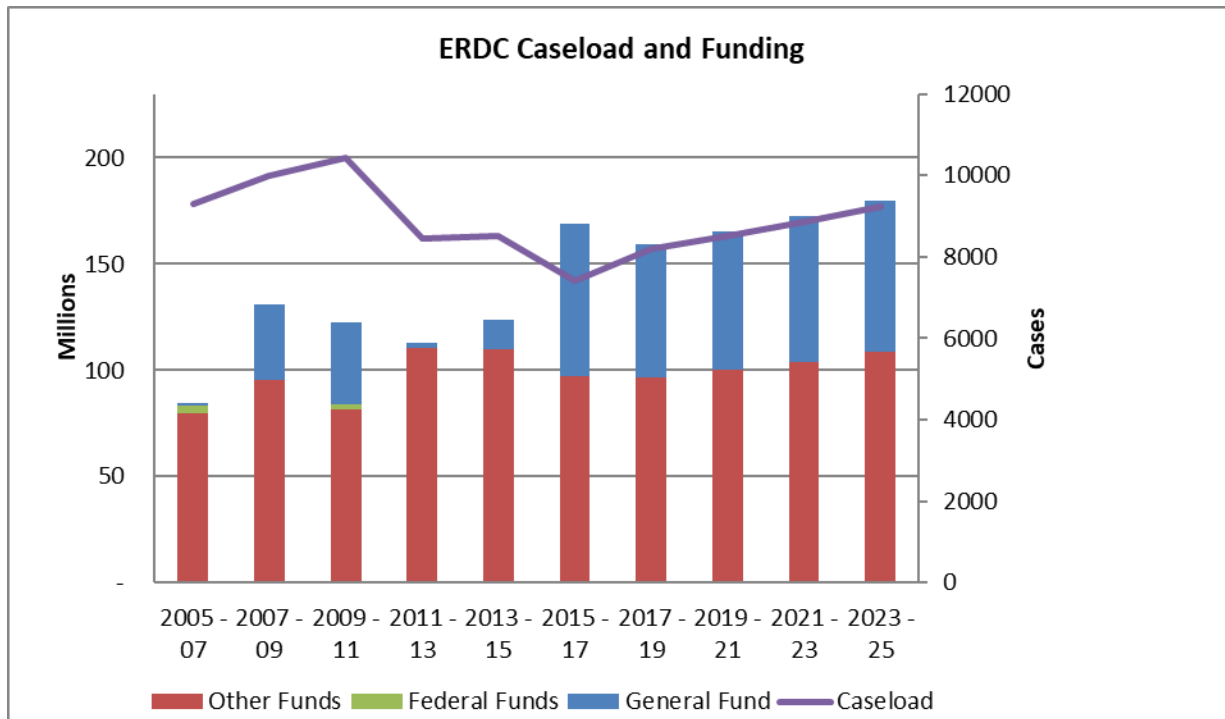
ⁱ Depression, Substance Abuse and Domestic Violence; National Center for Children in Poverty; Sarmila Lawrence; Michelle Chau; Mary Clare Lennon; June 2004

ⁱⁱ Welfare and Domestic Violence Against Women: Lessons from Research – Eleanor Lyon, PHD; August 2002

ⁱⁱⁱ Self-Sufficiency & Safety; Lee McKean, PHD; Center for Impact Research; October 2004

Department of Human Services: Employment Related Day Care

Primary Long-Term Focus Area: A Seamless System of Education
 Secondary Long-Term Focus Area: A Thriving Oregon Economy
 Program Contact: Belit Burke



Note: Out years assume static costs per case with funding inflated each year and invested in additional cases. Added funding could also be used for other quality activities in lieu of increasing the caseload cap.

Program Overview

The Employment Related Day Care program (ERDC) helps low-income working families from a variety of cultural and linguistic backgrounds in urban and rural communities pay for quality child care. Child care helps parents stay employed and gain self-sufficiency by assisting with the consistent, stable child care parents need to remain on the job.

Children in Employment Related Day Care, ages 0 to 6						01/01/2018 – 03/31/2018		
	All	African American	Asian	Caucasian	Hispanic (any race)	Native American	Pacific Islander	More than one race
Number	9,587	1,067	109	6,389	2,372	189	51	307

Program Funding Request

SSP - ERDC				
	GF	OF	FF	TF
17-19 LAB	63,114,861	97,037,957	-	160,152,818
19-21 GB	74,640,480	98,897,976	-	173,538,456
Diff.	11,525,619	1,860,019	-	13,385,638
% Diff.	18%	2%	0%	8%

Program Description

ERDC provides low-income working, part-time working/student and self-employed families the same opportunity to have quality child care as other families with higher income. This helps reduce the achievement gap and end the poverty cycle. To be eligible, a family's income must be less than 185 percent of the 2018 Federal Poverty Level. For a family of three, this is \$3,204 gross income per month.

The ERDC eligibility period for families is a minimum of 12 months. Parents who lose a job while on ERDC can continued on the program as they search for work. Parents also have child care coverage when they need to be on medical or pregnancy leave. The program's higher exit income limit allows for greater continuity of care and reduces the cliff affect when a family leaves the program.

Families choose their DHS approved child care provider, ERDC pays the subsidy portion directly to the provider on behalf of the family. Families pay a portion of the cost of child care, called a copayment. Copayments are based on a sliding scale and remain stable during the 12-month certification period. Families may pay additional costs when a provider charges more than the maximum rate DHS can pay. Information about ERDC subsidy or becoming a DHS provider is available in English, Spanish, Russian, Somali, Chinese and Vietnamese. DHS offers an interpretation line when a language is not available, bilingual staff at branch offices to assist families whose first language is not English and offer alternate formats.

DHS partners with several Head Start and Early Head Start Grantee programs to offer full-day, full-year contracts for ERDC families. DHS also contracts with thirty-two school districts throughout the state offering child care services to teen parents attending high school and as they transition in to the workforce

DHS collaborates with multiple partners in support of child care system activities. Contracts with 211info provide consumer education to parents, employers, care givers, and others interested in the ERDC program. 211info helps to educate parents on the importance of choosing the right caregiver. Collaboration with ELD/OCC and Child Care Resource and Referral (CCR&R) to support recruitment of new providers and training to meet provider requirements statewide. DHS also works closely with ELD/OCC on policy implementation, quality child care and the Child Care and Development Fund(CCDF) state plan.

Many ERDC families are receiving other services like SNAP or transitioning from Temporary Assistance to Needy Families (TANF). On average in 2017, 265 families per month transitioned from TANF to ERDC. In October 2017, there were 8,658 ERDC cases and 7,615 (88 percent) were receiving food benefits through the Supplemental Nutrition Assistance Program (SNAP).

The ERDC program operates under a caseload cap. To maintain caseload levels due to budget restrictions the program utilizes a reservation list. Families who have applied and been denied due to program capacity are added to the list when it is in use. Families are then invited to apply for ERDC as the budget allows.

The major cost drivers for the program are the number of families receiving ERDC, child care provider rates and more families accessing licensed child care. Additional cost drivers are contracted services such as Head Start and Teen Parent Program. The cost per case prior to October 1, 2015 was \$558, current cost per case in May 2018 has increased to \$803.

Program Justification and Link to Focus Areas

Research indicates children who receive a high quality early childhood education have better math, language and social skills as they enter school. Children who attended preschool show positive long-term effects on important adolescent and young adult outcomes, such as high school graduation, years of education completed, earnings, reduced crime and teen pregnancy¹. Low-income families who do not have access to subsidy programs are faced with difficult choices when it comes to child care expenses. They may rely on an older sibling or a variety of family and friends, leading to inconsistent or unstable care. DHS supports

¹ Hirokazu Yoshikawa, Christina Weiland, etc., *From Investing in Our Future: The Evidence Base on Preschool Education*, Society for Research in Child Development, Foundation for Child Development, October 2013.

improving safety, quality and enrichment of child care programs that support parent engagement and family stability as well as ensuring low-income families have access to a variety of child care settings.

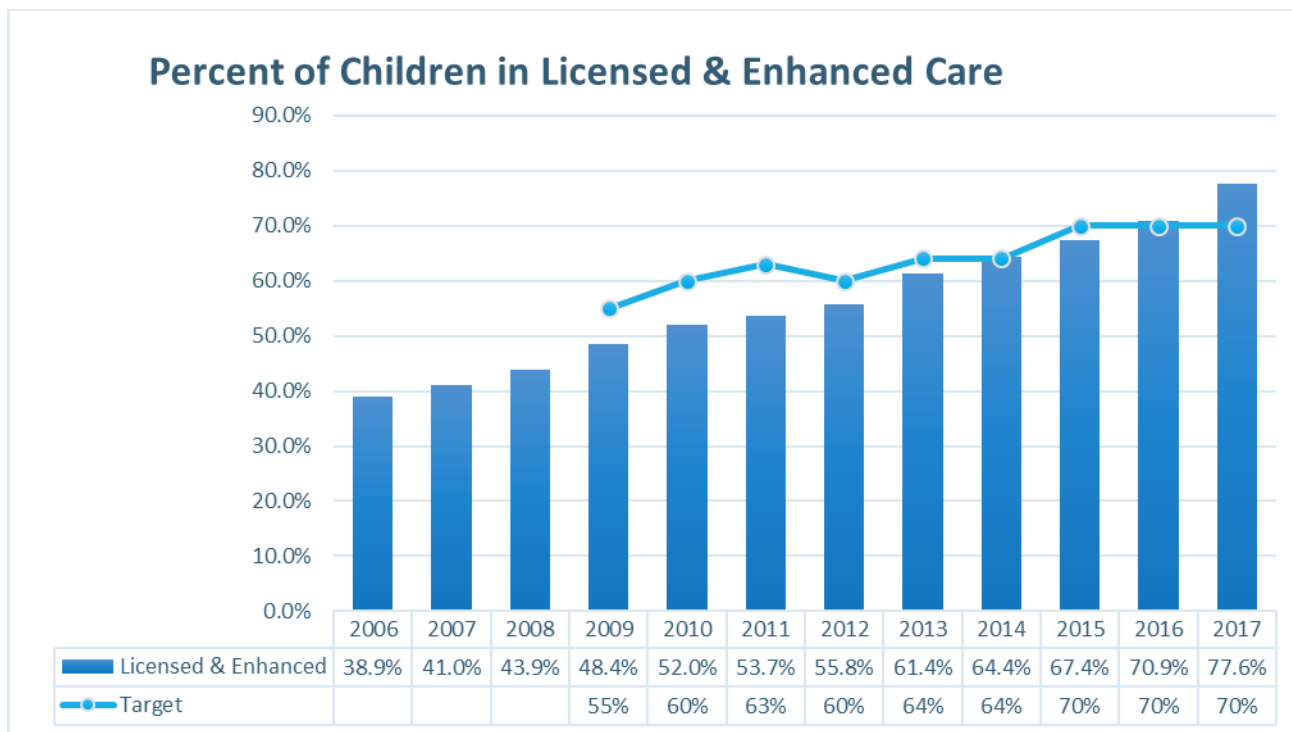
Contracted slots can provide stable care for low-income infant, toddler and preschool children in quality programs and support teen parents access to quality child care for their children, so they can continue their education. The ERDC programs continued enhancements have increased the support for a thriving economy. In the summer of 2018 for the program will pilot a pre-pay options licensed child care centers. Participating centers will receive payment at the beginning of the month. The goal is to increase the availability of quality child care slots for families receiving subsidy.

Program Performance

In October 2017 there were 8,658 ERDC cases that served 16,323 children. The average cost per case has increased \$28 from \$775 in October 2017 to \$803 in May 2018. As of October 2017, there were 1,691 licensed child care providers actively providing child care for DHS families across the state.

In October 2017, child care subsidy payments were issued for 12,486 children through the ERDC program. Of those children, 72.3 percent were enrolled in licensed care. An additional 4.2 percent of children were in care with providers who are exempt from OCC licensing. Participation in licensed care is generally highest among preschool aged children at 79.1 percent. Infant and toddler participation (ages zero to three) is slightly lower at 78.5 percent followed by school aged (six through seventeen) at 61.2 percent.

The number of children and families the department serves in this program is based on available funding. The program is currently capped at 8,300 through legislative action.



Enabling Legislation/Program Authorization:

ORS 409.010(2) (c), 411.141 and 418.485 provide statutory authority to DHS for administration of the ERDC program.

Child Care and Development Fund (CCDF) grants are administered by the Department of Health and Human Services, Administration for Children and Families Office of Child Care. They are authorized by the Child Care and Development Block Grant (CCDBG); 45 CFR Part 98 and 99. On November 19, 2014, president Obama signed into law the CCDBG Act of 2014 (P.L. 113-186), which reauthorized the program for the first time since 1996. The Department of Education (ODE), Early Learning Division, and Office of Child Care² is designated as the lead agency in Oregon to administer these funds. CCDF funding is transferred from ODE to DHS.

Funding Streams

The Other Funds are the CCDF Federal Funds that are transferred from ODE. The General Funds are state revenue that is used for our Maintenance of Effort (MOE) as part of the Federal Fund requirement. The department also spends General

² The DHS ERDC proposal needs to be reviewed with OCC's proposal.

Funds on our administrative expenses and uses that money for MOE. DHS spends \$12 million in General Funds per biennium in order to meet our CCDF MOE requirements.

Funding Justification, And Significant Changes to CSL

POP 125

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>		\$10,776,672		\$10,776,672

This Policy Option Package would enhance ERDC through increased rates that were bargained in December of 2018 to begin January 1, 2019. The \$10.7 million investment is due to increases in available federal funds. It is anticipated that FFY 2019 will continue the level of funding from FFY 2018 which added significant dollars to the grant. If the Federal investment continues into FFY 2020 additional limitation may be requested at that point.

Because the program is not funded to serve all eligible clients, the ERDC caseload must be managed by using a reservation list. The reservation list means families cannot access child care when it is critical for them to gain or keep employment, children are then being left home alone, parents are forced to use a patchwork of unstable or unsafe child care or leaving their employment

Other changes:

In addition, ERDC rate increases bargained for 2017-19 were funded 21 months of the 24 months in 2017-19 budget. A phase-in of (\$721,983) was needed to fund the additional 3 months for SEIU and AFSCME Provider Rates for the entire 2019-21 biennium.

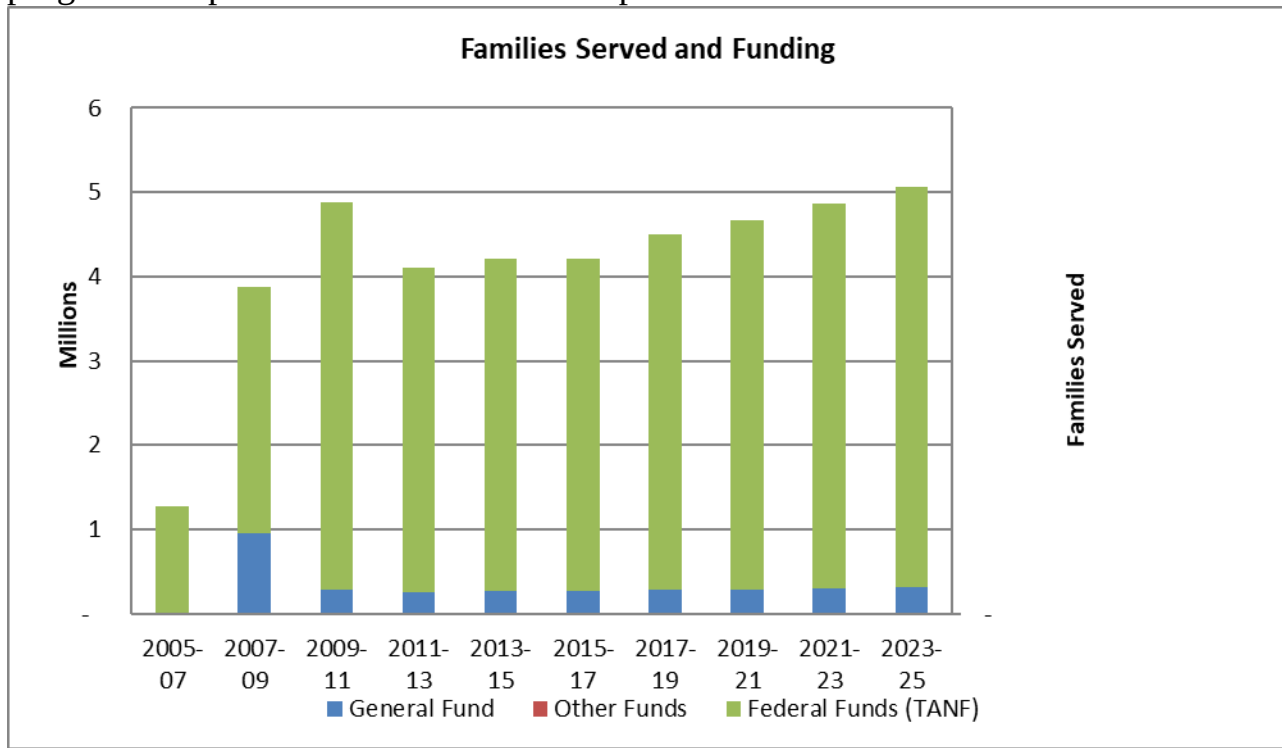
There was a phase-out of (\$750,000), from the special purpose appropriation, for one-time training costs for SEIU and AFSCME child care providers. The funding was a pass-through to the Early Learning Division (ELD) within the Oregon Department of Education; ELD used the dollars to expand existing contracts with Portland State University.

Department of Human Services: Family Support and Connections Program

Primary Long-Term Focus Area: Safer, Healthier Communities
Secondary Long-Term Focus Area: N/A
Program Contact: Belit Burke

Program Overview

Family Support and Connections (FS&C) is a child abuse and neglect prevention program that provides a wide array of services including home visits, resource brokering and parenting classes. These families primarily are eligible for the Temporary Assistance for Needy Families (TANF) program, which is a safety net program that provides cash assistance to parents.



Program Funding Request

SSP -FAMILY SUPPORT & CONNECTIONS				
	GF	OF	FF	TF
17-19 LAB	275,719		4,222,871	4,498,590
19-21 GB	286,196	-	4,222,871	4,509,067
Diff.	10,477	-	-	10,477
% Diff.	3.8%	0%	0%	0%

Program Description

FS&C is a component of the continuum of community supports to prevent child abuse and neglect. This program focuses on TANF families who may be at risk for involvement with the child welfare and foster care systems. DHS collaborates with numerous local and state, informal and formal prevention services, and activities to meet families' needs. Program staff work within the existing community structure to coordinate referrals and deliver direct services where gaps or needs exist for a family.

Services are designed to increase parental protective factors and decrease the risk factors of child abuse and neglect. This program provides home visiting services in all 36 counties and works collaboratively with Self Sufficiency and Child Welfare program staff, contracted staff and other community partners.

FS&C also provides services and supports for families supporting them move towards greater independence while promoting the health and well-being of all family members. The service array focuses on immediate crisis needs of families but also provides prevention and early intervention services to help families avoid reaching a crisis.

Because a diverse population is served through the program, FS&C providers are asked to design their program in a culturally appropriate way to best meet the needs of the families served. This is achieved, in part, by hiring staff who reflect the demographics of the local community. Local FS&C Steering Committees give guidance and direction on how services are provided to ensure community linkages are established. The local steering committees are also required to have membership representative of the cultural diversity in the district they serve. The steering committees also include representatives from local agencies working with minority and special needs populations, and faith-based organizations.

The program provides short-term interventions including home visits, family strength needs assessments, advocacy for services in the community, supports to strengthen parenting, coping and other skills to support the healthy development of children, individualized interventions and joint outcome-based case planning. The services are community-based and tailored to meet a family's needs. FS&C advocates support the family by working with them to identify risks and strengths. Together they tackle issues before there is irreversible damage, reducing the incidence of child abuse and neglect.

The major cost drivers are the number of families in need of child abuse and neglect prevention services as well as the number of contracted staff needed to provide the preventative interventions. The program has a small budget which does not accommodate the actual need. Current service level is only approaching 50% of demonstrated need in Oregon communities.

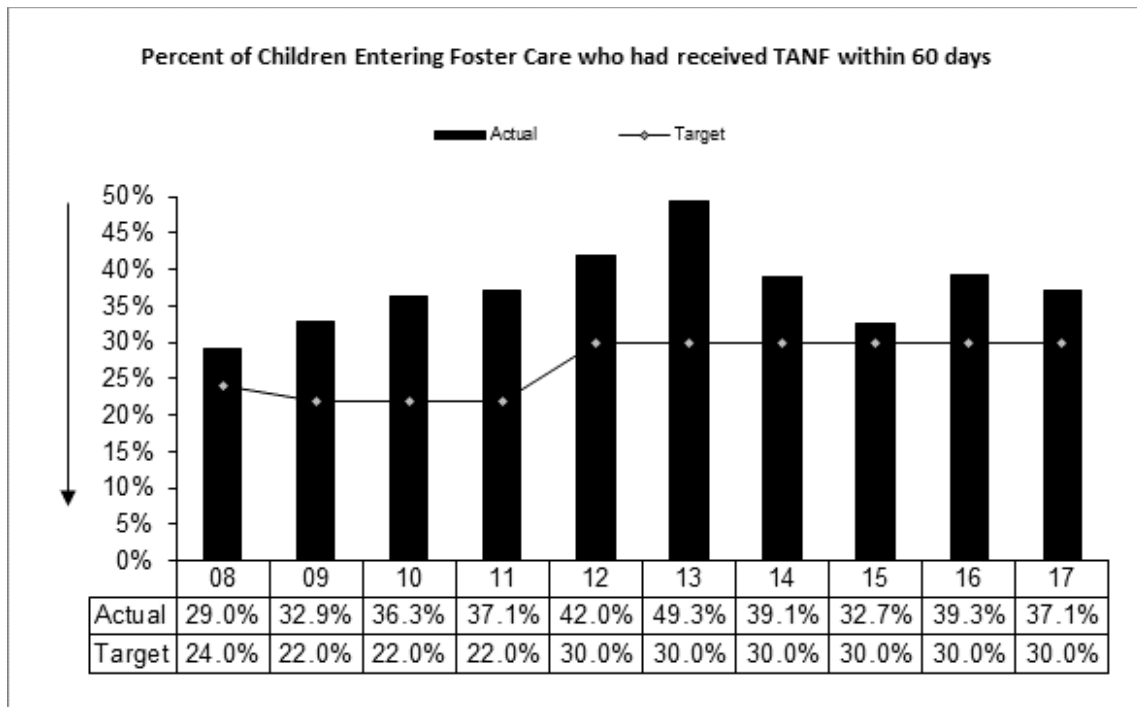
Program Justification and Link to Focus Areas

This program focuses on building safer, healthier communities by promoting its goal of increasing child safety and contributing to family stability. By achieving this goal, the program helps to reduce or prevent TANF children from entering the child welfare and foster care system. Children who enter foster care are more likely to struggle with school, experience homelessness and unemployment, and may become part of the juvenile and adult corrections system. Most TANF families served through FS&C have significant needs that include needing help with parenting, housing or other stabilization services. TANF is an important part of the service array, providing cash assistance, case management, and employment and training services to families with children living in extreme poverty.

Program Performance

The primary performance measure is the percentage of children entering foster care who received TANF 60 days prior to foster care entry. The display below shows the percentage of children entering foster care who had received TANF has been increasing.

There continues to be a high percentage and disproportionate number of African-American children who received TANF prior to entering foster care. The TANF program and FS&C is aligning with Child Welfare, and other family stability efforts such as the Oregon Parenting Education Collaborative (funding for parenting hubs and Evidence Based Curricula delivery), Maternal, Infant, and Early Childhood Home Visiting program (MIECHV), Head Start, Early Head Start and Relief Nurseries. The SPRF funding has increased local service provision availability in communities specific to this population. Applicants had to demonstrate in their request that the community demographics were included and plans to implement programs equitably.



Enabling Legislation/Program Authorization

Title II of the Child Abuse Prevention and Treatment Act (CAPTA), as amended by P.L. 111-320, authorizes grant funds to be released to the states and names the program Community-Based Grants for the Prevention of Child Abuse and Neglect (CBCAP). The grant requires a 20 percent match of State General Funds.

The TANF program is authorized under Title IV-A of the Social Security Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), and the Deficit Reduction Act of 2005.

Funding Streams

The FS&C program is funded with a blend of TANF Federal Funds, CBCAP grant funds and State General Fund dollars. The CBCAP grant awards additional leveraged funds each year based on a formula giving credit for the previous year's contribution of state General Fund dollars. In addition, individual contracted programs in the DHS districts add leveraged funds on the local level from agency donations, grants and fundraising.

Funding Justification, and Significant Changes to CSL

Family Support and Connections is funded at Current Service Level

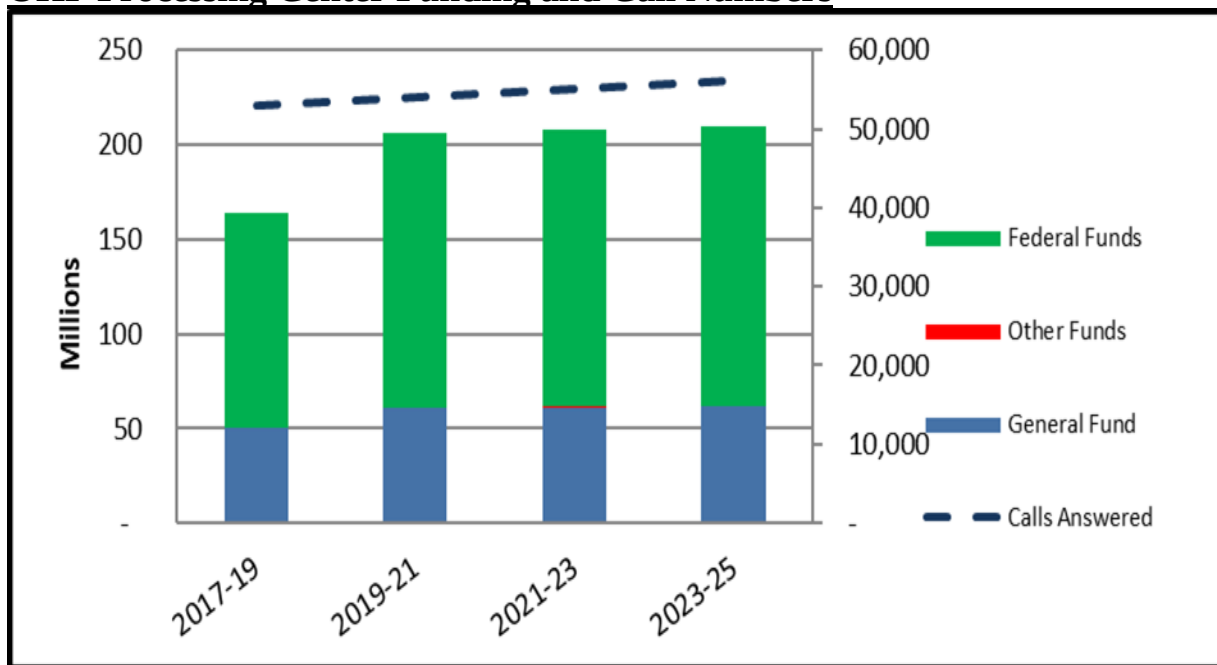
Department of Human Services: Oregon Health Plan

Primary Long-Term Focus Area: Accurate Medicaid determinations
Secondary Long-Term Focus Area: Timely benefit issuance
Program Contact: Sam Osborn, Derek Muir

Program Overview

The Oregon Health Plan (OHP) is Oregon's Medicaid program. It provides health care coverage for an estimated 1.1 million low-income Oregonians from all walks of life. This includes working families, children, pregnant women, single adults and seniors. In 2018, OHP eligibility staff and regional outreach coordinators completed a transition from Oregon Health Authority (OHA) to the Department of Human Services (DHS), Self-Sufficiency Programs (SSP). In addition, Senate Bill 558 was signed into law, which increased access to OHP for undocumented children under 18 through the Cover All Kids Program. SSP manages the processing center, Cover All Kids and the community partners program. The goal for DHS' component of OHP is to provide excellent customer service and have same day/next day eligibility determinations so Oregonians have timely benefit issuance.

OHP Processing Center Funding and Call Numbers



Program Funding Request

	GF	OF	FF	TF	POS	FTE
LAB 17-19	37,547,373	-	97,634,543	135,181,916	474	471.97
GB 19-21	60,153,712	65,852	144,444,810	204,664,374	468	465.97
Difference GB - LAB	22,606,339	65,852	46,810,267	69,482,458	(6)	(6.00)
% Difference GB - LAB	60.21%		47.94%	51.40%	-1.27%	-1.27%

The dramatic increase in this budget is due to the roll-up of position costs as the processing center was moved to DHS part way through 2017-19. This budget adds the remaining months of funding that was in OHA and has been now moved to DHS.

Program Description

OHP Processing Center & Outreach Staff: OHP staff responds to client inquiries about their applications and coverage. They are OHP's primary ambassadors, providing clients' primary resource by telephone. Customers typically call for information about their application status, benefits and care coordination. They also call to make changes in their personal information that may affect their eligibility. The Regional Outreach Coordinators serve our community partners, the trained in-person application assisters located around the state.

Subject Matter Experts: OHP includes several teams with detailed eligibility expertise. Factors that can affect eligibility include Medicare, pregnancy, children's medical, tribal members, corrections, and much more. This unit handles eligibility determinations, renewals, requests for additional information, demographic changes, case closures and other eligibility-related tasks and issues.

Business Information Systems: Business Information Systems includes business-related functions and expenditures for information technology. Its functions include Medicaid Management Information System (MMIS), the Oregon Eligibility (ONE) system, COMPASS, Special Projects and Business Systems Training. In 2015, OHA began a phased-in approach to launch the ONE system for Medicaid eligibility and enrollment. The 2017-19 Legislatively Adopted Budget includes funding for system enhancements to ensure it achieves its goal of automating and streamlining the eligibility and enrollment process for OHP applicants and caseload specialists. As of April 1, 2018, this funding was transitioned to DHS and is being used for the ongoing development of the new Integrated Eligibility (IE) project.

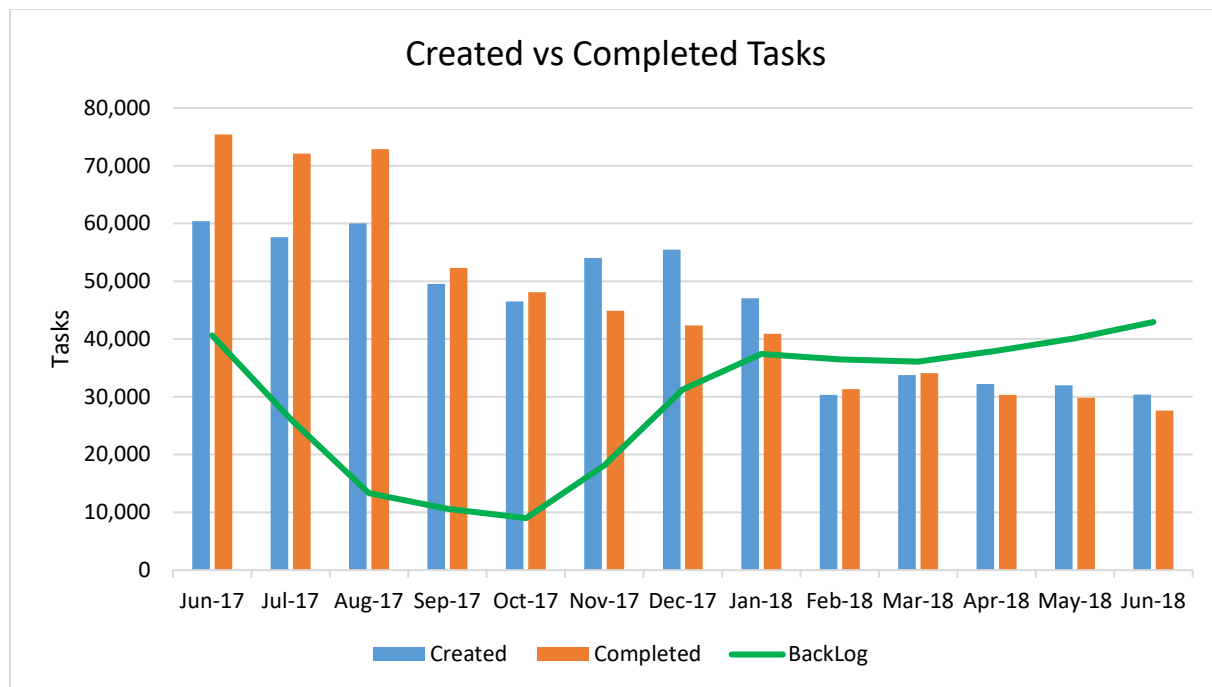
The Waiver: The OHP Medicaid demonstration is often referred to as the OHP “waiver” because it is an agreement with the federal government to waive specific regulations to allow Oregon to administer a state-designed Medicaid program. The OHP budget is largely driven by the demonstration agreement, which required the state to hold OHP per-member-per-month health care expenditures to no more than 3.4 percent annual growth during the 2015-2017 biennium. During the five years of Oregon’s initial demonstration, the federal government invested \$1.9 billion in additional Federal Funds (approximately \$380 million in the 2015-2017 biennium) to support Oregon’s health care system transformation by allowing the state to receive Medicaid match on expenditures not traditionally allowed for matching funds under a Designated State Health Programs (DSHP) provision.

The state’s application to extend the OHP Medicaid demonstration an additional five years was approved by the Centers for Medicare and Medicaid Services on January 12, 2017. Based on the success and program savings to both the state and federal government, Oregon is requesting continued additional federal investment to support and further Oregon’s health care system transformation. With that continued support, the state also is proposing to hold annual per-member-month expenditures to 3.4 percent.

Current Budget Forecasting: The OHP budget is currently based on caseload forecasts and cost estimates projected for the coming two years. Because of the size of the budget, even the slightest variance from the original caseload forecast can result in a significant budget shortfall or savings. The caseload forecast used for the 2017-2019 OHP budget is especially risky because of data issues associated with transitioning to a new eligibility system while catching up on re-determining eligibility during the transition. Capitation rates for coordinated care organizations are also a significant budget driver. The agency does not set the capitation rates. For each calendar year, an independent actuary certifies the capitation rates and the federal government approves for actuarial soundness according to federal managed care regulations.

Funding Justification, And Significant Changes to CSL

OHP is currently operating at approved staffing levels. Current staffing is insufficient in addressing the increasing backlog and hindering Oregonians from getting access to the health care they need.



Month/Yr	Offered	Answered	% Answered	ASA	ASA for NON ACPC Tier 2
May-17	52,596	35,649	68%	17.52	33.42
Jun-17	59,203	42,471	72%	12.85	19.97
Jul-17	65,218	40,908	63%	17.62	30.20
Aug-17	88,245	58,832	67%	13.98	18.43
Sep-17	80,689	62,453	77%	7.08	7.02
Oct-17	81,489	65,925	81%	4.97	3.28
Nov-17	87,350	61,857	71%	9.73	12.85
Dec-17	100,727	62,329	62%	16.82	23.72
Jan-18	109,300	69,999	64%	14.38	20.57
Feb-18	85,534	52,112	61%	16.95	23.83
Mar-18	87,711	55,017	63%	15.75	21.9
Apr-18	84,019	47,501	57%	20.85	31.78
May-18	85,392	44,244	52%	26.50	41.47
Jun-18	81,233	41,636	51%	28.58	49.08

In the summer of 2017 (June to July), SSP helped OHA with processing to get OHP current with renewals and some RFI (pending work). This allowed OHP get caught up while SSP workers focused on the 115,000 redeterminations backlog.

On September 1, 2017, when DHS took control of operations from OHA, the PH Tech contract ended; PH Tech was fielding some OHP calls from their call center.

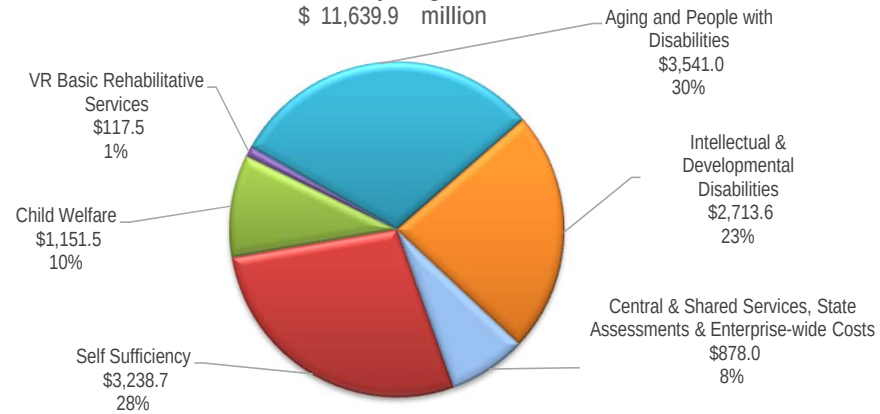
DHS also ended the CHAVES contract effective December 1, 2017, which assisted with processing non-eligibility tasks and fielded incoming calls and call outs. And, from September 2017 - December 2017, over 100 GALT temporary workers ended.

In mid-December during open enrollment, the Family Care CCO decided to close its doors. OHP increased the number of staff on the phones to assist with call volumes, which removed them from processing applications, to help Oregonians with the transition to a new CCO.

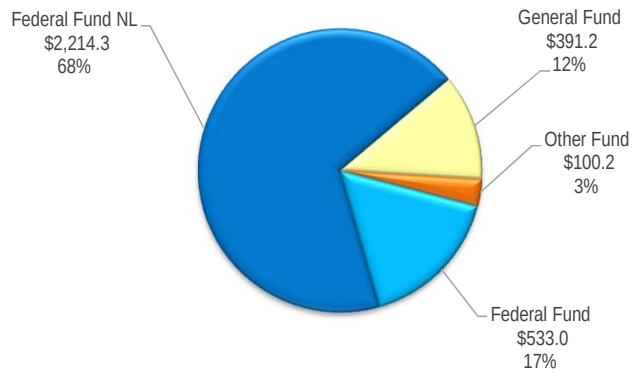
Self-Sufficiency Programs conducted an RPI in mid-November 2017, which demonstrated that, of the over 200 eligibility processing staff, only a small percentage could complete the eligibility process from start to finish. To rectify this, training was implemented. Over a period of six months, (January – June 2018) staff were trained to complete the eligibility process from cradle to grave. However, during this time, they were no longer doing calls or application processing, which meant there was less staff available to handle the incoming volume of work.

Today, SSP is opening additional call centers in rural Oregon that are focusing on OHP work. These centers, located in Baker City, La Grande and Enterprise, are in various stages of hiring, training and opening, will add additional staff to process OHP applications and assist customers by phone, while, at the same time, increasing job opportunities for residents in Oregon's rural areas.

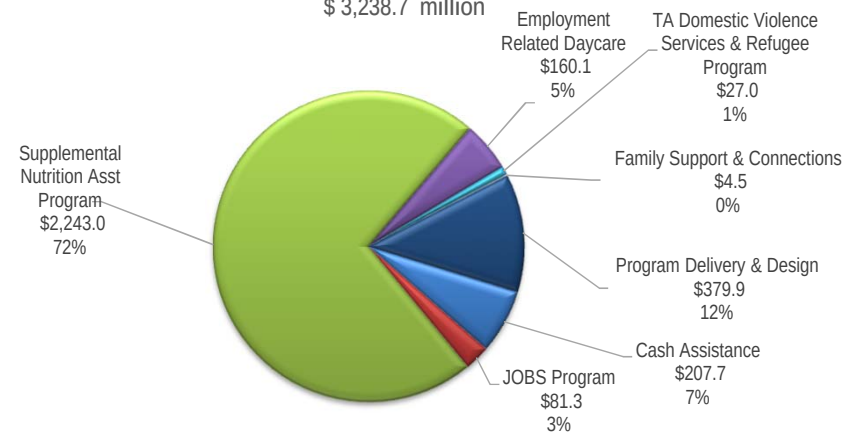
Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million



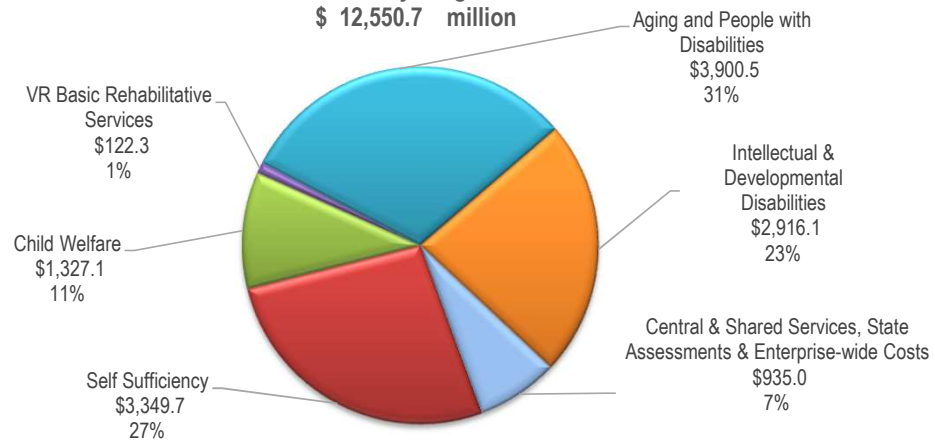
Self Sufficiency
Total by Fund Type
\$ 3,238.7 million



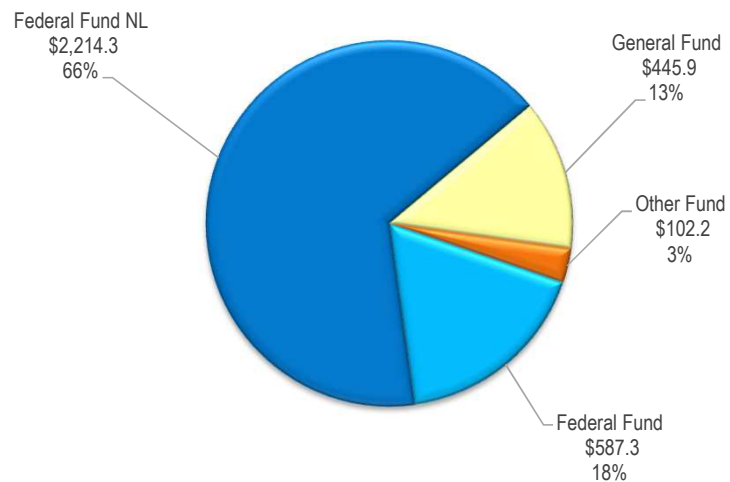
Self Sufficiency
Total by Program
\$ 3,238.7 million



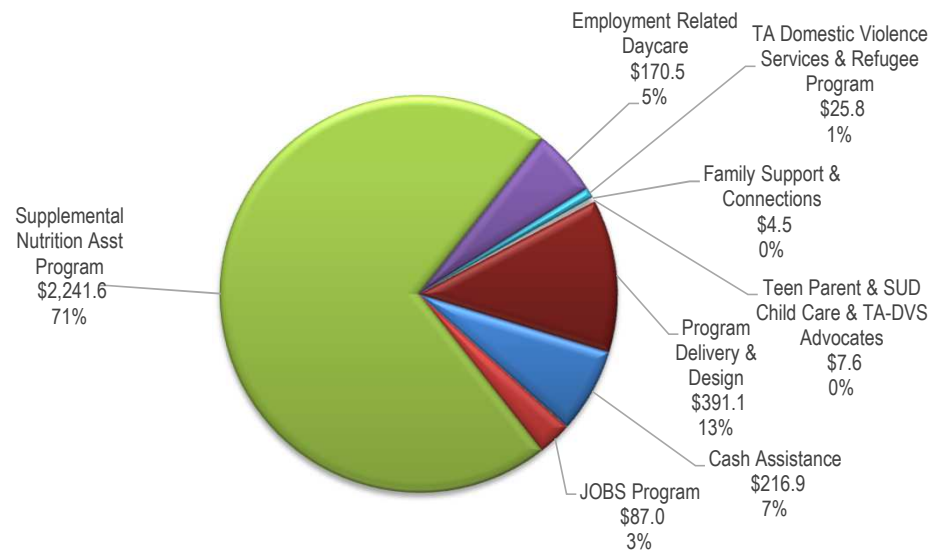
**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



**Self Sufficiency
Total by Fund Type
\$ 3,349.7 million**



**Self Sufficiency
Total by Program
\$ 3,349.7 million**



Department of Human Services

Child Welfare Program

Mission

Every child and family are empowered to live independent, safe and healthy lives.

Vision

Every child and family have a safe, culturally/linguistically, appropriate and positive environment in which to live and develop.

Action

Promote exceptional, culturally and linguistically appropriate and equitable service by embracing opportunity for growth and providing innovation, resources and support to our staff.

Goals

Safe and equitable reduction in the number of children experiencing foster care.

- **Safety:** Protect children from abuse and neglect, keeping them safely at home whenever possible and appropriate
- **Permanency:** Find safe, permanent and culturally stable homes for children in care
- **Well-Being:** Ensure children in foster care are well cared for, remain connected to family, siblings, community and support networks, and receive appropriate and equitable services
- **Service Equity:** Provide culturally appropriate, equal access and equitable treatment for all children served by the Department. This meets the cultural and linguistic needs of children in care including being served by staff with those capacities as well.
- **Quality Assurance/Continuous Quality Improvement:** Continue an integrated practice of quality assurance and continuous quality improvement for defining, measuring, and improving equitable outcomes for Oregon's children and families

Program

Child Welfare Programs serve children and families when children are subject to abuse and neglect. Trained and diverse child welfare staff respond to reports of child abuse and neglect, and if a child cannot be safe at home, a foster care placement is made. The primary goal is to keep children safe, while providing

equitable services to support timely and safe return to their families. Whenever possible, services are provided to prevent out-of-home placements.

The program areas within Child Welfare are:

- Safety
- Well-Being
- Permanency
- Program Design & Delivery
- Federal Policy, Planning & Resources

Individuals We Serve

Children served in Federal Fiscal Year (FFY) 2017:

- 11,645 children spent at least one day in foster care
- 80,683 reports of abuse and neglect were received
- 43,976 reports were referred for investigation
- 7,063 reports were founded for abuse or neglect involving 11,077 victims
- 45.1 percent of the victims were younger than 6 years old
- Of the total children served in foster care, 69.3% were White, 13.2% were Hispanic, 7.1% were American Indian or Alaska Native, 6.9% were Black or African American, 1.9% did not have race recorded, and 1.6% were Asian or Pacific Islander

Child Safety

The Child Safety program provides protective and social services to children and families when allegations of child abuse or neglect are reported. Specially trained workers conduct comprehensive safety assessments and make determinations about child safety, the presence of abuse, if services would benefit a family or whether safety intervention is required due to the presence of safety threats. With very few exceptions, a child abuse report begins with a call to a child abuse hotline. Trained Social Service Specialists screen reports and collect key information. If the report meets criteria to be assigned for an in-person investigation, the family's information is given to a trained Child Protective Services (CPS) worker who will conduct a comprehensive safety assessment.

The Child Safety program also provides coordination for the following areas:

CIRT (Critical Incident Response Team) Coordination

The CIRT coordination team provides culturally and linguistically appropriate

multi- disciplinary services used to study child fatality cases by gathering a group of individuals representing child welfare and other agencies to review child fatalities and seek to identify internal and external systemic issues and generate recommendations for what can be learned, changed or corrected that might reduce future tragic outcomes.

CSEC (Commercial Sexual Exploitation of Children)- Coordination Out of home care investigations

The CSEC coordination provides culturally and linguistically appropriate multi-disciplinary services by connecting child welfare staff to resources including National Center for Missing & Exploited Children, LEA, FBI and other community agencies to partner in helping youth that are being sexual exploited get off the street, have safe shelter and offer intensive wrap services to help with their physical and emotional needs.

Addiction Recovery Teams (ART Teams)

These teams provide coordinated, culturally and linguistically appropriate multi-disciplinary services to substance-abusing family members whose issues are identified through a comprehensive safety assessment.

Domestic Violence/Sexual Assault

DHS makes grants available to domestic violence and sexual assault service providers throughout Oregon. These providers offer crisis lines, crisis response, emergency shelter and other related services to survivors of sexual assault, survivors of domestic violence, and their children, in a culturally and linguistically appropriate manner.

Strengthening, Preserving and Reunifying Families (SPRF)

The Strengthening Preserving and Reunifying Families law (ORS 418.575-418.598) allows funding for an array of services for families through collaboration between DHS and local community partners. The Department has developed outcome-based contracts for services to specifically address the needs of children and families who come to the attention of child welfare through a screened in report of abuse or neglect. These outcome-based contracts are foundational for an overall ability to report on results associated with SPRF services and funding.

In-Home Safety and Reunification Services (ISRS)

This program provides culturally appropriate intensive, short term services to families with children who can remain safely in their homes, and to children and families who are safely reunited. ISRS provides a combination of safety and

strengths-based services that lead to lasting safety changes within the family. These services are time limited and are complemented by SPRF services for families in need of longer term or more intensive services.

System of Care (SOC)

System of Care funds support Oregon's most vulnerable children by providing local child welfare offices with the flexibility to purchase specific services to meet a family's needs to assure the safety, permanency and well-being of their child(ren) in culturally and linguistically appropriate ways. Services are identified and planned for through family engagement and involvement in case planning. Whenever possible, shared funding of custom-designed services is achieved through collaboration with community partners.

Well-Being

Foster Care

Foster Care services include Relative Care, Family Foster Care and professional level of care such as Shelter Care and Behavioral Rehabilitation Services provided in therapeutic home or residential settings, through contracted Child Caring Agencies (CCAs). The foster care system operates 24 hours per day, seven days per week to accept and care for children who cannot remain safely at home. Oregon's goal aligns with the federal requirement of placing a child in the least restrictive, most appropriate setting that meets the child's individual needs when the child cannot safely be cared for by his or her parent(s).

This program focuses on the well-being of children while they are in foster care and is responsible for recruitment, certification, training, and providing support to retain foster care families (both general applicants and relative caregivers). Families are trained by agency staff and through contracted experts. They participate in, and must pass, a Structured Analysis Family Evaluation (SAFE) home study, designed to evaluate a family's suitability and readiness to meet the needs of children that enter the child welfare system. They must also pass a criminal background check, reference checks, and a review of Oregon's abuse registry which includes all prior abuse reports received on children and adults. In addition to the above, this program provides recruiting, contracting, training, support and monitoring of all contracted child caring agencies.

DHS partners with community members, Tribes, local and national foster care organizations, provider organizations, youth led organizations and organizations representing diverse cultural perspectives to deliver services throughout the state.

DHS works in collaboration with multiple state and local government agencies such as the Oregon Health Authority, Oregon Department of Education, local law enforcement, Tribes, community programs, schools, the faith community and volunteer programs to identify and develop a local array of culturally and linguistically appropriate services. The Well-Being program is responsible for the overall well-being of children in DHS care by addressing behavioral, emotional and social functioning, meeting core educational needs, assuring appropriate physical, dental and mental health care, and maintaining safe family and community connections.

Youth Transition Services

The Independent Living Program (ILP) serves current and former foster youth up to age 21. Services include assistance with developing life skills - including money management and budgeting - communication, and social skills, establishing community connections and healthy supportive relationships, assistance with informed decision-making, parenting, health, education support, housing, and job readiness. A primary focus is to develop transition plans to ensure high school completion and a successful transition to post-secondary education or employment at a level that allows self-sufficiency. Housing support options are available to eligible youth through the federal Chafee housing and independent living subsidy programs.

Youth Transition Services also include services for Homeless and Runaway Youth. The Department has a dedicated Homeless Runaway Youth program coordinator responsible for leading a quarterly advisory committee, contracting with and otherwise supporting statewide services those youth.

Health and Wellness Services

DHS puts a high priority on assuring that children in out-of-home care receive appropriate medical, dental and mental health care. In addition to appointments and screenings required when a child enters foster care, children are assessed by a contracted nurse shortly after entering care to address any immediate health needs and provide support to the child and foster parents for any health related or medication issues the child may have. Our field nurses provide medication management services, case consultation, medical care coordination, nursing delegation, foster parent teaching and training and other nursing services. The Health and Wellness team provides resources, support and case consultation to staff and provides resources for foster parents who care for medically fragile children. In addition, annual psychotropic medication reviews are completed by a Nurse Consultant for all children in care currently prescribed psychotropic

medications. Medical Assistance Resource Coordinators (MARC)s provide assistance with access to care issues and help coordinate services with Coordinated Care Organizations (CCO) throughout the state to ensure the health, mental health and dental needs of children in foster care are being met.

Permanency

DHS' first goal always is to safely and successfully reunify children with their parent(s). Unfortunately, this is not always possible and when it is ultimately determined that a child is unable to safely reunify with his or her parent(s), DHS helps find a permanent family through adoption or guardianship. Once children are placed with a permanent adoptive or guardian family, the Permanency program continues to provide services and supports up to age 18 to help meet the special needs and challenges children who have been abused and neglected can experience. These efforts include taking into consideration the cultural and linguistical needs of the minor.

DHS is also responsible for the coordinating the Voluntary Adoption Search and Registry Program for Oregon's public and private adoptions. This registry may also include adoptions for children with relatives living in other countries pursuant to The Hague Convention and the Intercountry Adoption Act.

Title IV-E Waiver Demonstration Project

Oregon's Title IV-E Waiver project is titled *Leveraging Intensive Family Engagement (LIFE)*. LIFE is a locally developed, values-based intervention focused on addressing gaps and challenges to reduce the time to permanency for high risk children. LIFE has four key features:

- Family Finding: identify and engage a broad network of family support and placement resources
- Case Planning Meetings (CPMs): case planning and monitoring support informed by child and family voice
- Peer Parent Mentors: help parents engage in CPMs and services to assist them in navigating the child welfare/service systems
- Collaborative team planning between service providers, DHS, and the family involved with the case

The goal of the LIFE project is to safely and equitably reduce the number of children who might otherwise remain in care for three years or longer. Eligible children and their siblings are identified shortly after removal based on key indicators. Then the Family Engagement Facilitator begins intensive work with the caseworker, child, parents, and family to develop a plan of reunification, adoption,

or guardianship in a timely manner.

Program Design & Delivery

Oregon has a state-run, county-administered child welfare program. Staff in the central office support field staff through policy and rule development, assuring compliance with federal and state regulations, quality monitoring, technical assistance, evaluation and program analysis, developing consistent business processes and standards, and identifying best practices. Other services provided include consulting, coaching, training and continuous quality improvement aimed at improving outcomes for Oregon's children and families.

Managers and supervisors in local child welfare offices provide clinical supervision of direct service staff. Whenever possible, Child Welfare staff coordinate service delivery with staff from our Self-Sufficiency offices to support family stability and prevent entry/re-entry into the child welfare system. In addition, child welfare staff coordinate with other child and family serving systems including Housing, Oregon Health Authority, Oregon Department of Education, county-based health and support services, and others.

Child Welfare employees provide direct services in local offices. For a list, see: <http://www.oregon.gov/DHS/children/child-abuse/Pages/Reporting-Numbers.aspx>

Indian Child Welfare Act (ICWA)

Native American children are currently over-represented in Oregon's child welfare system. Compliance with the Indian Child Welfare Act is a Federal mandate. DHS has Tribal Liaisons in the child welfare field offices to enhance relationships with Tribal governments and to work with Tribal children and families to reduce disparities, improve compliance with the Act, and improve outcomes for Tribal families.

Interstate Compact on the Placement of Children (ICPC)

The ICPC is statute which governs the movement of children across state lines. All fifty states plus the District of Columbia and the U.S. Virgin Islands are member of the ICPC. The ICPC covers Oregon DHS children being placed in other states, and children in the custody of other state public child welfare agencies being placed into Oregon, as well as private adoption and residential treatment placements that cross state lines. The ICPC applies to approximately five percent of all child welfare cases nationwide.

The Oregon ICPC program includes a team of Central Office staff who provide training and case consultation to DHS field staff, attorneys and members of the public. The program also includes a team of regionally-based workers who complete home studies on Oregon residents for possible placement of children from other states.

OR-Kids

OR-Kids is the statewide automated child welfare information system with more than 3,600 system users across the state and across agencies. OR-Kids is also a Criminal Justice Information System. This system provides reports to internal and external partners, including Child Welfare Case workers, DHS' Office of Financial Services, the Administration of Children and Families, and Human Resources.

OR-Kids contains case records on all children and families served by Child Welfare, and issues payments to service providers. Required federal reports are submitted via the OR-Kids system to draw down federal reimbursement for eligible services. The OR-Kids program staff monitor access for all system users across the state and partner agencies to assure privacy and access policies are being followed.

Ad-hoc queries are run to ensure data quality and to operate a data-informed organization. The program also runs queries to identify system issues and resolve system end user problems as case work is completed. The program supports every area of Child Welfare and is the system of record for Child Welfare work.

Federal Policy, Planning & Resources (FPPR)

This program is responsible for ensuring Child Welfare remains in compliance with federal program standards to maximize continued federal financial support for the Child Welfare programs and services described above. In addition, FPPR is responsible for submitting all required federal reporting and responding to related inquiries. The primary goal of FPPR is to maximize the use of federal funds while assuring all funds are used solely for allowable purposes.

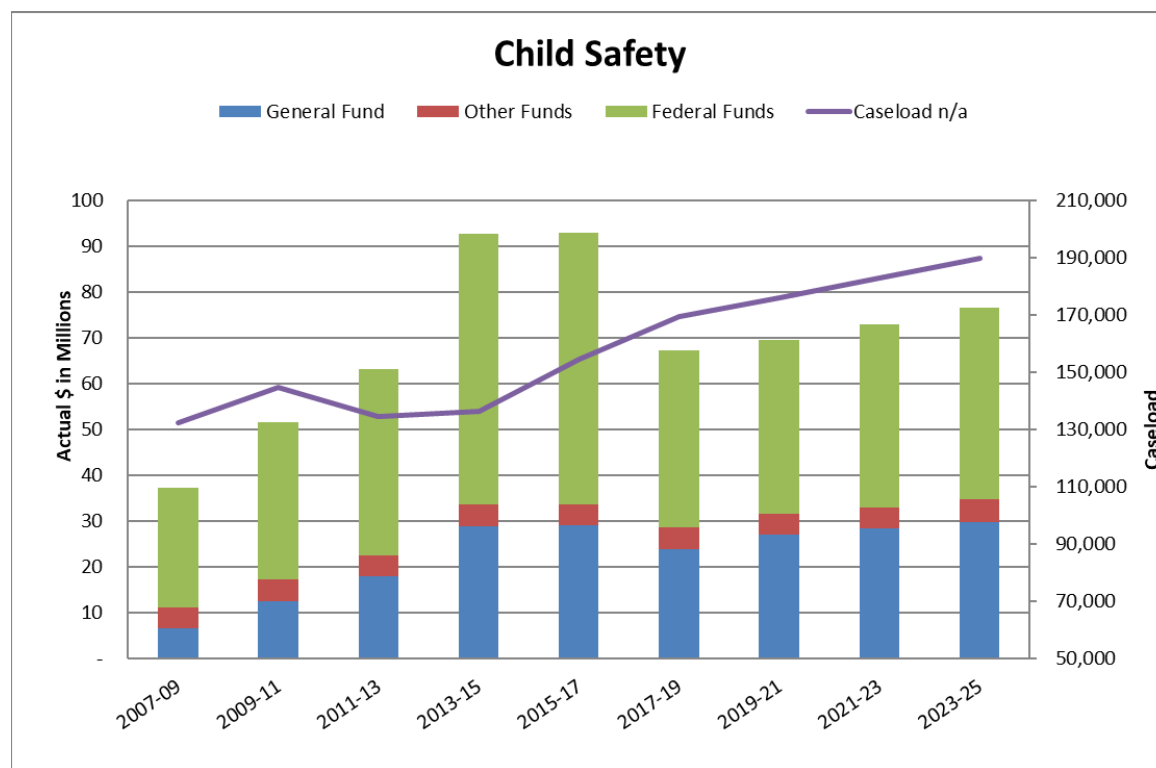
- Title IV-B – Subpart 1 & 2
- Title IV-D – Child Support
- Title IV-E – Foster Care, Adoption Assistance and Guardianship Assistance
- Title XIX – Medicaid
- Title XX – Social Services Block Grant
- TANF EA – Emergency Assistance

Department of Human Services: Child Safety

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Tami Kane-Suleiman, Child Safety Manager



Note: Neglect and Threat of Harm of Neglect are the primary abuse categories driving the increase in Child Welfare caseloads, currently representing over 80 percent of all founded abuse.

Program Overview

This program provides protective and social services to children and families when allegations of child abuse or neglect are reported. Specially trained workers conduct comprehensive safety assessments and make determinations about the following: child safety, the presence of abuse, if services would benefit a family or whether safety intervention is required due to the presence of safety threats. Services are delivered through DHS staff or contracts that require linguistically and culturally appropriate service provision. They are delivered in a manner that is

designed to keep children safely with their parents, whenever possible, and to quickly and safely reunite children with their parents when they have been removed.

Program Funding Request

	Safety			
	GF	OF	FF	TF
LAB 17-19	23,935,498	4,707,003	38,569,510	67,212,011
GB 19-21	19,699,549	4,500,440	28,922,386	53,122,375
LAB 17-19 to GB 19-21	(4,235,949)	(206,563)	(9,647,124)	(14,089,636)
% Difference	-17.70%	-4.39%	-25.01%	-20.96%

Program Description

The Child Safety Program currently consists of two Child Safety Program Managers (one recently added due to growth of Child Safety Unit, increased span of supervision, new legislation impacting program and increased workload), one Assistant Manager, 7 Child Protective Services Program Coordinators (DV, D&A, rule writing, implementation, training, and curriculum development, etc.) and 13 Child Safety Consultants who provide consultation, coaching, training and support to caseworkers, supervisors, and Program and District managers on the safety model practice, Oregon Administrative Rules and statutes. The Child Safety Consultants are housed in the child welfare field offices around the state and provide consultation and support to all 16 districts in Oregon. Child Welfare's Alcohol and Drug Services Coordinator and Domestic & Sexual Violence Fund Coordinator are also located within the Child Safety Program. Domestic violence and sexual assault (DVSA) shelter and service programs are funded by the Oregon Department of Human Services (DHS) to help people in Oregon be safe, healthy and independent.

The Child Safety Program is responsible for administering Child Protective Services in the state, including but not limited to the following:

- Initiating the Critical Incident Response Team process when child deaths occur and responsible for compliance with SB819 passed in 2017.
- Commercial Sexual Exploitation of Children; provides statewide consultation and technical assistance on child welfare cases where children are or at risk of being sexually trafficked.
- Administration of Oregon Administrative Rules for Daycare Facility/home investigations.

- Administration of Oregon Administrative Rules for Child Welfare certified foster home investigations.
- Administration of Central Office Founded Disposition Committee and Employee Founded Disposition Committee
- Administration of Screening and Assessment Oregon Administrative Rules.
- Continuous Quality Improvement including ongoing case fidelity reviews in all 16 districts followed by creation of Action Plans to make improvements to practice in screening and assessments.
- Administration of Sensitive Issue Review Committee and review assignments and branch debriefs.
- CARA (Comprehensive Addiction and Recovery Act) development and implementation

In the summer of 2017 due to the passing of legislation (SB942), Differential Response was essentially ended in Oregon. The Differential Response unit consultants have remained in the Child Safety Unit and have become an integral part of the team of child safety consultants housed throughout the state. The new legislation passed in July of 2017 requires DHS to make specific findings on all child abuse investigations. As a result of the legislation, all assessments must have a disposition of “founded”, “unfounded” or “cannot be determined” unless five criteria are met: (1) The child welfare workload model for the Department of Human Services is staffed at 95 percent or greater; (2) A centralized, statewide child abuse hotline has been established and in operation for at least six consecutive months; (3) The department has completed investigations within timelines mandated by law and rule at least 90 percent of the time for at least six consecutive months; (4) The department has conducted in-person contacts with children who are the subject of reports of child abuse, as mandated by law and rule, in at least 90 percent of the reports of child abuse for at least six consecutive months; (5) The re-abuse rate for children in this state is below the national average.

Currently, CPS staff in field offices respond to and assess allegations of child abuse and neglect and are usually the first contact for families with the child welfare system. The CPS staff also respond to assess allegations in Daycare Facilities and foster homes certified by Child Welfare, Office of Intellectual & Developmental Disabilities, and Oregon Youth Authority. CPS staff work closely

with law enforcement agencies and other members of multidisciplinary teams in each county to assess child abuse reports.

Generally, the Child Safety Program is the program area where children enter the State foster care system. Foster care is a temporary service, designed to keep children safe while we work to manage safety threats and enhance the parents' protective capacities. We work with families to make sure that children are only removed when they cannot safely remain at home. When children are placed in care, which can only be done with court approval, we place urgency on ensuring that children get home quickly and connect to family or other relatives whenever possible. Child abuse investigations are not voluntary. They are inherently intrusive and can be traumatic to families. Oregon's Safety Model is a family engagement model that requires Child Welfare staff to work and partner with families and children to gain a comprehensive understanding of the family functioning. Historically Oregon's CPS assessments were incident based and solely focused on the allegations. With adoption of the Safety Model, Child Welfare staff must assess the allegation but also determine if family behaviors, conditions or circumstance are making children unsafe. Oregon's Safety Model consists of sixteen universal safety threats that are analyzed from the safety-related information gathered by CPS Staff during the comprehensive safety assessment.

The Child Safety Program can best be described in three sections: Screening, Assessment and In-Home services.

Screening

Screening is the front door of the service delivery system that, with few exceptions, begins with a child abuse report at a child abuse hotline. Trained staff screened 80,683 child abuse reports from across the State in 2017. For each call CPS receives, the process begins with screening. Every report is handled by a CPS-trained worker who will make an initial determination of whether a report meets the guidelines that require DHS to conduct an assessment of the family.

Reports fall into one of four categories:

- Information only
- Referral to other services
- Not a situation that is child abuse or neglect
- Possible child abuse or neglect

Those reports categorized as possible abuse are further analyzed to determine whether an immediate response is needed. If the report meets the criteria to be assigned for an in-person investigation, the family's information is given to a DHS Child Protective Services (CPS) trained worker who will conduct a comprehensive safety assessment of the family in a respectful and sensitive manner.

In the 2016 legislative session, SB1515 passed in Oregon. This new law increased responsibilities for all child welfare staff throughout the State, including hotline screeners.

The law demanded changes in the way DHS regulated Child Caring Agencies (CCA) and responded to reports of abuse or neglect to ensure children are safe, their needs are met and they are well cared for. To promote transparency and leadership accountability, the law also required all Department staff to notify the Director or designated staff when there is suspected child abuse or neglect in a CCA. Notifications to external stakeholders are required when there is suspected child abuse or neglect in a CCA, and the law makes both failure to report suspected child abuse or neglect, as well as failure to take action on suspected child abuse or neglect, a crime. The definition of child abuse was also expanded under SB1515 requiring new training development and provision to all Child Welfare staff. In 2017, adjustments to SB1515 were made including some expanded requirements in SB 1515 that were previously limited to child-caring agencies (CCA) to other substitute care settings, in particular DHS-certified foster homes and developmental disabilities (DD) residential facilities (commonly referred to as DD foster homes and DD group homes.) The expanded definition includes things like involuntary seclusion, sexual contact between a provider and child, and financial exploitation. This new law is expected to result in an increase in reports to the child abuse hotline and an increase in the number of assessments assigned for a comprehensive safety assessment regarding DHS certified foster homes and developmental disabilities residential facilities.

Assessment

Of all reports of child abuse or neglect, approximately 43,976 cases per year were referred for investigation in 2017. As part of the comprehensive safety assessment, the DHS CPS worker gathers comprehensive safety related information in the following categories: Extent of the maltreatment, circumstances surrounding the abuse, adult functioning, child functioning, parenting practices and disciplinary practices. Cultural and linguistic considerations are also factored into the process.

This important safety related information is used to determine overall child safety. If children are determined to be safe at the conclusion of the comprehensive safety assessment, the case is closed. If children are determined to be unsafe, safety planning occurs with either an in-home or out of home plan. The case will open and the family will transition to a Permanency case worker once the CPS assessment concludes. The comprehensive safety assessment may take up to 60 days to complete based on the required elements of the safety model and CPS Assessment Rules.

In-Home Safety and Reunification Services (ISRS)

The ability to keep children safely at home is in large part dependent on the services that can be wrapped around the family to support them while safety concerns are addressed. Services are available to families during the course of child abuse assessments when child safety issues are present. Services are designed to ensure a safe environment for children without removing them from their parent or caregiver. If circumstances require a child be removed from their parent or caregiver, these services provide necessary support to the family so the child can be safely reunited with their family. These services are specifically intended to help families remove barriers to managing identified safety threats with the goals of prevention of foster care placement by maintaining a child safely in the home with a parent or returning a child home to a parent.

These services support crucial child welfare initiatives to increase the number of children who can remain safely at home after a safety threat is identified, and decrease the length of time a child spends in foster care if removal is required. By contracting with a wide variety of providers, ISRS also allows for a culturally and linguistically specific approach in an effort to reduce the disproportionate placement of children of color in foster care.

With better data points to measure children served in-home, 2017 showed a significant 22.1 percent increase to 8,229 children served, up from 6,737 served the prior year (2016). The increase of children served during the past FFY is believed to be associated with efforts to ensure that safety management and services are more accurately documented within CPS assessments. This is significant because, for the first time in many years, Oregon has a number that may more accurately represent the volume of work completed in the first 60 to 90 days of a case to manage safety of children in a way that prevents placement and long-term involvement with families.

Count of Children Served In Home			
Federal Fiscal Year	In-Home Caseload First Day of Period ¹	Ending Caseload Last Day of Period ²	In-Home Total Served During Period ³
FFY 2015	1,360	1,335	5,437
FFY 2016	1,334	1,337	6,737
FFY 2017	1,337	1,318	8,229
Source: ROM IC.01Count of Children Served In Home - data pulled 4/25/18 ¹ for children under age 18 on first day of period, ² for children under age 18 on last day of period; ³ for children under age 18 on last day of FFY or last day of FC Episode, if sooner.			

Legislation in 2011 created Strengthening, Preserving, and Reunifying Families programs and identified them as another primary program to serve families involved in the child welfare system. The goal of these programs is to foster collaborations between state and community programs and resources, as well as help children remain safely with their families. This must occur through partnerships and collaborations with State and community programs and resources that will stabilize the family in their time of need, work with the family to develop goals for family preservation services, family reunification services and empower the family to make changes which may alleviate the need for an out-of-home placement.

These programs are potentially an enhancement to ISRS services, and are delivered through contracts with community providers. Parents and families benefit from DHS and communities working together to provide stronger up-front services and use voluntary engagement in solutions, services, and supports to achieve more successful resolution of issues.

An additional anticipated outcome will be the safe and equitable reduction of children in the foster care system by increasing the number of African American and Native American children remaining home with their families by providing culturally relevant and linguistically specific whenever available.

A key necessary partner for program success is the Department of Justice (DOJ) Attorney General's Office, which provides legal representation to DHS for all children under its jurisdiction. Oregon is moving toward full representation by DOJ, which also files and litigates termination of parental rights cases. In some

counties, the District Attorney's office continues to provide legal services representing the State, from the petition until jurisdiction. The state is being phased in for full DOJ representation.

Program Justification and Link to Focus Areas

There is a direct link between the Child Safety Program and the Healthy and Safe Communities focus area, in that Oregonians will be safe where they live, work and play. Each year, thousands of Oregon families come through the child welfare system due to allegations of child abuse or neglect.

The services are designed to strengthen families and to prevent further child abuse and neglect. We provide support to prevent the unnecessary removal of children from families, and promote the reunification of families where appropriate. Drug and alcohol abuse, together with domestic violence, are the two major family stressors contributing to children entering foster care in Oregon. By supporting families early with services designed to keep children safely with their parents, costly foster care placements are avoided. The average monthly cost per child in foster care is approximately \$2,320.

Without the services and interventions that are provided to parents and their children, there are costs that will be felt at a later date in the Healthy and Safe Communities and other focus areas. For example, often it is the risk of having their children placed in foster care that motivates parents who are deep into drug or alcohol addiction to seek treatment and maintain sobriety. Not only does seeking treatment and maintaining sobriety help keep their children in their home, but it also allows parents to take the steps needed to be self-sufficient, reducing costs and supporting A Thriving Oregon Economy. It decreases the likelihood that these parents will engage in illegal activities and any resulting criminal proceedings or incarceration, reducing future costs to the Healthy and Safe Communities area.

Similarly, helping a family deal with their domestic violence issues so that the children and non-offending parent can live without fear and further violence reduces long-term costs that are associated with the child's education performance (A Seamless System of Education) and the child's and non-offending parent's health and well-being (Healthy and Safe Communities). Being able to provide In-Home and Reunification Services reduces the costs of foster care.

Program Performance

The Child Safety Program measures its performance in three primary categories:

- **First contact:** As a way to measure how well DHS assures initial child safety, the timeliness of first contact is measured for those reports of child abuse and neglect that are assigned for in-person investigation. In 2017, timeliness of first contact increased to 76.8 percent from 68.3 percent the previous year (2016). The Department's Program Improvement Plan will focus on this measurement for even higher improvement.
- **Assessment:** DHS measures the comprehensiveness of the CPS assessment, the level of services that were provided and the appropriateness of safety planning for the child by monitoring whether the child experienced repeat maltreatment within 12 months of a prior abuse. The time period for this measure recently changed from 6 months to 12 months.
- **Re-abuse** By expanding the timeframe from 6 months to 12 months, the actual rate has also increased. Currently the department is above the national standard of 9.1% for this measurement at 11.0%. Cases involving domestic violence and substance abuse have been identified as themes for re-abuse across the state. The Department's Program Improvement Plan will focus on this measurement and activities to decrease re-abuse in Oregon.

Enabling Legislation/Program Authorization

ORS 419B.020 is the statute that mandates the Department and Law Enforcement to conduct investigations upon receipt of reports of child abuse or neglect.

The Child Abuse Prevention and Treatment Act (CAPTA) is one of the key pieces of legislation that guides child protection. CAPTA, in its original inception, was signed into law in 1974 (P.L. 93-247). It has been reauthorized in on multiple occasions since then with multiple amendments that have strengthened and refined the scope of the law.

ORS 418.575 through 418.598, Strengthening, Preserving and Reunifying Families legislation, was passed during the 2011 legislative session. The Indian Child Welfare Act (ICWA) also applies.

Funding Streams

Funding for this program area comes from a combination of sources that are dedicated and do not require a match, as well as leveraged funds which are matched. The following list is inclusive of each of the funding sources:

- Social Services Block Grant (SSBG) accounts for 14 percent of the child safety budget
- Title IV-B part 1 makes up 5 percent
- Title IV-B part 2 makes up 15 percent
- Family Violence makes up 6 percent
- Other Funds make up 9 percent.
- General Fund makes up 52 percent

Note the Title IV-E Waiver has been discontinued for all states, so is no longer a funding source for Safety.

Funding Justification and Significant Changes to CSL

There is one Revenue Shortfall in this program area due to the discontinuation of the IV-E Waiver Federal Program.

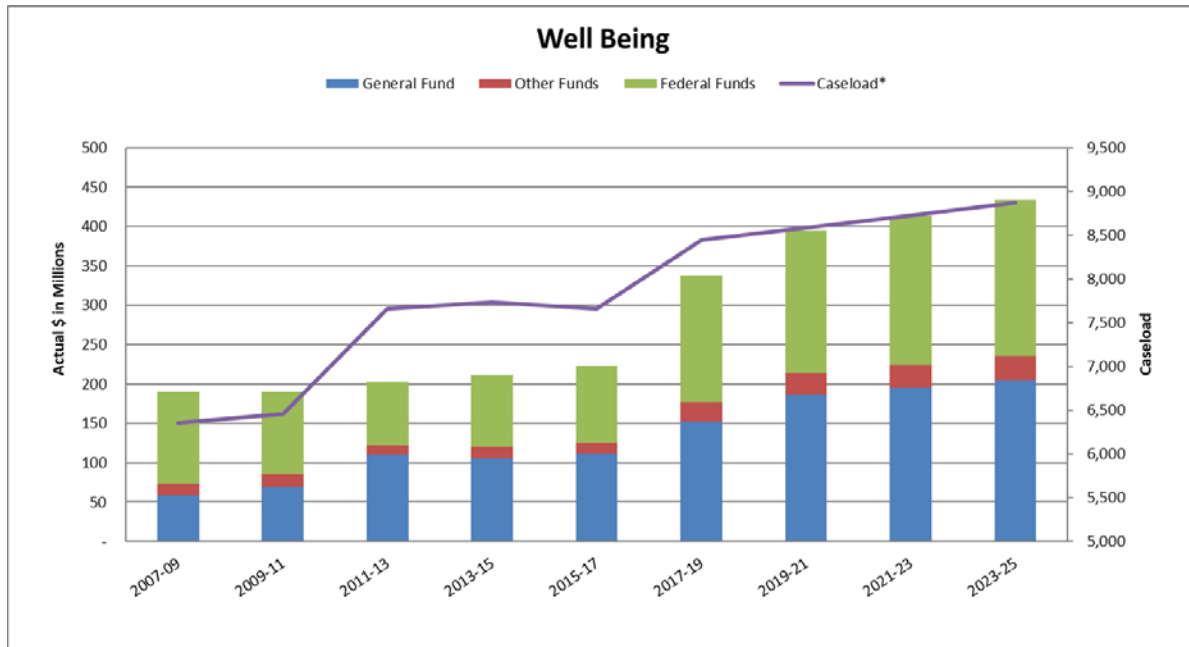
Revenue Shortfall			
Federal discontinuation of the IV-E Waiver program.			
GENERAL FUND	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS
-	-	(\$17,588,998)	(\$17,588,998)
DESCRIPTION			
The State of Oregon has operated successful Title IV-E programs under an approved waiver since 1997. During this time, projects have been funded under the waiver that resulted in measurable improvements and positive outcomes for children and their families. The Title IV-E waiver program has been discontinued by Administration for Children and Families, affecting the funding available for the Strengthening, Preserving, and Reunifying Families (SPRF). Without an alternative to the discontinued IVE Waiver, half of the SPRF services provided to families would no longer have funding and those services and service providers would no longer be available to families. This biennium there have been 9,385 SPRF services provided to CW families. If the funding is cut by 55%, then we'll only be able to fund approximately half the amount of services.			

Department of Human Services: Well Being

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Greg Westbrook, Interim Foster Care Manager
Sara Fox, Interim Treatment Services Manager



Note: On average, in 19-21 the caseload is projected to be 8,586 children in substitute care on any given day in Oregon.

Program Overview

The Child Well-Being Program, including the Foster Care and Youth Transitions Program, and the Treatment Services Program, is designed to function as a critical safety net for children with immediate safety needs for their basic care, as well as provide support and services to youth in foster care. DHS is responsible for accepting and caring for children who cannot remain safely with their parents per ORS 418.015. These children are dependent, neglected, and may be mentally or physically disabled, and are placed in the legal custody of DHS by a court. Under limited circumstances and for a short time, a family may place a child in State custody on a voluntary basis. However, most of the children served in foster care are there involuntarily, with court intervention, as a result of abuse or neglect they experienced in their family home.

Program Funding Request

	Well Being			
	GF	OF	FF	TF
LAB 17-19	151,800,391	24,674,145	160,358,699	336,833,235
GB 19-21	206,451,335	28,003,603	179,138,137	413,593,075
LAB 17-19 to GB 19-21	54,650,944	3,329,458	18,779,438	76,759,840
% Difference	36.00%	13.49%	11.71%	22.79%

Program Description

The Foster Care services program operates 24 hours a day, seven days a week to accept and care for children and youth who cannot remain safely in their family homes. The children and youth range in age from birth to 21 years old. A total of 11,645 children spent at least one day in foster care in federal fiscal year 2017. The vast majority of these children and youth (92.6%) reside in family foster home settings. There are approximately 4,200 Oregon families who have stepped forward to be a foster parent or relative caregiver for children needing placement. Approximately 48% of these certified families are relatives or friends known to the child's family who become certified to care for the children.

DHS partners with community members and organizations representing diverse community and cultural perspectives to deliver foster care services to children and youth across the State. The agency has federal and state mandates to provide efforts to reunify children to their parents. Just over 56 percent of children entering care returned home to a parent in FFY 2017. There are approximately 30 licensed private child placing agencies in Oregon who are caring for children and youth, most often because the child or youth has a significant behavior or mental health need. Approximately 311 children are placed with Licensed Child Caring Agencies to provide a higher level of therapeutic care.

The Child Well-Being program also responds to the overall well-being of the child or youth in care. Well-being is identified as caring for and attending to the child's behavioral, emotional, educational, health and social functioning. This is best identified through meeting the core educational needs, physical, dental, and mental health needs, needs for family, and community connections.

To be successful in meeting the needs of the children and youth for their safety and well-being, we support current programs while expanding the available service array. DHS works in collaboration with multiple state and local governmental

agencies such as the Oregon Health Authority, Oregon Youth Authority, Oregon Department of Education, and local law enforcement in addition to a significant number of community programs, schools, business and faith communities, and volunteer programs. The Department continues to focus on safely and equitably reducing the number of children that enter the foster care system and providing for the care and well-being of children who enter the system. Children who must enter the foster care system often have greater needs than those who can remain at home. The ability of staff to meet the needs of these children and adequately support the foster families caring for them is directly related to staffing levels in the program.

The average monthly cost per child in foster care is approximately \$2,320. There are multiple cost drivers to this program area including the number of children entering the substitute care system due to abuse or neglect, and the number of children who remain in the substitute care system due to their inability to be reunified with family or successfully transitioned to an adoptive family. A significant cost driver is the increased cost of living within the community and daily expenses for providing food, clothing, shelter, education or other support services for children and youths. As an example, foster parents caring for a 10-year-old child are currently reimbursed at a rate of \$24.09 per day. This is intended to cover the cost of providing food, clothing, shelter, school supplies, and the cost to participate in activities, etc. Often the additional costs for the child are paid for by the foster parent, which remains a barrier for many families and the private child caring agencies across the state. After a 10% reduction in the reimbursement rates in 2011, they were increased in 2018.

Efficiencies to improve outcomes include a reinvestment in local community services to strengthen families, to reduce the need for foster care. In addition, for children who are in foster care, increased attention on the need for educational supports and school placement continuity, increased access and continuity of comprehensive health care (physical, mental and dental health), and increased financial and structural support for foster families and private agencies who care for the children and youth.

The Well-Being program is also responsible for the certification and support of foster families and relative caregivers who care for children in the Department's custody. This includes recruitment, assessment, retention, training, and support. Training of these families is conducted both by agency staff and through contracted providers. Families participate in a Structured Analysis Family

Evaluation (SAFE) home study assessment, designed to evaluate a family's readiness to meet the needs of children that enter the system.

Program Justification and Link to Focus Areas

The Child Well-Being Program is an integral part of the State's Plan to achieve a Safer, Healthier Community for the residents of Oregon. As a state policy, Child Well-Being programs are necessary to ensure safety for children if and when they are unable to remain safely with their families. Reliance on the foster care system over the years has reached a capacity that is no longer sustainable in Oregon. The financial support for this system has not kept up with growing costs, which has negatively impacted the ability for potential foster families to step forward to provide family foster care.

Ongoing research indicates that, if substantive preventive services can be immediately put into place, many children can safely remain at home, which reduces the need for children to be placed into the foster care system. Re-directing resources away from the removal of children from families and increasing the capacity of families who currently have children in the substitute care system by investing in upfront and in-home services within communities will pay far greater dividends to Oregon in meeting the outcomes identified in the state's plan.

Program Performance

Program performance is measured in the following ways:

- The number of children entering foster care (4,065) during FFY 2017 increased by 6.7 percent from the FFY 2016 level. The number of children leaving foster care has decreased by 3.9 percent in the same time-frame.
- 56 percent (56.5) of children who left foster care were reunified with their families.
- Median months to exit foster care is 18.6 months,
- The numbers of foster families in 9/30/2017 was 4,262 families. This is an increase of 388 from 9/30/2015.

Enabling Legislation/Program Authorization

There are a number of Federal acts that are centered on the care for children through substitute care programs. Some of the more prominent Federal acts and Federal regulations are noted below.

- *Adoption Assistance and Child Welfare Act P.L. 96-272.* To establish a program of adoption assistance, strengthen the program of foster care assistance for needy and dependent children, and improve the child welfare, social services, and aid to families with dependent children programs. Requires states to ensure and the courts to determine that reasonable efforts continue to be made on behalf of each individual child to mitigate the need for continued foster care.
- *Indian Child Welfare Act (ICWA) PL 95-60.* To establish standards for the placement of Indian children in foster and adoptive homes and to prevent the breakup of Indian families.
- *Adoption and Safe Family Act PL 105-89.* To promote the adoption of children in foster care by placing limitations and timelines.
- *Fostering Connection to Success and Increasing Adoption Act PL 110-35.* To support and connect relative caregivers and improve outcomes for children in foster care.

Title IV-E, The Federal Foster Care Program, helps to provide safe and stable out-of-home care for children until the children are safely returned home, placed permanently with adoptive families or placed in other planned arrangements for permanency. Title IV-B provides grants to states and Indian tribes for programs directed toward the goal of keeping families together. They include preventive interventions so that, if possible, children will not have to be removed from their homes. Finally, the Social Security Act contains the primary sources of federal funds available to States for child welfare, foster care and adoption activities.

Oregon Revised Statutes that specify which children are involved in the Substitute Care Program can be found under ORS 418.015 Custody and Care of Needy Children by Department and ORS 418.312 When Transfer of Custody Not Required; Voluntary Placement Agreement; Review of Children Placed in Certain Institutions.

Funding Streams

There is a combination of funding sources in the Well-Being Programs. Leveraged Federal funds include:

- Title IV-E, 20 percent;
- Medicaid, 10 percent;
- Independent Living, 2 percent;
- TANF, 9 percent;
- Chafee, 1 percent;

Social Services Block Grant Federal Funds, 3 percent;
Title IV-B, 1 percent;

Other Funds Applicable Child Saving Fund, 2 percent;
Other Funds Child Trust, 5 percent;
General Fund, 48 percent.

Funding Justification and Significant Changes to CSL

There is one Revenue Shortfall in this program area due to the discontinuation of the IV-E Waiver Federal Program.

Revenue Shortfall Federal discontinuation of the IV-E Waiver program.			
GENERAL FUND	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS
-	-	(3,851,520)	(3,851,520)
DESCRIPTION SAFETY – The State of Oregon has operated successful Title IV-E programs under an approved waiver since 1997. During this time, projects have been funded under the waiver that resulted in measurable improvements and positive outcomes for children and their families. The Title IV-E waiver program has been discontinued by Administration for Children and Families, affecting the funding available for the Leveraging Intensive Family Engagement (LIFE) program. The LIFE program has shown positive outcomes for families including shortened time to permanency for children predicted to stay three or more years in foster care, increased reunification, accelerated progress on case goals, strengthened relationships between DHS and families, families and youth feeling heard, and DHS staff feeling supported in partnering with families. The LIFE Program has served over 500 families in 17-19. With no additional funding, no families will receive these services.			

There are multiple investments in the Governor’s Budget, in addition to the regular essential packages that are part of the normal budget build process.

PACKAGE NO.	PACKAGE TITLE				
90	Strengthen Therapeutic FC				
GENERAL FUND 3,500,000	OTHER FUNDS 430,000	FEDERAL FUNDS 4,600,000	TOTAL FUNDS 8,530,000	POSITIONS -	FTE -

PACKAGE DESCRIPTION

This package provides additional funding to strengthening therapeutic foster care support children and youth in need of time-limited substitute care within their community. The expectation is that this should be a collaboration between OHA/DHS in consultation with System of care Executive Council to:

- Develop a system of professional foster care networks that are coupled with in-home services and supports as outlined above.
 - Components of this model should include:
 - Specialized recruitment of skilled, culturally appropriate foster parents.
 - Paid training for foster providers.
 - Monthly maintenance payments for parents who are attending training, providing respite or other supports to other foster homes, and maintaining capacity.
 - Limits on the number of children in a Therapeutic Foster Home, according to evidence-based models, and in consideration of the circumstances of the child, his/her family (e.g., siblings also in foster care) and the foster family.
 - Ability to maintain youth in the Therapeutic Foster Home until a child is either safely reunified with their family or a stable, permanent placement is identified
- Explore development of foster communities to provide mutual support, e.g. The Mockingbird Model.

PACKAGE NO.	PACKAGE TITLE				
90	CW Sexual Health Education				
GENERAL FUND	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POSITIONS	FTE
675,000	-	-	675,000	-	-
PACKAGE DESCRIPTION This is new program for sex education for foster youth, using a model that will build capacity to DHS Children's Welfare program across the state to deliver sexual health education to foster youth ages 12 to 21 years old. This is in response to Oregon Foster Youth Connections' policy recommendation that all foster youth and their caseworkers receive comprehensive, trauma informed and inclusive sexual health education and know how to access health care services.					

PACKAGE NO. 90	PACKAGE TITLE Expand KEEP				
GENERAL FUND 3,100,000	OTHER FUNDS -	FEDERAL FUNDS 4,650,000	TOTAL FUNDS 7,750,000	POSITIONS -	FTE -
PACKAGE DESCRIPTION KEEP is a Foster Parent Support Pilot Program currently serving Multnomah and Washington Counties DHS foster families. This package will allow for the program to be provided statewide. The Program is designed to enhance placement stabilization of foster youth in their foster home. The program provides enhanced trauma informed training for foster parents through individual and group sessions, weekly phone contact and behavioral intervention support. The program focuses on parent training and coaching.					

PACKAGE NO. 139	PACKAGE TITLE Continuing Education for Caregiver Training				
GENERAL FUND 78,100	OTHER FUNDS -	FEDERAL FUNDS 63,900	TOTAL FUNDS 142,000	POSITIONS -	FTE -
PACKAGE DESCRIPTION SAFETY: Funds will allow for increased training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are available in multiple languages and alternate formats. Trainings must be trauma-informed, linguistically appropriate, culturally responsive, and must support cultural agility. These trainings will be readily available within each District each year.					

PACKAGE NO. 142	PACKAGE TITLE Independent Living Program Service Enhancement				
GENERAL FUND 8,082,513	OTHER FUNDS -	FEDERAL FUNDS -	TOTAL FUNDS 8,082,513	POSITIONS -	FTE -
PACKAGE DESCRIPTION This POP seeks to expand the Independent Living Program (ILP) and youth transition services through a rate increase, new services, and an expanded age range of youth to be served, to improve outcomes for youth in their young adulthood. This will be achieved by: • Increasing monthly service rates to stabilize current programs and to increase solicitation opportunities for additional programs. The rate is currently too low to attract new potential contractors. • Expanding services to begin serving 14 – 15-year-olds and 21 – 23-year-olds (currently services are					

limited to 16 – 20-year-olds).

- Increasing the comprehensiveness, linguistic appropriateness, and cultural agility of services and supports.
- Adding a Young Adult Transitions Navigator to help guide youth through difficult circumstances.
- Developing transitional housing for young adults.

Reductions:

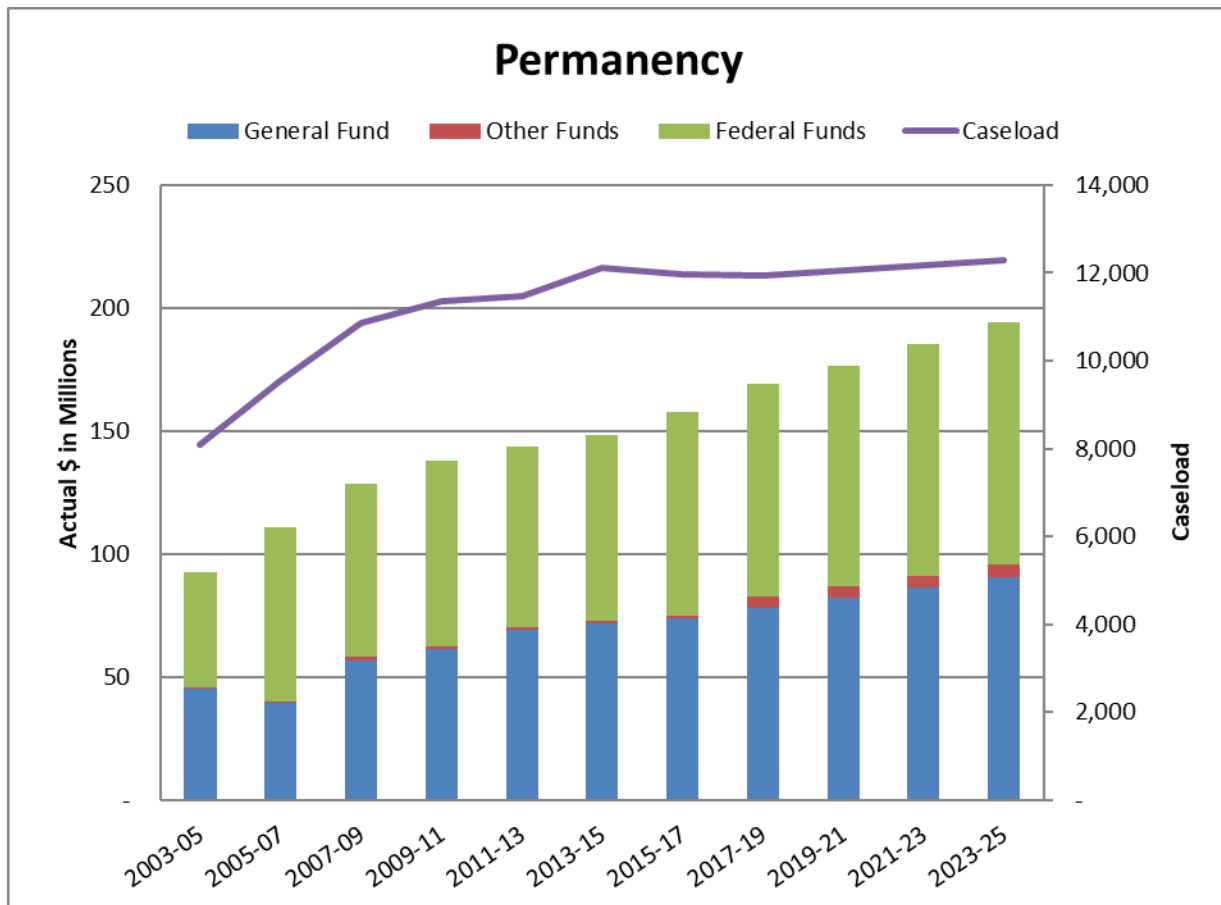
- Transfer of the Runaway and Homeless Youth Program (RHY) to Self-Sufficiency. The transfer was implemented as runaway and homeless youth rarely entered or re-entered the foster care system. The RHY provider network's focus is to reconnect youth with family or to connect youth and young adults with Self-Sufficiency Program services. As an independent youth or young adult, the RHY population is often eligible for Supplemental Nutrition Assistance Program (SNAP) or other Self-Sufficiency Program benefits. Therefore, Self-Sufficiency is better situated to collaborate, support and expand the RHY network of providers.
- The Enhanced Supervision budget was reduced as the expenditures have moved to the Regular Foster Care budget and that budget's Cost Per Case already reflects the Enhanced Supervision costs.

Department of Human Services: Permanency

Primary Long-Term Focus Area: Healthy and Safe Communities

Secondary Long-Term Focus Area:

Program Contact: Lacey Andresen, Child Permanency Program Manager



Program Overview

Children in foster care receive assistance through the Child Permanency and Post-Adoption/Guardianship Support Programs. DHS helps foster children achieve legal permanency through reunification, adoption or guardianship. If children achieve legal permanency through adoption or guardianship, this program continues providing support to the families to meet the special needs and lifelong challenges of children who have been abused and neglected.

Program Funding Request

	Permanency			
	GF	OF	FF	TF
LAB 17-19	78,263,470	4,358,629	86,368,537	168,990,636
GB 19-21	85,675,322	4,624,558	93,604,112	183,903,992
LAB 17-19 to GB 19-21	7,411,852	265,929	7,235,575	14,913,356
% Difference	9.47%	6.10%	8.38%	8.82%

Program Description

The first and primary permanent plan for all children who enter the foster care system is reunification with a parent. Reunification services are delivered through the efforts of field staff with consultation, support, training, and technical assistance from central office consultation staff. Only after it is determined that a child in foster care is unable to be safely reunited with a parent, will the alternate plans of adoption or guardianship be implemented.

Adoption and guardianship services are delivered through the joint efforts of field and central office staff. When children are unable to return to their parents' custody, the Department's efforts are directed to finding a permanent family so the children can leave the foster care system. Research shows that children who turn 18 and age out of the foster care system have poor outcomes compared to children who are raised in a permanent home. The process of preparing children for adoption or guardianship, searching for an appropriate family, transitioning the children, and monitoring the placement until the adoption or guardianship is finalized is work that is carried out by field staff. The process of ensuring the completeness of the file for adoption or guardianship, supporting the field in determining which children are not able to return to their parents, finalizing the adoption, and supporting families after the adoption or guardianship is carried out by central office staff.

During the last biennium, DHS completed 1,630 adoptions and 655 guardianships. Most children adopted or placed in guardianships through Oregon's foster care system are eligible for ongoing financial support and medical coverage. Overall, approximately 12,000 families receive ongoing adoption and guardianship financial support to meet children's special needs. We also provide administrative oversight in all private, international, and independent adoptions, and operate a Search and Registry Program, which is mandated by law. This adds program responsibility for an additional 700-900 children who are adopted privately or independently each year in Oregon.

DHS works closely with the Department of Justice (DOJ), which provides legal representation for DHS caseworkers. DOJ also represents DHS in termination of parental rights cases and in guardianship petitions. Other key partners include county District Attorneys, private mediators and attorneys, private adoption and recruitment agencies, the Child Protective Services and Foster Care programs of DHS, and the Division of Medical Assistance Programs at the Oregon Health Authority.

Primary cost drivers for the Permanency and Adoption/Guardianship Assistance Programs include the legal costs of representation throughout the case, freeing and placing children for adoption or filing for legal guardianships and the number of eligible children for adoption and guardianship subsidies. Based on their history of abuse and trauma, almost 100 percent of the children adopted annually from the child welfare system are considered special needs children and eligible for an adoption subsidy. Families for approximately 95 percent of the eligible children choose to receive some monetary adoption assistance to assist in meeting these children's special needs. Children entering into legal guardianships have the same history of abuse and trauma and are also eligible for subsidies. Most families accept the monetary support and medical coverage to meet the ongoing special needs of their guardian children.

Program Justification and Link to Focus Areas

The Child Permanency and Adoption/Guardianship Support Programs are designed to impact the safe and equitable reduction of children in foster care, which promotes Healthy and Safe Communities. Children in foster care and their parents and foster parents need targeted, family-focused, timely, and culturally responsive services in order to achieve reunification. Those who cannot safely be reunified with their biological parents need safe and appropriate alternate forms of permanency. Evidence shows that children who do not have permanency experience issues in the future such as lack of education, unemployment, homelessness, and incarceration at much higher rates than the general population. Specifically, former foster children who age out have high rates of mental illness with over half having clinically diagnosed mental health problems, including depression and Post-Traumatic Stress Disorder. These former foster children have a greater chance of coming into contact with the corrections community, experiencing early parenting, and/or using the services provided by the Oregon Health Authority and the Addictions and Mental Health program. The safety and stability that come with a permanent home help mitigate the risk of poor future outcomes for those who were abused and placed into foster care as children.

The Education and Economy focus areas may also be impacted if children cannot find permanency through adoption and guardianship. Grown former foster children who age-out tend to complete high school at a rate comparable to the general population. However, more of the high school completion is done via a GED versus a high school diploma, which is known to lead to lower wage jobs. Further, completion of post-secondary education is low for this group, affecting the lifelong earnings and living standards of these former foster children. The low educational achievement and mental health issues result in many of the former foster children who age-out living at or below the poverty level and requiring more public assistance. A 2005 study shows that one-third of the former foster children who aged out lived in poverty and one-third had no health insurance. The rate at which these foster children used Temporary Assistance to Needy Families (TANF) was five times higher than the general population.

Other non-monetary post-adoption and guardianship services are also important in assisting families in providing care for children who often enter adoption and guardianship with significant special needs. Children who have experienced significant abuse and neglect will be challenged to address their history as they move through different developmental stages. Ongoing support of the families who are parenting these children is essential to preserve the placements. Post-adoption and guardianship services include information and referral, consultation in response to imminent and current family crises, in-home family therapy, support groups, training, and a lending library. Each year, approximately 1,400 to 1,600 contacts are made to the post-adoption services program for help. Some of these contacts are for reported crises or disruption-related issues. Children who disrupt from adoption or guardianship re-enter the foster care or residential treatment system at a significant cost to the state.

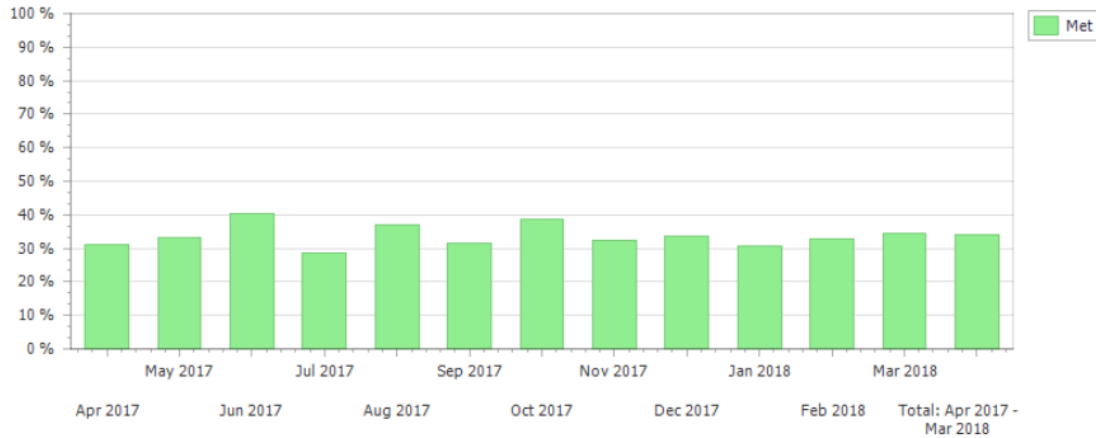
Program Performance

Program performance is measured in a number of ways and data is consistently used to evaluate effectiveness. Currently the Child Permanency program is focusing on some specific performance measures and designing its program activities to impact these areas. They include early placement with relatives and siblings, reducing the median months for children to exit the foster care system to reunification, adoption and guardianship, and improving the number of legally free children who are adopted in less than 12 months.

CM.08 Initial Placements With Relatives (of those entering care)

Percent of children entering foster care who were placed with relatives upon removal, over time

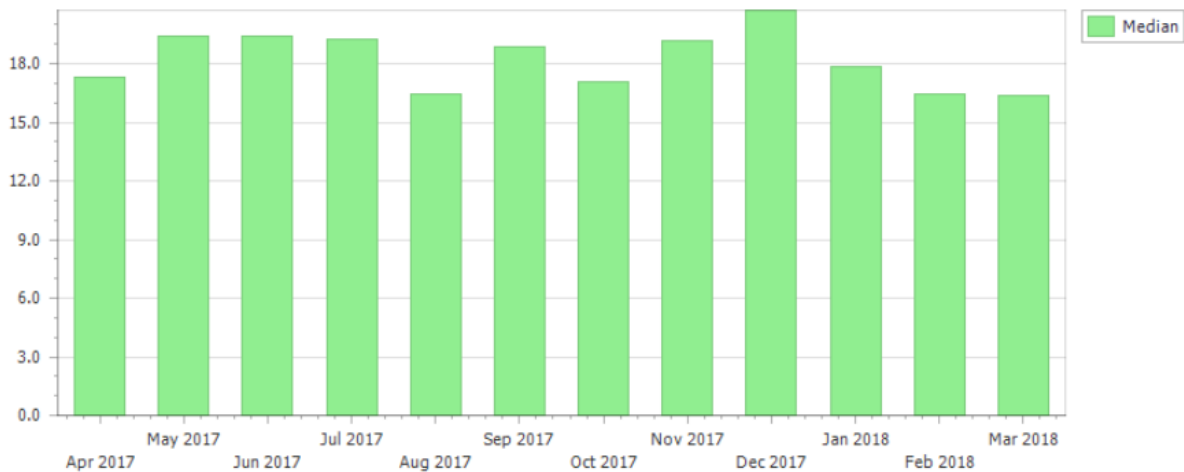
Report Time Period: April 1, 2017 - March 31, 2018



CM.15 Median Length of Stay at Foster Care Exit

Of children discharged, the median number of months to discharge (median is middle score where half were more and half less), over time

Report Time Period: April 1, 2017 - March 31, 2018



PA.12 Adopted in less than 12 months of TPR (of those TPR 12 months ago)

Percent of children that became legally free for adoption (TPR) 12 months ago who were discharged to a finalized adoption in less than 12 months of becoming legally free (TPR).

Report Time Period: April 1, 2017 - March 31, 2018



Oregon is doing well with initial placements with relatives, but the other measures show that the Department has work to do in getting children out of the foster care system in a timely manner, and in timely matching children to the family who can best meet their long-term needs for safety, well-being, and permanency.

Enabling Legislation/Program Authorization

The following Federal and State laws mandate the operation of permanency planning for children in the foster care system:

- Public Law 96-272 Adoption Assistance and Child Welfare Act of 1980 which established the program of adoption assistance and introduced the requirement to make reasonable efforts to keep children out of foster care
- Public Law 105-89 The Adoption and Safe Families Act which set federal time lines for moving children out of foster care
- Social Security Act, Section 473 which mandates the payment of adoption assistance for eligible children
- Social Security Act, Section 473 which allows non-mandatory payment of guardianship assistance for eligible children
- Oregon Revised Statute 418.330 which provides state funded guardianship assistance
- The Indian Child Welfare Act (ICWA)
- ORS 419A and 419B which provide a series of requirements for services to children in the foster care system

- ORS 109.309 which mandates the Department of Human Services to provide administrative services for independent adoptions and to operate a state Search and Registry program

Funding Streams

A combination of General and Federal Title IV-E funds the adoption and guardianship subsidy programs. Title XIX Medicaid funds the provision of medical coverage for children in adoptions and guardianship subsidies. A combination of General Fund and Title IV-B funds support programs such as recruitment and retention of foster and adoptive homes, post-adoption support and services and training. Leveraged Federal funds include:

Title IV-E, 49 percent;

Medicaid, 1 percent;

Other Funds Applicable Child Saving Fund, 2 percent;

Other Funds Child Trust, 1 percent;

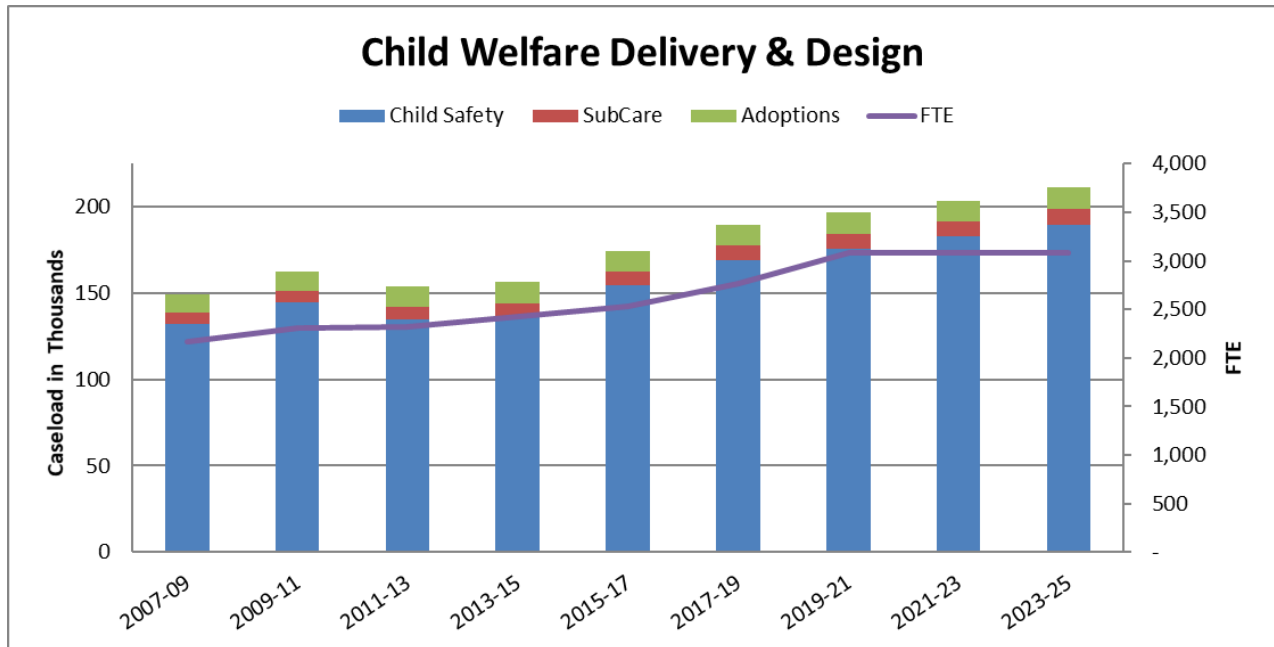
General Fund, 47 percent.

Funding Justification and Significant Changes to CSL

The change between CSL and 19-21 GB are due to the essential packages that are part of the normal budget build process.

Department of Human Services: Delivery and Design

Primary Long-Term Focus Area: Healthy and Safe Communities
Secondary Long-Term Focus Area: N/A
Program Contact: Marilyn Jones, Child Welfare Director



Program Overview

This program represents the overarching structure that supports the safety of children throughout Oregon who are subjected to abuse or neglect. As of June 1, 2018, there are 1,556 legislatively approved child welfare caseworker positions allocated to child welfare across Oregon. There is a scheduled rollout to have all positions hired by January/February 2019. In FFY 2017 caseworkers responded to 43,976 reports of abuse and neglect, and a total of 11,645 children spent at least one day in some type of foster care, such as family foster care (relative and non-relative), professional treatment programs, psychiatric residential treatment programs, pre-adoptive placement, specialized placement for children with I/DD, or independent living. The program also finalized 673 adoptions in FFY 2017, creating a permanent home for children that could not safely return to their parents. This statewide structure is administered from the DHS central office in Salem and supports field-based staff in 16 Districts, through supervision, technical assistance

and support, developing and implementing policies and procedures, providing evaluation services and analysis, training, federal claiming and reporting, case management system support, and quality assurance/continuous quality improvement of program areas in Child Welfare.

The staffing investment in 2017-2019 brought the Child Welfare caseworkers to approximately 86.7 percent of the workload model, assuming all positions are filled. These staff are critical to the integrity of the Oregon Safety Model, our child welfare practice model for safety assessment and safety management.

Program Funding Request

CHILD WELFARE - Design	GF	OF	FF	TF	Position Count	FTE
LAB 17-19	\$ 43,742,244	\$ 587,924	\$ 49,528,550	\$ 93,858,718	159	157.38
GB 19-21	\$ 68,877,567	\$ 590,716	\$ 42,312,163	\$ 111,780,446	175	172.34
Difference	\$ 25,135,323	\$ 2,792	\$ (7,216,387)	\$ 17,921,728	16	14.96
Percent change	57.5%	0.5%	-14.6%	19.1%	10.1%	9.5%

CHILD WELFARE - Delivery	GF	OF	FF	TF	Position Count	FTE
LAB 17-19	\$ 282,883,559	\$ 1,670,281	\$ 200,029,398	\$ 484,583,238	2763	2606.35
GB 19-21	\$ 381,230,261	\$ 1,776,415	\$ 181,825,396	\$ 564,832,072	3042	2873.36
Difference	\$ 98,346,702	\$ 106,134	\$ (18,204,002)	\$ 80,248,834	279	267.01
Percent change	34.8%	6.4%	-9.1%	16.6%	10.1%	10.2%

Program Description

The Office of Child Welfare Programs provides the personnel necessary to support the entire array of Child Welfare programs and services, which includes screening and evaluation of calls reporting abuse and neglect, assessment of families and determination of child safety, case management for all open child welfare cases, assessment, recruiting and retention of foster families and residential treatment providers, visitation for children with their parents and family while experiencing out-of-home care, court preparation and review, transition planning for children over 14 years of age, permanency planning, and case management services through completion of a permanency plan. The program also provides clinical supervision and training to direct service staff, critical to building worker competencies including reinforcing professional social work ethics and values, self-reflection and critical thinking skills, casework practice through a trauma informed and culturally appropriate lens, mentoring and coaching to develop professional skills, and supporting the worker through casework decision-making and crises.

This is partially achieved through lower staff-to-supervisor ratios as recommended by the Child Welfare League of America (CWLA). Oregon has adopted the

Oregon Safety Model to evaluate and ensure safety throughout the life of a case. This model requires safety assessment and safety management at all stages of case management, from screening through case closure.

Child Welfare design and delivery coordinates with Self Sufficiency design and delivery to support family stability and prevent entry into the child welfare system for common clients. In addition, Child Welfare partners with other child and family serving systems including Oregon Housing Authorities, Oregon Health Authority, Oregon Department of Education, Oregon Youth Authority, community and faith based organizations, etc., to coordinate services whenever possible. The Office of Child Welfare Programs also negotiates and manages contracts with numerous community service providers and individuals, to provide families and children the individualized services they need to be successful. This program continues to focus efforts on eliminating disparities and ensuring equitable outcomes for families and children. Currently, Native American and African American children are disproportionately represented in Oregon's foster care system.

Major cost drivers for the personnel need are: Program mandates (Federal and State); the number of reports received alleging abuse or neglect; family stress factors which affect abuse risk and case complexity (substance abuse, unemployment, mental or physical health issues, criminal history, domestic violence, etc.); personnel turnover (training/travel costs); work effort required to provide services, and personnel packages (i.e., position cost, etc.). Additional drivers of cost include representation from the Department of Justice connected to dependency matters, court-ordered services and workload associated with Federal mandates.

The Office of Child Welfare Programs continues to identify and implement changes to improve efficiencies while assuring child safety (i.e., abbreviated assessment, overdue case closure tool, centralization of functions currently managed at the District offices, etc.), with more to come using predictive analytics to develop decision support tools. Additionally, the OCWP continues to focus efforts on the safe and equitable reduction of the number of children who experience foster care.

Critical elements of the program are thorough and comprehensive assessment of child safety, certification of family foster care providers and timely permanency outcomes. Oregon's Program Improvement Plan resulting from Round 3 of the

Federal Child and Family Services Review includes specific strategies to address areas of needed improvement in Oregon's child welfare practice.

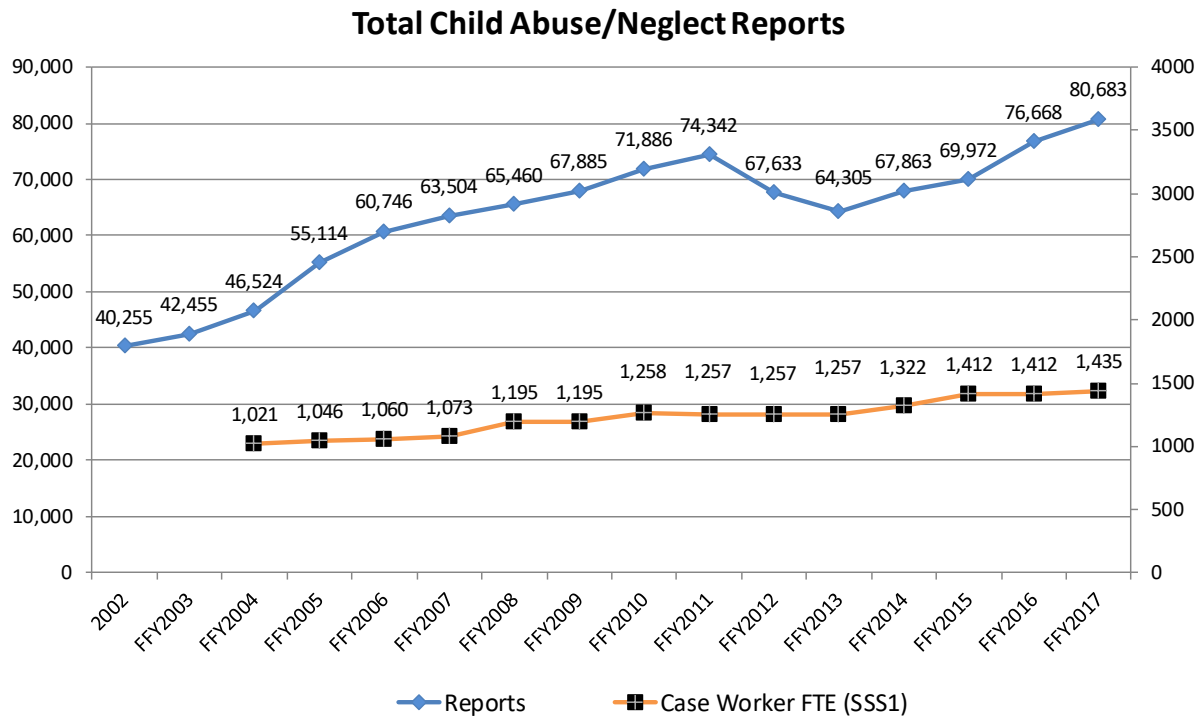
Program Justification and Link to Focus Areas

There is a direct link between the program design and delivery for Child Welfare and Safer, Healthier Communities. The Office of Child Welfare Programs supports increased family stability and child safety; prevents vulnerable youth from entering the foster care system; and implements reinvestment practices when savings can be achieved. Through Child Welfare interventions, safety for abused and neglected children is established. The program's work with families enhances their ability to safely parent their children and prevent foster care placements.

Child Welfare delivery and design provides the personnel to administer, design and deliver child safety supports through abuse investigations, service identification and procurement, family support, reunification wherever possible, or alternative child safety planning when necessary.

Program Performance

Personnel resources are necessary to provide performance in the delivery of Child Welfare programs and services. At current staffing levels, the Child Welfare Program is performing below federal standards in most categories. The chart below provides a comparison of the caseload growth (100%) to the personnel growth (41%) over time which provides a display of how our resources directly impact the Department's ability to keep pace with the need of vulnerable Oregonians.



Safety for children is measured through the performance metrics of: timeliness of responding to reports of abuse and neglect, re-abuse rates, the ability to have regular and frequent quality face-to-face contact with children and families, and the timeliness of achieving a permanent plan for a child to minimize the duration of a stay in foster care. All these performance measures are impacted by the staffing levels for the Child Welfare Program. Child safety is jeopardized when there is not adequate staff to respond, visit children and families, ensure family stability prior to return, or move children to a permanent home, including reunification.

Having staff that is representative of the children and families we serve is essential to providing equitable child safety services. Staff must be able to respond to the cultural and language needs of all Oregon families that come to our attention.

The approval of additional staff in 2017 and 2018 legislative sessions is critical to reestablishing a positive trend in foster care reduction.

With the assistance of McKinsey & Company, a workload model was developed to record the work effort to provide program delivery. The workload model provides a basis for determining personnel needs to adequately support the work of Child

Welfare. Staffing for Child Welfare central support was not included in the workload modeling by McKinsey. However, the work of Child Welfare central support is vital to the delivery of services in field offices. Central support provides the oversight of policy development, program design and changes required through legislation, Federal reporting compliance, and direct practice support to the field.

The newly developed Office of Research Reporting Analysis and Implementation is currently developing a workload model that will more accurately reflect staffing needs across Child Welfare design and delivery.

Enabling Legislation/Program Authorization

Child Welfare services are mandated by multiple Federal and State laws including PL96-272, Adoption Assistance and Child Welfare Act; PL95-608, Indian Child Welfare Act PL 105-89, Adoption and Safe Families Act; PL 110-351, Foster Connections to Success and Increasing Adoption Act; Social Security Act Title IV-E and Title IV-B; ORS Chapter 418, and ORS Chapter 419B.

Funding Streams

Costs for personnel in program design and delivery is determined through Random Moment Sampling Surveys (RMSS) where field delivery staff are required at random intervals to indicate the time spent on various activities to determine the level of Federal funding to offset the cost to the state of staff who directly support our ability to provide critical child welfare services. Block grant funds include Social Services Block Grant (SSBG) and Temporary Assistance for Needy Families (TANF) funds. Leveraged funds include Medicaid, Title IV-E and IV-B funds. State-only General Funds also comprise a portion of the budget.

Funding Justification and Significant Changes to CSL

REVENUE SHORTFALL (PKG. 70): RELATED TO POP # 107

PACKAGE TITLE: REVENUE SHORTFALL DUE TO TANF REDUCTION

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ -	\$ -	\$ -40,000,000	\$ -40,000,000	-2,420	- 2,385.69

NARRATIVE:

See “POP: PACKAGE # 107” for package description.

POP: PACKAGE # 107**PACKAGE TITLE: BACKFILL TANF IN CW STAFF**

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 40,000,000	\$ -	\$ -	\$ 40,000,000	2,420	2,385.69

PACKAGE DESCRIPTION:

At some point in the past TANF funding was used to fund a significant number of child welfare staff. The history of why this was done has been lost. This was not inappropriate at the time. However, as TANF caseloads have dropped and CW (and Self Sufficiency) staffing costs have increased, a technical restriction in the TANF rules have caused revenue shortages in Child Welfare Staffing. The TANF grant is a block grant that has not changed since the mid 90's. However, there is a 15% administrative cap on program expenditures. Over time as the TANF caseload has dropped and the investment in JOBS has been reduced the 15% Cap has also been reduced. At this point the 15% admin cap is spent in total by Self Sufficiency. This means that TANF can no longer be used for CW staffing. This impacts many positions, causing hundreds of positions to be eliminated unless remedied. In a companion POP DHS requests backfill of General Funds for this mandated program that was denied at CSL. This proposed POP would remove TANF Federal Funds from CW staffing causing many positions to become part time funded. This will free up TANF for future use in case of a recession or for other program uses determined appropriate by the legislature. TANF partially funds over 2,420 CW positions. Due to system limitations all positions with TANF need to be abolished (in package 070), and then if funded reinstated at full time positions through the companion POP that would establish the same number of positions and FTE, effectively causing a fund shift of GF for TANF in each position.

POP: PACKAGE # 119**PACKAGE TITLE: CENTRALIZED SCREENING**

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 10,189,554	\$ -	\$ -	\$ 10,189,554	46	45.28

PACKAGE DESCRIPTION:

Centralized Screening currently exists in half of all child welfare programs in the U.S. Research has proven its effectiveness in improving consistency in screening decisions and increased training opportunities for screeners to build a specialized

expertise. Screening is the first point of contact for all mandated and non-mandated reporters of child abuse in Oregon. It is imperative that screeners apply Oregon Revised Statute 419B.005 accurately to each allegation of abuse and determine when the department is required to investigate. Oregon Child Welfare currently operates under a district-wide child abuse reporting system in most areas of the state. 7,000 reports of child abuse or neglect are being processed through 15 child welfare offices each month, and at least that many phone numbers. Screening decisions can vary based on where the call is received and a multitude of other reasons such as, workload, inexperience, misinterpretation, bias, etc. This POP would support the ongoing operation of a single, stand-alone, 24 hours a day, 7 days a week child abuse hotline. Enhanced training, decision-making and data-informed tools, a single leadership structure and continuous quality assurance processes all support increased accuracy and reduced bias in screening decisions. In addition, it affords opportunities for quality assurance measures which increase the ability of the Department to provide consistent practice and customer service. Overall, this will increase the level of safety for children exposed to abuse or neglect.

POP: PACKAGE # 131

PACKAGE TITLE: FOSTER FAMILY RECRUIT TEAM

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 3,008,924	\$ -	\$ 749,993	\$ 3,758,917	17	17.00

PACKAGE DESCRIPTION:

Oregon does not currently have a structure in place to target statewide foster family recruitment and the services and supports necessary to retain good foster family homes. This has resulted in a lack of appropriate placement resources for many children experiencing foster care and was a finding of shortcoming in the most recent federal Child and Family Services Review and the Secretary of State Audit, titled ‘Chronic Management Failures and High Caseloads Jeopardize the Safety of Some of the State’s Most Vulnerable Children.’ The State must address this issue of foster care recruitment and retention as a part of its federally required Program Improvement Plan and in its federal Child and Family Services Plan.

This Policy Option Package requests the positions necessary to develop, implement and sustain a data informed targeted Statewide Foster Care Recruitment and Retention practice model. This model is intended to recruit and retain an abundance of foster families reflecting the cultural, linguistic and other characteristics, including LGBTQ status, of children experiencing foster care to

allow for enhanced placement matching and reduce the number of placement changes.

POP: PACKAGE # 139

PACKAGE TITLE: CONTINUING EDUCATION FOR CAREGIVER TRAINING

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 1,086,956	\$ -	\$ 270,791	\$ 1,357,747	8	7.04

PACKAGE DESCRIPTION:

Funds will allow for increased training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are available in multiple languages and alternate formats. Trainings must be trauma-informed, linguistically appropriate, culturally responsive, and must support cultural agility. These trainings will be readily available within each District each year.

POP: PACKAGE # 142

PACKAGE TITLE: INDEPENDENT LIVING PROGRAM – SERVICE ENHANCEMENT

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$ 417,487	\$ -	\$ -	\$ 417,487	2	1.92

PACKAGE DESCRIPTION:

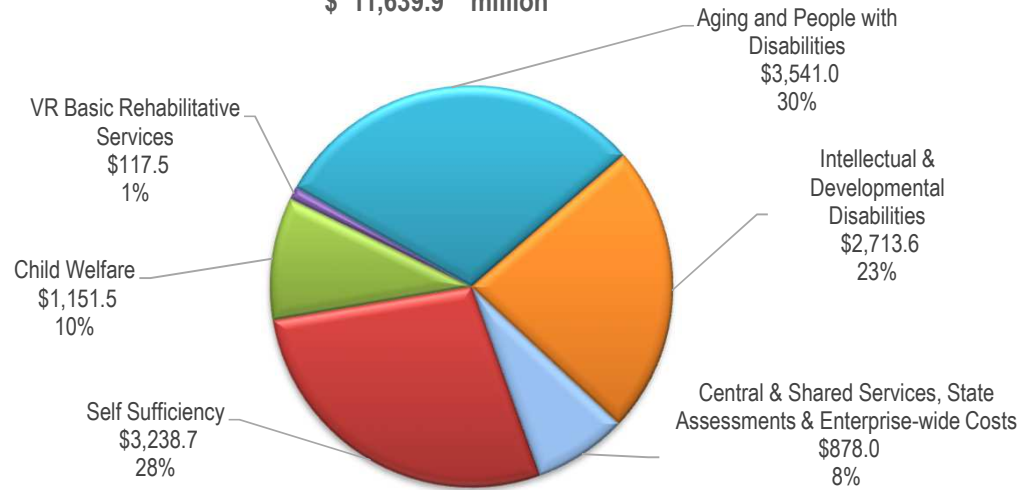
This POP seeks to expand the Independent Living Program (ILP) and youth transition services through a rate increase, new services, and an expanded age range of youth to be served, to improve outcomes for youth in their young adulthood. This will be achieved by:

- Increasing monthly service rates to stabilize current programs and to increase solicitation opportunities for additional programs. The rate is currently too low to attract new potential contractors.
- Expanding services to begin serving 14 – 15-year-olds and 21 – 23-year-olds (currently services are limited to 16 – 20-year-olds).
- Increasing the comprehensiveness, linguistic appropriateness, and cultural agility of services and supports.
- Adding a Young Adult Transitions Navigator to help guide youth through difficult circumstances.
- Developing transitional housing for young adults.

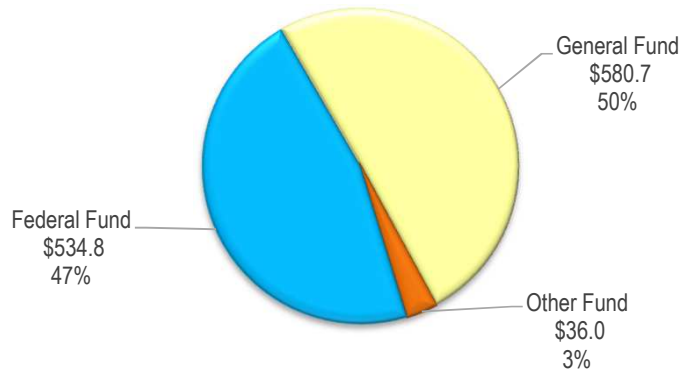
ADDITIONAL CHANGES:

- The inflation in services and supplies has been eliminated (\$715,665 GF), having sufficient funds in services and supplies is extremely critical in CW.
- 2.5% vacancy savings assumed (\$3,475,152 GF) in CW.
- Staffing Workload Reduction – This reduction is to CSL earned positions. The positions were earned at 24 months but were cut back to 12 months in this reduction. Staffing levels are critical in CW to ensuring safety of Oregon’s vulnerable children (\$14,050,694 GF).
- Due to need in sexual health education for youth in foster care, \$1,025,000 GF and three staff have been added to create this program in CW.
- \$5,500,000 GF and two positions have been added to support a Visitation Pilot Program in CW.
- An additional \$5,728,531 GF has been added for the expansion of legal representation for CW workers to be statewide for the biennium. In addition, \$6,284,984 GF has been included to realign GF with FF in services and supplies, to more closely match with actual eligibility of expenditures for federal match.,

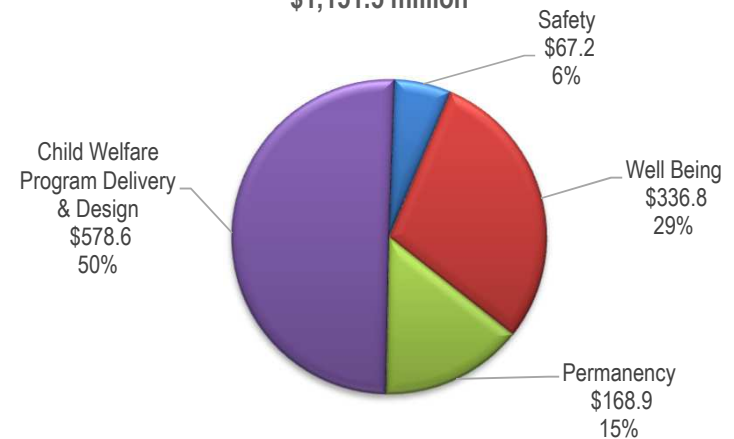
**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**



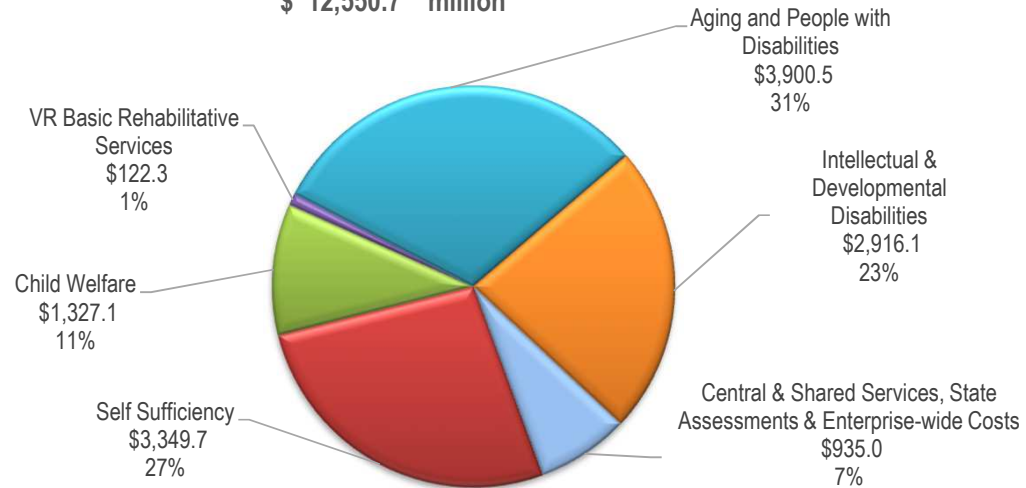
**Child Welfare
Total by Fund Type
\$ 1,151.5 million**



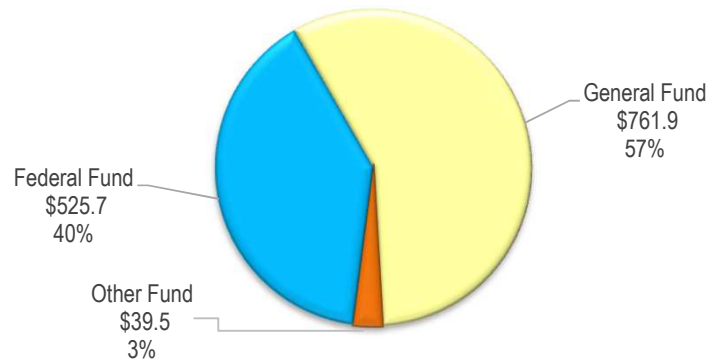
**Child Welfare
Total by Program
\$1,151.5 million**



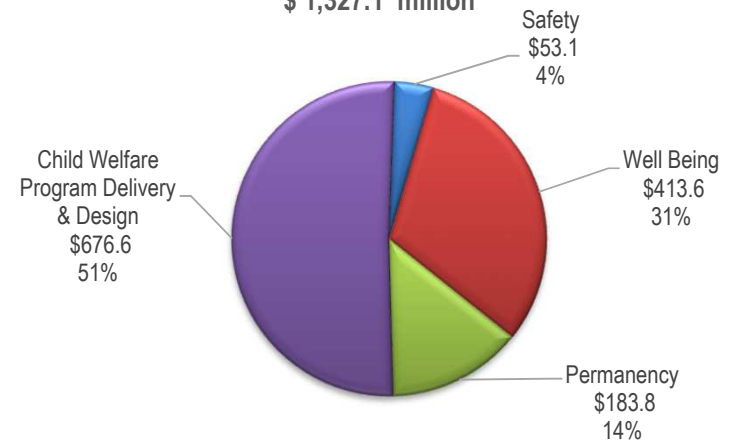
**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



**Child Welfare
Total by Fund Type
\$ 1,327.1 million**



**Child Welfare
Total by Program
\$ 1,327.1 million**



Department of Human Services

Vocational Rehabilitation Program

Vision

Every Oregonian with a disability, who desires to work, is given the opportunity and means.

Mission

Vocational Rehabilitation's (VR) mission is to assist Oregonians with disabilities to achieve, maintain and advance in employment and independence. VR partners with Oregonians with disabilities to gain employment through a variety of services designed to assist in identifying and mitigating the functional impediments created by disability.

Program

This is a state and federal program authorized by state law and the federal Rehabilitation Act of 1973, amended in 1998 and in 2014 by the Workforce Innovation and Opportunity Act (WIOA).

VR helps Oregonians with disabilities gain employment through a variety of services. This includes helping youth with disabilities transition to jobs as they become adults; providing individualized counseling and supports to job seekers with disabilities to overcome barriers to employment; helping employers realize the benefit of employing diverse people with disabilities; and partnering with other state and local organizations that coordinate and provide equitable employment and workforce programs. Over 350,000 working-age Oregonians experience a disability, but approximately 35 percent are employed. Employment helps people with disabilities progress towards self-sufficiency, become involved in their communities, and live more engaged and satisfying lives.

All working-age Oregonians who experience a disability and are legally entitled to work are potentially eligible for VR services. Individuals who experience a medical, cognitive or psychiatric diagnosis that results in a functional impediment to employment are typically eligible. Recipients of Social Security disability benefits are presumed eligible for services.

Approximately 99 percent of all eligible clients currently served by VR are people with significant disabilities. These individuals experience multiple functional impediments requiring several services provided over an extended period.

VR has a diverse staff of counselors with expertise in the areas of intellectual and developmental disabilities (I/DD), deafness and hearing impairments, mental health, motivational interviewing, spinal injury, and traumatic brain injury. Additionally, the participant's cultural and linguistic needs are considered.

Individuals we serve

Vocational Rehabilitation employees provide direct services through a network of local offices across Oregon. For a list, see:

<http://www.oregon.gov/dhs/vr/Pages/officelocation.aspx>

Services are provided by rehabilitation counselors and support staff who deliver direct client services through 34 field offices and multiple single employee outstations in Work Source Oregon Centers and other human services agencies across the state. As the demographics in Oregon are changing, VR is adapting accordingly to provide culturally and linguistic services to Oregonians and to help diversify the State workforce.

VR Data:

- Helped 17,204 individuals and obtained 2,688 employment outcomes in fiscal year 2018.
- Contract with 120 school districts and consortia on behalf of 150 high schools to provide serves for approximately 1,300 students each year.
- Assisted 692 individuals with intellectual and developmental disabilities (I/DD) and 378 individuals with psychiatric disabilities obtain jobs in federal fiscal year 2018. Of those 692 individuals with I/DD who obtained jobs, 408 are maintaining their job through supported employment services.
- The number of clients rehabilitated in VR by Race/Ethnicity for the state fiscal year 2018 breaks down to 37 American Indian or Alaskan Native, 266 Hispanic or Latino, 2143 White, 117 Multi-race, 72 African American, 8 Native Hawaiian or other Pacific Islander, and 45 Asian.
- VR staff in the field served 1255 Oregonians who reported some level of hearing loss as their primary disability. Of those, 499 labeled themselves "Deaf" and 710 labeled themselves "hard of hearing." Consumers with

hearing loss represented 7.4% of the total population served by VR during state fiscal year 2018

Services Provided

VR is designed under five primary areas: basic services, youth programs, supported employment, career counseling information and referral and independent living. In addition, VR is also engaged in Oregon's Employment First program in partnership with the Office of Developmental Disability Services and is actively engaged in improving workforce partnerships core partner in the state workforce programs.

Basic Services: These are basic services provided to individuals whose disabilities present a potential barrier to employment. A rehabilitation counselor conducts a comprehensive assessment to evaluate vocational potential, including diagnostic and related services necessary for the determination of eligibility for services as well as the nature and scope of services to be provided. Vocational counseling and guidance builds on this assessment and helps the client identify a vocational goal. The counselor, in partnership with the client, develops an individualized plan for employment and authorizes appropriate services in support of the plan while maintaining a counseling relationship with the client.

Youth Transition Program (YTP): YTP operates as a partnership between VR, the Oregon Department of Education (ODE), the University of Oregon's College of Education, and local Oregon school districts. At least 70 percent of students with disabilities in YTP complete high school and transition to a job or postsecondary education at a rate exceeding the national average. This internationally and nationally-recognized school-to-work transition approach is a best practice for young people with disabilities. YTP bridges the gap between school and work by providing coordinated vocational rehabilitation services while the student is in school and ensuring a smooth transition to adult services and employment after completion of school. YTP currently serves over 2,000 students in over 120 school districts through comprehensive VR services and pre-employment transition services.

Supported Employment Services: These services target individuals with the most significant disabilities for whom employment was not possible through traditional means, but who can obtain and maintain competitive employment in the community with the provision of job coaching and ongoing supports. Basic vocational rehabilitation services are provided on a time-limited basis for each

client. Oregon Health Authority (OHA), the Office of Developmental Disability Services (ODDS), other community programs, families and private employers are responsible for the follow-along services once VR has completed placement and training services. Supported Employment Services combine traditional VR services and support services provided by job coaches, typically at job sites.

Career Counseling, Information and Referral (CCIR): The WIOA created these services in the 2014 update to the Rehabilitation Act. States began the sub-minimum wage projects in 2017. These services provide career counseling, information and referral to individuals (any age) known by VR to be employed at subminimum wage. Employers with 14C certificates from Department of Labor are allowed to employ individuals at less than minimum wage. These employers are required to provide information about training opportunities (self-advocacy, self-determination, and peer support); however, the employers are prohibited from providing the CCIR as this is a required function by VR. In 2018, the VR program provided CCIR to 997 individuals and 59% of these individuals indicated they are interested in competitive integrated employment opportunities.

Independent Living: Services are available through seven Centers for Independent Living (CILs). The CILs are nonprofit organizations that provide information and referral, independent living skills training, peer counseling, both systems and individual advocacy and transition services for youth. CILs also provide a range of services based on local needs, many of which compliment services provided through other state and federally funded programs. Services are provided through a peer-mentoring model, with an emphasis on self-help, self-advocacy, and consumer responsibility.

CILs are a federal program established in the Rehabilitation Act of 1973. Oregon's State Independent Living Council was established by Governor's Executive Order 94-12 in 1994. VR has the responsibility to:

- Receive, account for, and disburse funds received by the state;
- Provide administrative support services to the CILs;
- Keep records and provide access to such records as required by the Administration on Community Living (the Federal authority for the Independent Living program); and
- Fund and support the State Independent Living Council's resource plan

VR and the Work Incentive Network (WIN) provide benefits planning through a contract with the CILs. WIN was developed as a pilot project through a Medicaid Infrastructure Grant and provides benefits and work incentives planning to individuals with significant disabilities who want to obtain, maintain, or increase their employment, but should not lose other benefits and medical coverage. This allows people on disability benefits to become employed, gain more levels of self-sufficiency, become engaged in their communities, and live a higher quality of life. They also begin paying taxes and reduce reliance on publicly-funded services.

Employment First: Youth and adults with intellectual and developmental disabilities (I/DD) are significantly underrepresented in Oregon’s workforce. With appropriate services and assistance, most people with I/DD can work successfully in the community. The state is seeking to increase employment of people with I/DD in integrated workplaces through increased efforts around the Employment First policy and the Settlement Agreement (Lane v Brown) with targeted outcomes

The Governor’s Executive Order 13-04 and subsequent EO 15-01 directs state agencies and programs, including VR, DHS’ Office of Developmental Disability Services (ODDS) and the Oregon Department of Education (ODE), to increase community-based employment services for people with I/DD and to reduce state support of sheltered work. VR has specialized counselors around the state committed to working with people with I/DD to find employment in the community.

Tribal Partnerships: The General VR program continues to partner with and support the Tribal VR programs in the Confederated Tribes of the Umatilla, Confederated Tribes of Warm Springs, Confederated Tribes of Siletz, Confederated Tribes of Grand Ronde and the Klamath Tribes. Each tribe shares an individualized vision for its program and identifies how state VR can support delivering services to all Native Americans.

This collaboration includes:

- Sharing consumers with complex disability-based barriers to employment requiring specialized rehabilitation services
- Cross-training new VR counselors on the cultural customs specific to the tribal organization

- Joint rehabilitation trainings for state and Tribal VR counselors.
Facilitation of Tribal VR directors and tribal leaders to meet with the Department of Human Services Director
- Sharing space within the WorkSource buildings

Workforce Partnerships: With the passage and implementation of the Workforce Opportunity and Innovation Act (WIOA) of 2014, VR has been identified as a core partner in the workforce system. VR has been working closely with the core workforce partners to create a system that is less siloed, more efficient, inclusive, equitable and diverse.

VR, DHS- Self Sufficiency Program (SSP), the Oregon Employment Department, local workforce development boards, and Adult Basic education programs around the state have been meeting to ensure all our services are aligned minimizing duplication and creating opportunities to expand services that meet the needs of our joint client. Moving towards this shared purpose has increased awareness of the needs of individuals with disabilities seeking employment while creating more opportunities for our clients in local economies.

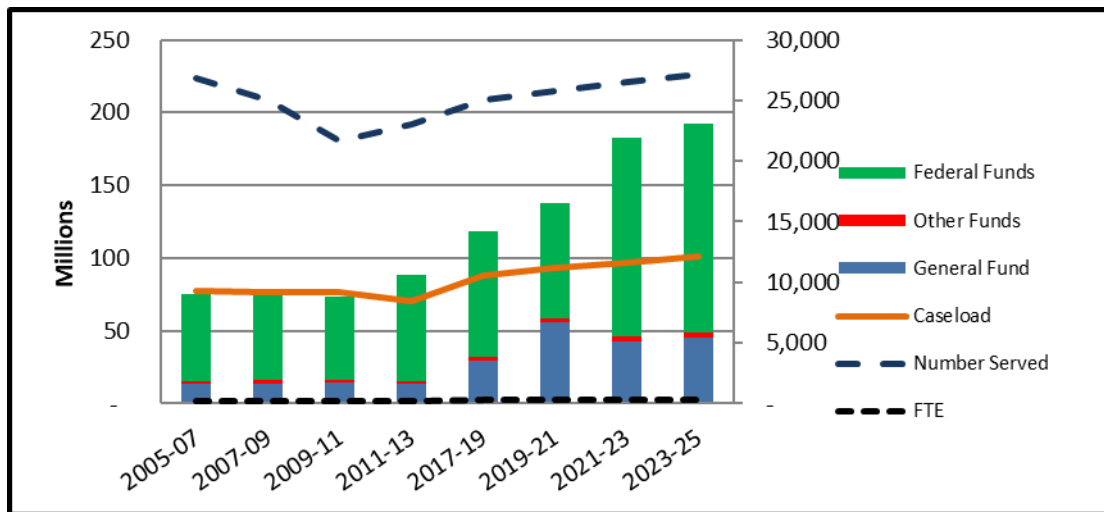
VR continues to create opportunities for diverse individuals with disabilities to gain equitable access and benefit from various workforce strategies. Moving forward, VR will enhance employer outreach strategies to engage employers and conduct outreach and education to show that our diverse clients are reliable, dependable, and skilled workers who also happen to have disabilities. VR will also engage employers to provide work-based learning opportunities for all clients, including youth transitioning into post-secondary careers and apprenticeships.

As part of our integration into the workforce system as a core partner, VR has representation on the nine local workforce development boards in the state. We also have a larger role with in the statewide Workforce and Talent Development Board. As a core member of the workforce system, VR and our workforce partners have developed and updated the unified state plan that guides our collaborative efforts to build an effective and strong workforce system.

Department of Human Services: Vocational Rehabilitation

Primary Long-Term Focus Area: Safer, Healthier Communities
Secondary Long-Term Focus Area: A Thriving Oregon Economy
Program Contact: Trina M. Lee

Vocational Rehabilitation Funding Sources, Caseload Levels and FTEs



Note: Cost-per-case increase is the result of a growing number of people with cognitive disorders requiring services that come with higher costs.

Program Overview

Vocational Rehabilitation (VR) helps Oregonians with disabilities obtain, maintain, regain and advance in employment through counseling, specialized training and job placement. This includes helping youth with disabilities transition from the educational system to the workforce as they become adults, helping employers overcome barriers to employing people with disabilities, and partnering with other state and local organizations that coordinate employment and workforce programs. The public workforce system in Oregon, includes the following state agency partners: Oregon Employment Department (OED), Self Sufficiency Program (SSP), Vocational Rehabilitation (VR), and the Higher Education Coordinating Commission (HECC). Agencies work in conjunction with the governor's office and Local Workforce Development Boards. A Workforce System Executive Team is tasked with communication among partners and ensuring system alignment.

A total of 303,115 working-age Oregonians, ages 18-64, experience a disability, but only 39 percent are employed (American Community Survey 2016 1 year estimates). Employment helps people with disabilities become more self-sufficient, involved in their communities, and live more engaged and satisfying lives.

All working-age Oregonians who experience a disability that creates a barrier to employment and are legally entitled to work are potentially eligible for VR services. Individuals who experience a medical, cognitive or psychiatric diagnosis that results in an impediment to employment typically are eligible for services. Recipients of Social Security disability benefits are presumed eligible for services. Approximately 95 percent of all eligible clients currently served by VR are people with significant disabilities. These individuals typically experience multiple functional limitations requiring several services provided over an extended period.

VR has counselors who specialize in the areas of intellectual and developmental disabilities (I/DD), deafness and hearing impairments, mental health, motivational intervention, spinal injury, and traumatic brain injury; however, the majority of VR counselors provide services to a wide array of Oregonians with disabilities.

Services are provided by rehabilitation counselors and support staff who deliver direct client services through 34 field offices and multiple single employee outstations in one-stop career centers and other human services agencies across the state.

Specialized services that help clients be as independent as possible are provided through seven Centers for Independent Living (CILs) located throughout the state. Both Information & Referral, as well as comprehensive services are provided.

VR staff work in partnership with community organizations and businesses to develop employment opportunities for people with disabilities. These activities range from live resume events and job fairs to presenting disability awareness workshops in local businesses. VR also offers business services that include consultations with employers about diversifying their workforces by hiring people with disabilities and pre-screening services to match employers with clients who are qualified, reliable job candidates.

Program Funding Request

OVRS	GF	OF	FF	TF	POS	FTE
LAB 17-19	29,533,924	2,337,472	85,660,464	117,531,860	259	258.25
GB 19-21	35,271,840	3,013,701	83,968,066	122,253,607	261	260.04
Difference GB - LAB	5,737,916	676,229	(1,692,398)	4,721,747	2	1.79
% Difference GB - LAB	19.43%	28.93%	-1.98%	4.02%	0.77%	0.01

Program Description

VR is designed under four primary areas: basic services, youth programs, supported employment, and independent living. VR is also engaged in Oregon's Employment First initiative. VR is a core partner in the implementation of the Workforce Innovations and Opportunities Act and is committed to improving access to the workforce system for Oregonians with disabilities. VR works with the Commission for the Blind and Oregon's Tribal VR (121) Programs.

Basic Services

These are basic services provided to individuals whose disabilities present an impediment to employment. The Vocational Rehabilitation Counselor (VRC) conducts a comprehensive assessment to evaluate vocational potential, including diagnostic and related services necessary for the determination of eligibility for services as well as the nature and scope of services to be provided. Vocational counseling and guidance builds on this assessment and helps the client identify a vocational goal. The counselor, in partnership with the client, develops an individualized plan for employment and authorizes services and training in support of the plan while maintaining a counseling relationship with the client.

Youth Transition Program (YTP)

YTP operates as a partnership between VR, the Oregon Department of Education (ODE), the University of Oregon's College of Education, and local Oregon school districts. At least 70 percent of students with disabilities in YTP complete high school and transition to a job or postsecondary education, a rate that exceeds the national average. This internationally and nationally recognized school-to-work transition approach is a best practice for young people with disabilities. Local YTP teams deliver pre-employment transition services so students can begin career exploration while they are still in school. These services include career counseling, counseling on postsecondary education and training options, work-based learning

experience, work-readiness skills development and training in self-advocacy. YTP bridges the gap between school and work by providing coordinated vocational rehabilitation services while the student is in school and ensuring a smooth transition to adult services and employment after completion of school. YTP currently serves about 2,200 students in more than 120 school districts.

Supported Employment Services

These services enable Oregonians with the most significant disabilities, including youth with the most significant disabilities, to achieve and maintain competitive integrated employment. Vocational rehabilitation supported employment services (i.e., job coaching, training normally done at the job site) are time-limited, lasting from job placement until the individual is stable in their job and long-term supports are in place. Oregon Health Authority's Behavioral Services), Office of Developmental Disability Services (ODDS, community programs families or private employers provide long-term supports after the individual reaches job stabilization, which continue after the client has exited the VR Program.

Independent Living

Services are available through seven Centers for Independent Living (CILs). The CILs are nonprofit organizations that provide information and referral, independent living skills training, peer counseling, systems and individual advocacy, and services for transitions to community life – both for those at risk of or already living in institutions and for youth after high school. CILs also provide a range of services based on local needs, many of which complement services provided through other state and federally funded programs, such as the VR program. Services are provided through a peer-mentoring model, with an emphasis on self-help, self-advocacy, and consumer responsibility. CILs, along with Oregon's Area Agencies on Aging (AAAs), provide leadership statewide and nationally in the formation of the "No Wrong Door" experience for seniors and people with disabilities accessing long-term care supports and services via the Aging & Disabilities Resource Connection (ADRC) network.

Program Justification and Link to Focus Areas

VR assists individuals with disabilities to establish a foundation by identifying a personal vision, goals and steps necessary to achieve success in education and employment, and become independent, productive citizens. The VR program and the services provided primarily link to the governor's initiative relating to Safer and Healthier Communities. It has been shown that higher rates of employment

result in healthier and safer communities. This is especially true, in regard to Oregonians with disabilities, who are underrepresented in the workforce. Secondly, by creating better access to the workforce system, we are increasing the number of employable Oregonians, many of whom bring in skills and attributes necessary to today's economy, thereby contributing to a Thriving Oregon Economy.

Employment and Jobs

- The VR Program has developed a plan in partnership with the workforce system as defined by the Workforce Innovations and Opportunities Act (WIOA) which includes goals regarding employment outcomes for clients, to increase skills upgrading and certification of Oregonians with disabilities seeking employment
- As a result of the Lane v. Brown Settlement, the state is seeking to increase employment of people with intellectual and developmental disabilities (I/DD) in integrated workplaces through increased efforts around the Employment First initiative. The Governor's Executive Order 15-01 and the Settlement Agreement directs state agencies and programs, including VR, DHS' Office of Developmental Disabilities Services (ODDS) and the Oregon Department of Education (ODE), to increase community-based employment services for people with I/DD and to reduce state support of sheltered work. VR has specialized counselors around the state committed to working with people with I/DD to find employment in the community.
- VR assisted 661 people with I/DD and 690 individuals with psychiatric disabilities to obtain jobs in federal fiscal 2017
- In federal fiscal year 2017, 2,827 individuals obtained and maintained work through the basic rehabilitation program. VR Employer Services provides training and technical assistance to employers for new hires and incumbent workers, and identifies and refers qualified candidates. A 2013 Portland State University study found that VR returned \$4.03 in tax revenues to the state of Oregon for every \$1 spent in the program.
- VR continues to contract and collaborate with the Latino Connection program in reaching out to and providing specialized job placements services to native Spanish-speaking individuals with disabilities. The focus of these services has been in Portland, Clackamas, Salem and Woodburn, which have large Latino communities. This program had a 67.6 percent rehabilitation rate in federal fiscal year 2017.

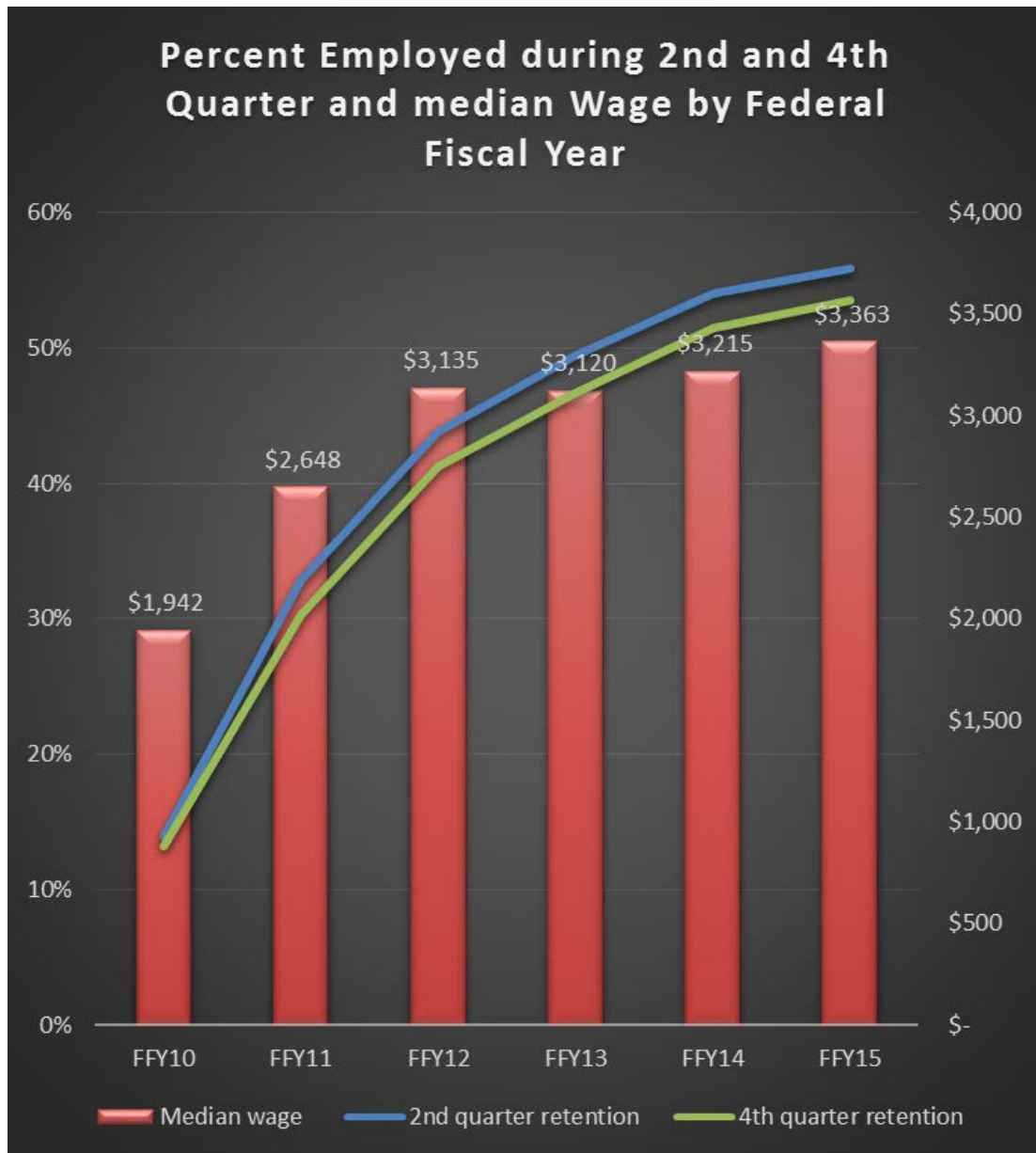
- VR is continuing to increase community engagement with communities of color, non- or limited-English speaking communities and other communities across the state. VR works with DHS to provide information in alternative formats and language to communities across the state.

Program Performance

Vocational Rehabilitation measures its performance primarily by employment outcomes. Employment outcomes are defined as the number of individuals who obtained and successfully maintained employment for a minimum of 90 days. The chart below shows employment outcomes for the program since FFY2012.

VOCATIONAL REHABILITATION							
		FFY17	FFY16	FFY15	FFY14	FFY13	FFY12
# Served	Youth	4,407	4,215	3,887	3,449	2,051	1,886
	Adult	12,796	12,245	12,171	12,150	13,694	13,859
Employment Outcomes	VR Overall	2,827	2,973	2,723	2,376	2,314	2,032
	SE	465	660	414	254	290	228
	Youth	707	765	672	552	548	439
	SSI/SSDI	998	967	815	646	539	558
Percent Rehabilitated		59%	62%	63%	62%	59%	58%
Avg Hourly Wage		\$ 12.78	\$ 13.09	\$ 12.18	\$ 12.07	\$ 11.76	\$ 11.63
Avg. Weekly Hours		26	26	27	27	27	27
Cost per Rehabilitation		\$6,580.74	\$6,574.50	\$6,471.00	\$6,473.59	\$3,132.00	\$2,848.00

The Workforce Innovation and Opportunities Act of 2015 added several measures with emphasis on long-term employment. The graph below displays some of the new measures the program will be expected to achieve.



Education

- The internationally-recognized Youth Transition Program has expanded to more than 120 school districts in Oregon. More than 70 percent of students with disabilities in YTP complete high school and transition to a job or postsecondary education, a rate that exceeds the national average. YTP bridges the gap between school and entry into the work by providing coordinated vocational rehabilitation services while the student is in school and ensuring a smooth transition to adult services and employment after

completion of school. YTP currently serves about 2,200 students in more than 120 school districts.

- VR utilizes Supported Employment, an evidence-based model, which allows individuals with developmental and intellectual disabilities to work in competitive employment in the community with needed supports.
- The Independent Living program partners with schools and families to support the transition of students with disabilities to secondary education and/or work.
- Memorandums of Agreement with the Office of Developmental Disabilities Services and the Oregon Department of Education are designed to more effectively align transition services, identify opportunities to braid and leverage funding in order to increase the number of students with disabilities.
- Introduction of services in partnership with ODE to meet WIOA requirements to expend 15 percent of our Federal funds to meet Pre-Employment Transition Services as required by the WIOA.

Safety

- Centers for Independent Living (CILs) train seniors and people with disabilities to develop personal preparedness plans and on empowerment and safety as a preventative for crime and abuse often faced by these populations.
- CILs also provide training and mentoring to parents with disabilities, which enhances skills for management of their homes and families.

Oregon's seven CILs continue to be innovative catalysts to independence for people with disabilities in Oregon. Leveraging community partnership funds and empowering people with disabilities with peer supports, CILs provide a return on investment (ROI) for Oregonians estimated at 220%. The ROI is based on an analysis by the Association of Centers for Independent Living conducted in 2016, comparing cost savings from consumers served versus the State's IL program investment. The chart below shows Independent Living Program outcomes since 2012.

Independent Living Program

YEAR	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012
# Served	34,292	26,619	34,181	20,246	18,641	16,925
Consumer Goals	3,102	2,942	3,391	3,015	2,913	3,853
% Goals Achieved*	54%	52%	57%	56%	55%	61%
Consumer Satisfaction	94%	91%	74%	81%	74%	73%

*A three-year study of reasons consumers gave for not achieving their goals during the year identified that a significant portion of consumers believed they just needed more time.

Enabling Legislation/Program Authorization

VR is a state and federal program authorized by Oregon state law (ORS 344.511et seq.) and the Workforce Innovation and Opportunity Act of 2014.

The Independent Living Program is a federal program established in Title VII of the Rehabilitation Act of 1973, as amended, and regulated by the Code of Federal Regulations, Title 45, and Part 1329. In conjunction, Oregon's State Independent Living Council was established in 1994 by Governor's Executive Order 94-12. VR is listed as the designated state entity for this program in the State Plan for Independent Living, per Section 704 of Title VII.

Funding Streams

VR is funded through the federal Department of Education. It receives a formula-based grant with Match and Maintenance of Effort requirements. The match rate for Vocational Rehabilitation is 21.3 percent General Fund; 78.7 percent Federal Fund. For Independent Living the match rate is 10 percent General Fund; 90 percent Federal Fund. Grant dollars cannot be utilized by other programs. Program income, which is reinvested back into VR, includes Social Security reimbursement and Youth Transition Program grants.

FUNDING JUSTIFICATION AND SIGNIFICANT CHANGES to 19-21 CSL

This does not include statewide reductions.

70 - VR Revenue Shortfall	GF	OF	FF	TF	Positions	FTE
			- 3,435,378	-3,435,378		

Package 070 was due to one-time federal Re-allotment funding that was available in the 2017-19 biennium budget that is not available for the 2019-21 biennium.

116 - VR Pre-ETS	GF	OF	FF	TF	Positions	FTE
	0	576,906	0	576,906	3	3.00

The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services. Further, WIOA states that there must be local coordination with districts for Pre-ETS at all 16 VR branch offices. The Oregon Department of Education and VR estimate that the target population for Pre-ETS to be roughly 27,000 students with disabilities.

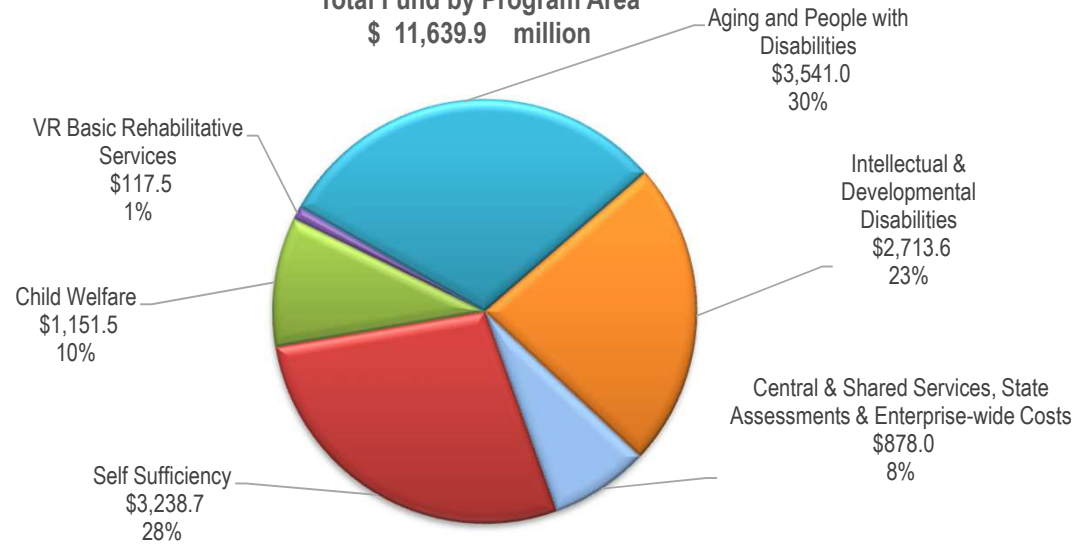
Currently Oregon VR has two Pre-Employment Transition Service Coordinators that provide direct services to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Neither of these positions have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the data entry elements of this mandate.

This POP would utilize funds already within VRs budget so this will be a zero cost or, cost neutral POP.

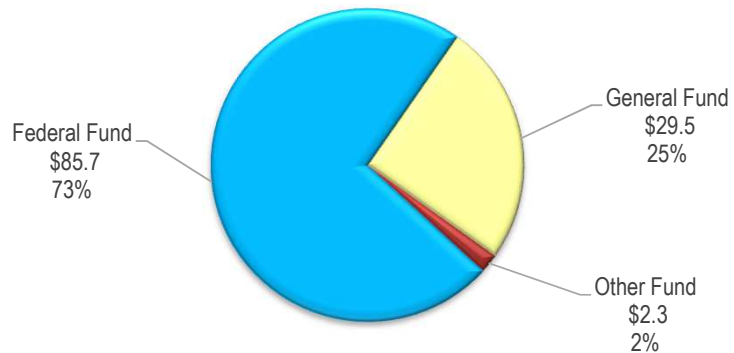
Additional Changes:

Federal fund limitation was added for use of one-time ReAllotment revenues (\$4,446,741).

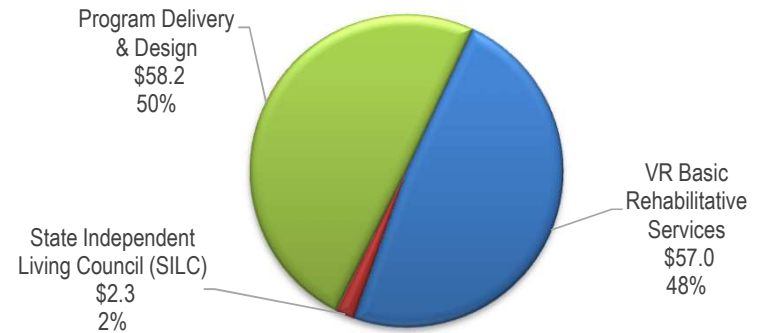
**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**



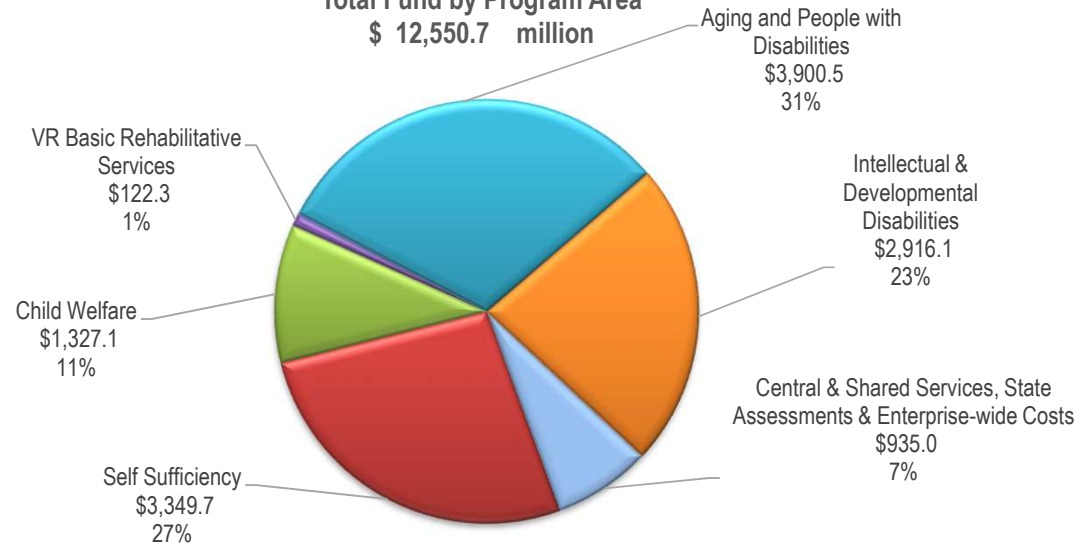
**VR Basic Rehabilitative Services
Total by Fund Type
\$ 117.5 million**



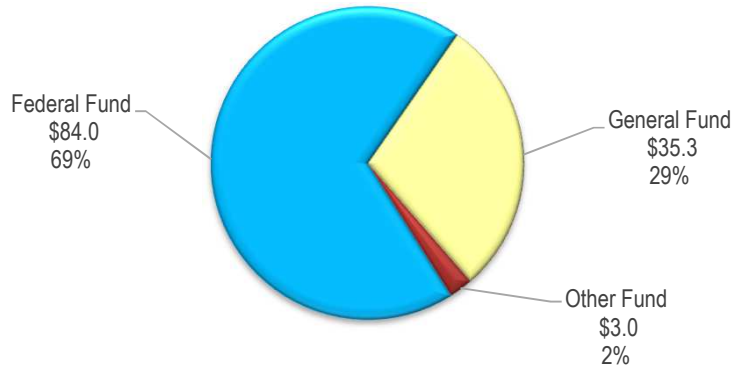
**VR Basic Rehabilitative Services
Total by Program
\$ 117.5 million**



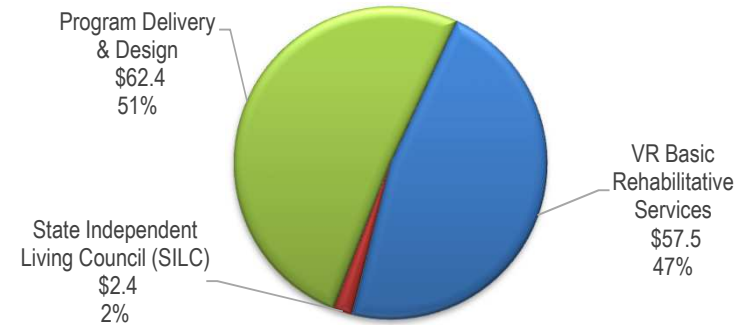
**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



**VR Basic Rehabilitative Services
Total by Fund Type
\$ 122.3 million**



**VR Basic Rehabilitative Services
Total by Program
\$ 122.3 million**



Department of Human Services

Aging and People with Disabilities Program

Mission

To help Oregonians in their own communities achieve well-being and independence through opportunities that protect, empower, respect choice and preserve dignity.

Vision

Oregon's older adults, people with physical disabilities and their families have convenient access to services, support and early interventions that help maintain independence, promote well-being, honor choice, respect cultural and linguistic preferences and uphold dignity.

Goals

To ensure that:

- Older adults and people with disabilities feel safe, respected and are able to live independently
- Services meet changing needs and are easily accessible
- All services are equity based and focused on the individual and their own communities
- The program is innovative, preventive and demonstrates high quality outcomes
- Oregon continues to be a national leader in supporting broad, transparent collaboration with consumers and stakeholders

Individuals we serve

During the 2019-2021 biennium, we expect to serve:

- More than 5,000 people age 60 and older through Oregon Project Independence
- More than 34,000 older adults and people with physical disabilities per month with long-term care services paid through Medicaid. That includes

more than 1,277 Oregonians who identify as African American, more than 1,400 who identify as Asian, more than 1,400 who identify as Hispanic, more than 521 who identify as Native American, more than 94 who identify as Pacific Islanders

- About 227,000 older individuals through Older Americans Act services.
- More than 150,000 Oregonians with direct financial support services.
- Approximately 43,000 Oregonians who live in APD-licensed, long-term care facilities

Aging and Disability Resource Connection

Oregonians needing information and referral services about any APD programs or services can contact the Aging and Disability Resource Connection (ADRC) of Oregon. This collaborative, public-private partnership streamlines consumer access to a complicated and confusing aging and disability service delivery system. ADRC provides culturally and linguistically appropriate services which are free to Oregonians and raise visibility and awareness of the full range of options available. The ADRC provides trusted information and assistance and empowers people to make informed decisions.

Through trained options counselors, Oregonians can develop action plans to address long-term services and supports needs that align with consumer preferences, their financial situation, strengths, values and needs. If a person is likely to be eligible for Medicaid long-term care services, they will be referred to APD local offices or Area Agencies on Aging (AAAs) for a full assessment.

Employees from both APD local offices and AAAs throughout Oregon provide direct client services. Employees also determine eligibility around the aging and people with disabilities population for medical programs provided through the single state Medicaid agency, Oregon Health Authority (OHA). During the last biennium, the ADRC received more than 131,000 calls and 160,000 web hits.

APD is impacted by demographic growth in the older adult population and is increasingly serving a more diverse population. APD strives to identify disparities in outcomes for diverse populations and identify effective strategies to serve all individuals in a culturally and linguistically appropriate manner.

Adult Protective Services

APD and Type B AAA offices are responsible for investigating instances of abuse against older adults and persons with physical disabilities across the state. Elder abuse, and other adult abuse, is costly both from a human and financial perspective. A person who has experienced abuse is likely to have increased health and long-term care costs. In Oregon, there are an estimated 540,000 adults potentially at risk and in need of adult protective services from APD. In 2016, there were more than 21,800 allegations of abuse and self-neglect investigated, resulting in 5,452 substantiations. Financial exploitation and neglect remain the most common forms of abuse for people served by APD.

Licensing

The APD Safety, Oversight and Quality Unit (SOQ) licenses many providers of long-term care for people who are aging and physically disabled. These providers range across the continuum of care. Through diligent oversight, investigation of complaints and reports of potential abuse, and corrective action, SOQ reduces future instances of unsafe conditions and improves the quality of care. These services are most effective when they are provided in a quality model aimed at preventing harm in the first place to protect the safety and health of vulnerable Oregonians.

The providers licensed by SOQ include adult foster homes, assisted living facilities, residential care facilities, nursing homes, conversion facilities, intensive intervention care facilities and facilities with memory care endorsements. SOQ ensures service equity and delivery of culturally and linguistically appropriate services.

Medicaid Services

In Oregon, approximately 35,000 older adults and people with physical disabilities use Medicaid long-term services provided through APD each month, with about 38,200 forecasted for the 2019-2021 biennium. By federal law, each state must develop criteria for access to nursing facility care paid by Medicaid. Criteria must include financial and asset tests as well as service eligibility criteria. The federal government, through Centers for Medicare and Medicaid Services (CMS), must approve any state criteria.

Older adults and many individuals with disabilities need assistance from other people to perform daily activities. To accurately identify those who need

assistance, DHS created service priority levels (SPLs) to establish eligibility for Medicaid long-term services and supports. SPLs prioritize services for older adults and people with physical disabilities whose well-being and survival would be in jeopardy without services. Level 1 reflects the most impaired while Level 17 reflects the least impaired; levels are based on the ability of the person to perform activities of daily living (ADLs). ADLs are personal activities required for continued well-being. These include mobility, eating, toileting, cognition and personal hygiene. Prior to 2003, DHS served individuals through SPL 17. Since then, because of budget constraints, only levels 1-13 are funded.

APD assists thousands of Oregonians — who require ADL services and instrumental activities of daily living (IADL) services, which include housekeeping and meal preparation — in selecting competent providers and establishing effective working relationships. Due to the increasingly diverse population served, the program requires supports that are equally diverse, and linguistically and culturally appropriate.

Programs

APD's budget is sectioned into three key areas; program services, program design and program delivery.

Program Services

Program services focus on supporting fundamental ADLs such as bathing, dressing, mobility, cognition, eating and personal hygiene. Long-term services ensure that the person is living in a safe and healthy environment. All services promote choice, independence and dignity. Services can be provided in nursing facilities, or community settings such as residential care, assisted living, memory care, foster homes or in the person's own home.

Services are provided through six programs:

- Older Americans Act
- Oregon Project Independence
- Special circumstances support
- In-home services
- Community-based care facilities including adult foster homes

- Nursing facilities

Older Americans Act: This is a federal program and is administered through APD. It provides federal funding for locally developed support programs for individuals 60 and older. APD distributes funds to local Area Agencies on Aging (AAAs) for service delivery through subcontractors. About 227,000 Oregonians currently access these services. The AAAs develop services that meet the needs and preferences unique to individuals in their local area. Program mandates require services target those with the most significant economic and social need, to minorities and those residing in rural areas. There is no income or asset requirements to receive services except those related to the Senior Community Service Employment Program (SCSEP).

APD distributes federal funds to the AAAs using a federally approved intra-state funding formula based on each area's demographics and square mileage. APD encourages and incentivizes culturally-specific and linguistically competent supports within all programs. Programs might include; family caregiver supports, medication management, nutrition via congregate and home-delivered meal programs, senior employment, legal services or elder abuse prevention services. They may also provide assistance to senior centers and sponsor and promote evidence-based wellness and chronic health condition management activities.

Oregon Project Independence (OPI): This is a state-funded program offering culturally-specific and linguistically competent in-home services and related supports to individuals 60 years of age and older or people who have been diagnosed with Alzheimer's or a related dementia disorder. Approximately 5,000 Oregonians receive service's. It represents a critical element in Oregon's strategy to prevent or delay individuals from leaving their own homes to receive services in more expensive facility-based settings, or depleting their personal assets sooner than necessary and accessing more expensive Medicaid health and long- term service benefits. The program was expanded by the 2005 Oregon Legislature to include younger adults with disabilities but funding was not provided. In 2014 and 2015 a pilot program was funded expanding the program to adults ages 19-59 with physical disabilities. Through this pilot more than 500 individuals have been served.

OPI is administered statewide by local Area Agencies on Aging (AAAs). Many areas have waiting lists due to high demand and limited program funding. Client eligibility is determined by an assessment of functional ability and natural supports

related to activities of daily living. Typical services include assistance with housekeeping, bathing, grooming, health care tasks, meal preparation, caregiver respite, chore services, adult day services and transportation.

The OPI program has no financial asset limitations. A sliding fee scale is applied to clients with net monthly income between 100 and 200 percent of the federal poverty level (FPL) to pay toward the cost of service. A small group with income above 200 percent of FPL pays the full rate for services provided.

Generally, this is because they benefit from the case management; ongoing support and monitoring, in addition to the actual purchased services.

Special circumstances support: APD has programs designed to meet a variety of special circumstances for certain low-income populations.

- *General assistance (GA) program:* With this program, APD serves individuals with severe disabilities who are experiencing homelessness or who are at risk of homelessness. To be eligible for the GA program, individuals must meet all of the following criteria:
 - Be homeless or at risk of homelessness;
 - Be an adult, age 18-64, with no minor children living with them;
 - Have a severe disability that meets Social Security disability criteria;
 - Be receiving Presumptive Medicaid medical assistance;
 - Meet all eligibility criteria for Supplemental Security Income (SSI);
 - Apply for SSI and appeal any denials received; and
 - Sign an Interim Assistance Agreement (IAR), allowing DHS to recover GA funds paid to them once awarded SSA benefits

General assistance program benefits include up to \$545 per month in housing assistance, \$90 in utility assistance per month, \$60 in cash assistance per month, and free assistance with the Social Security application and appeals process.

- *Cash payments – special needs:* APD is required to meet maintenance of effort (MOE) payment for low-income aged and disabled Oregonians who receive federal Supplemental Security Income (SSI) benefits. These benefits are focused on payments that allow clients to retain independence and mobility in a safe environment. Examples of special needs payments include help for non-

medical transportation, repairs of broken appliances such as a furnace, or for such things as adapting home stairs into a ramp.

- *Employed Persons with Disabilities Program (EPD)*: This program allows people with a disability to work to their full extent and not lose Medicaid coverage. To be eligible, a person must be deemed to have a disability by Social Security Administration criteria, be employed and have adjusted income of less than 250 percent of FPL. Eligible individuals pay a monthly participation fee and are eligible for the full range of Medicaid benefits and services. APD currently serves 2,034 individuals in the EPD program.
- *Other benefits*: The Centers for Medicare and Medicaid Services (CMS) requires DHS to coordinate with Medicare in many areas and clients need help accessing other programs for which they are eligible. The federal Medicare program is the most common program clients need assistance with. APD determines client eligibility and submits client data to CMS for two Medicare-related programs: Medicare buy-in and Medicare Part D low-income subsidy. APD served more than 130,000 clients in these two programs over one year. These programs help low-income beneficiaries with their cost-sharing requirements. Securing this coverage also ensures Medicare remains in a “first payor” status, ultimately saving the state’s Medicaid program significant money.

In-home services: In-home services are the cornerstone of Oregon's community-based care system. For older adults or people with physical disabilities, supporting regular activities of daily living gives them the ability to live in their own homes. For more than 25 years, Oregon has created options to meet people’s needs in their own homes. All options are funded Medicaid program support through home- and community-based waivers or state plan options. Oregon has been able to create cost-effective programs that meet people’s needs in their homes and other community settings and sparing Oregonians from the unnecessary use of much higher cost services, primarily offered in nursing facilities.

Services to older adults and people with physical disabilities are designed to support assistance with fundamental activities of daily living (ADLs), such as mobility, cognition, eating, personal hygiene, dressing, toileting and bathing. To receive in-home services, an individual must be financially eligible for Medicaid.

A case manager works with the client and together they identify needs and develop a plan for the in-home services.

- *Medicaid client-employed Home Care Workers:* Home Care Workers (HCW) are hired directly by the client and provide many of the services Medicaid clients need to remain in their own homes. The client, or his or her selected representative, is responsible for performing the duties of an employer. These duties include selecting, hiring and providing on-site direction in the performance of the care provider duties authorized by a case manager to meet the client's individual needs and circumstances. The HCW must pass a criminal background check. In conjunction with the client, APD develops and authorizes a service plan, makes payment to the HCW on behalf of the client and provides ongoing contact with the client to ensure his or her service needs are met. More than 19,000 clients are expected to receive services supplied by HCWs each month in 2019-21.

The Oregon Home Care Commission (HCC) was established in 2000 by an amendment to the Oregon Constitution. It is a public commission dedicated to ensuring high-quality home care services to APD clients using client-employed providers. Service Employees International Union Local 503, Oregon Public Employees Union, represents approximately 17,000 HCWs. For purposes of collective bargaining, HCC serves as the HCW employer of record. The Commission maintains a statewide, computerized registry of workers and provides an extensive training curriculum. The HCC also makes training available to clients to better understand their employer responsibilities and increase their skill in managing the use of HCWs.

- *In-home agency services:* Many clients prefer to receive their in-home services through a home care agency. In-home agencies are licensed by the Oregon Health Authority. These agencies employ, assign and schedule caregivers to perform the tasks authorized by the client's case manager. APD contracts with licensed in-home care agencies throughout the state. Agencies work closely with DHS case managers and clients to ensure services are provided as authorized and to ensure the quality of the work performed.
- *Medicaid Independent Choices:* This program offers a choice to clients in the way they receive in-home services and increases clients' self-direction

and independence. Clients receive a cash benefit based on their assessed need. They purchase and directly pay for services. Clients are responsible for locating providers, paying their employees, and withholding and paying necessary taxes. Depending upon how they are able to manage their service benefit, many are able to purchase a few additional services or items otherwise not covered by Medicaid to increase their independence or well-being.

- *Medicaid adult day services:* These services provide supervision and care for clients with functional or cognitive impairments. Service may be provided for half or full days in stand-alone centers, hospitals, senior centers and licensed care facilities.
- *Medicaid home-delivered meals:* Home-delivered meals are provided for to those who are homebound and unable to go to sites, such as senior centers, for meals. These programs generally provide a hot midday meal and, often, frozen meals for days beyond the provider's delivery schedule.
- *Medicaid (state plan) personal care services:* Individuals who do not meet service priority levels (SPLs), but have some personal care needs, may qualify for Medicaid Personal Care Services. Services are limited to no more than 20 hours a month. Personal care can be used only for tasks related to the performance of activities of daily living, such as mobility, bathing, grooming, eating and personal health assistance.
- *Medicaid specialized living services:* Services are provided to a specialized client base, such as those with traumatic brain injuries or other specific disabilities that require a live-in attendant or other 24-hour care. The services are provided through a contract with APD and targeted to a specific group of clients living in their own apartments, and assisted by a specialized program offering direct service and structured supports.

Community-based facilities: These include a variety of 24-hour care settings and services to provide an alternative to nursing facilities. Services include assistance with activities of daily living, medication oversight and social activities. Services can include nursing and behavioral supports to meet complex needs. State and federal guidelines related to health and safety of these facilities have to be met.

- *Adult foster homes:* Services are provided in home-like settings licensed for five or fewer individuals who are not related to the foster home provider. Homes may specialize in certain services, such as serving ventilator-dependent residents.
- *Assisted living and residential care facilities:* Licensed 24-hour service settings serve six or more residents and facilities range in size from six to more than 100 beds. The difference between residential care and assisted living is generally in the structural set up of the facility and the fact that generally in residential care, individuals have shared rooms. Either type of facility can seek a Memory Care endorsement on top of the underlying licensure. There are additional requirements for Memory Care Facilities. Registered nurse consultation services are required.
- *Conversion facilities:* A conversion facility is a nursing facility that has decided to “convert” its license to that of a residential care facility. The facility must go through the federal process of “closing” the nursing facility before going through a state process for “converting” the building to a residential care facility.
- *Intensive intervention care facilities:* Intensive Intervention Care (IIC) facilities are small residential care facilities designed to serve individuals with high behavioral and mental health needs. Five or fewer people can live in a single IIC home.
- *Enhanced care services:* Specialized 24-hour programs in licensed care settings that provide intensive behavioral supports for seniors and people with physical disabilities who have needs that cannot be met in any other setting. These programs support clients with combined funding from APD and the Addictions and Mental Health division of the Oregon Health Authority.
- *Memory Care Community Endorsement:* These facilities are licensed as an Assisted Living Facility or Residential Care Facility or Nursing Facility and serve individuals with Alzheimer’s disease, other forms of dementia and other cognitive diseases. They are required to have enhanced training and a more secure setting for their residents. The endorsement is in addition to the underlying licensure.

- *Providence Elder Place*: This is a capped Medicare/Medicaid Program of All-inclusive Care for the Elderly (PACE) providing an integrated program for medical and long-term services. Nearly 1,400 Oregonians age 55 and older are served in this program that generally allows them to attend adult day services and live in a variety of settings. The Elder Place program is responsible for providing and coordinating their clients' full health and long-term service needs in all of these settings.
- *LGBTQ Welcoming Designation*: This equity-related initiative allows providers to be trained in the specific needs of LGBTQ older adults and to become designated as LGBTQ Welcoming. Providers must agree to maintain a code of conduct and have all providers agree to it. There are yearly continuing education requirements, and participants receive a Welcome sticker for the front of their home. This initiative helps to promote the availability of safe, supportive, and respectful living environments for LGBTQ older adults.

Nursing facilities: Institutional services for older adults and people with physical disabilities are provided in nursing facilities licensed and regulated by DHS. Nursing facilities provide individuals with skilled nursing services, housing, related services and ongoing assistance with activities of daily living.

Oregon has led the nation since 1981 in the development of lower cost alternatives to institutional (nursing facility) care. Home- and community-based alternatives to nursing facility services emphasize independence, dignity and choice and offer needed services and supports equitably, at lower costs than medical models.

Program Design

Staff and services support the administration of APD programs, including:

- Central leadership and administration
- Medicaid eligibility and federal waiver administration
- Development and maintenance of policy and administrative rules
- Formation and staffing of the APD Service Equity Committee
- Support and leadership for various advisory councils.
- Administration of the Older Americans Act

- Home Care Commission

Program Delivery

Staff and services provide direct services to Oregonians, including:

- Direct service staff located in local offices throughout the state
- Case management
- Presumptive Medicaid Disability Determination Team
- State Family/ Pre-SSI
- Disability Determination Services
- Administration of Medicare Modernization Act and Buy-in programs
- Provider payments and relations
- Adult Protective Services investigations
- Adult Foster Home, Nursing Facility and Community Based Care licensing
- Long term care referral services registry

Eligibility and case management services are delivered throughout the state by APD and Area Agency on Aging (AAA) employees. ORS Chapter 410 allows AAAs to determine which populations they wish to serve and which programs they wish to administer. Type B Transfer AAAs choose to provide Medicaid services in addition to Older Americans Act and OPI services. In areas where the AAAs (Type A - AAAs) do not provide Medicaid services, APD has local offices to serve older adults and people with disabilities.

APD and AAA case managers perform a variety of roles in serving older adults and people with disabilities. They determine financial and long-term care eligibility, assist individuals in developing person-centered service plans, and find qualified providers. They address issues and concerns regarding providers. They act as advocates and champions for consumer rights. They assist individuals in accessing supports available through APD and other programs. In short, case managers are the front line in protecting individuals from abuse and neglect.

APD case managers face ever increasingly complex work. In just the past five years, APD implemented Waivered Case Management expectations requiring monthly contact on every case. Due to changes to the Fair Labor Standards Act, APD added more responsibilities on working with homecare workers, including managing hourly caps, limiting overtime and ensuring access to adequate

services. Based on federal expectations, APD has also increased expectations on person-centered planning and ensuring individuals safety. Legal requirements have made notices more complex and detailed, requiring more case management time to issue each notice.

History

During the past 30 years, there has been a profound shift in society's understanding of the importance of independence for aging and people with disabilities.

Traditionally, states had provided services to these individuals in institutional settings such as nursing facilities. Oregon's first nursing facility opened in the 1940s. With the passage of the federal statute creating Medicaid, the state began to pay for nursing facility services for eligible individuals in the 1960s.

The Older Americans Act also passed in the 1960s, which over time, has expanded additional protections and services to vulnerable older adults, including access to home-delivered meals, senior centers, transportation, family caregiver support, legal services and the Office of the Long Term Care Ombudsman to uphold rights and resolve complaints.

Professional standards and public thinking about how to best serve people with disabilities began to change and community living became more accessible. Civil rights were strengthened and expanded by the Americans with Disabilities Act, in the areas of employment, public accommodations, transportation and housing. Community integration, a right, became more available as accessibility increased and society began to accept people with disabilities as part of the community. Families had the ability to remain intact and to keep their loved ones — child, adult or senior — at home.

Federal dollars to fund Medicaid waivers first became available in 1981 for "Home and Community-Based Services." That same year, the Oregon Legislature updated its policies around disabilities and found that significant numbers of people with disabilities lived in institutions because adequate community services did not exist. The Legislature mandated that the state work to empower people with disabilities, keep them as independent as possible, and develop service settings as alternatives. The 1981 Oregon Legislature also created the Senior Services Division and a strong statutory mandate to support seniors in their own homes and community settings outside of institutions. This action forged the

way for Oregon to lead the nation in the development of lower-cost alternatives to institutional care.

In response to that mandate, Oregon applied for, and received, the first home and community-based waiver that allowed Medicaid funds to provide long-term services outside an institution. Throughout the 1980s and 1990s, Oregon received waivers that allowed services for unique groups of people. For Medicaid-eligible older adults and people with disabilities in Oregon, this has meant that the provision of long-term care has, in large measure, shifted away from nursing facilities to in-home services, assisted living facilities, residential care facilities and adult foster homes.

Future populations

The aging population is growing rapidly, and the Program is planning appropriately. The number of people 65 and older in the United States is expected to increase to 55 million in 2020, to 70 million by 2030, and to 88.5 million — or 20 percent of the population — in 2050.

The aging population in Oregon will continue a dramatic increase as baby-boomers continue to enter retirement age. Beginning in 2011, the aging population growth rate will exceed 4 percent annually for nearly a decade. There will be 48 percent more older adults in 2020 than in 2010.

Women currently account for 54 percent of the 65-84 years of age population, and 63 percent of the 85 years of age and older population. Approximately 4.9% of Oregonians identify as LGBTQ.

In 2016, approximately 17 percent of Oregon's population was 65 years or older. By 2030, the percentage is expected to increase to nearly 20 percent.

In Oregon, people 85 years or older make up a small but rapidly growing segment of the total population. By the end of 2010, approximately 76,000 Oregonians will have reached 85. By 2020, the number is expected to reach nearly 120,000, an increase of almost 64 percent.

By 2020, in the Portland Metro Area, the African American population is expected to grow to 81,348, with 14.4% of the population expected to be age 65 and over. The Native American population is expected to grow to 33,754, with 15% of the

population expected to be age 65 and over. The Asian population is expected to grow to 188,033, with 16.4% of the population expected to be age 65 and over. The Pacific Islander and Hawaiian population is expected to grow to 17,217, with 9.6% of the population expected to be age 65 and over. The Hispanic/Latino population is expected to grow to 349,822, with 6.2% of the population expected to be age 65 and over.

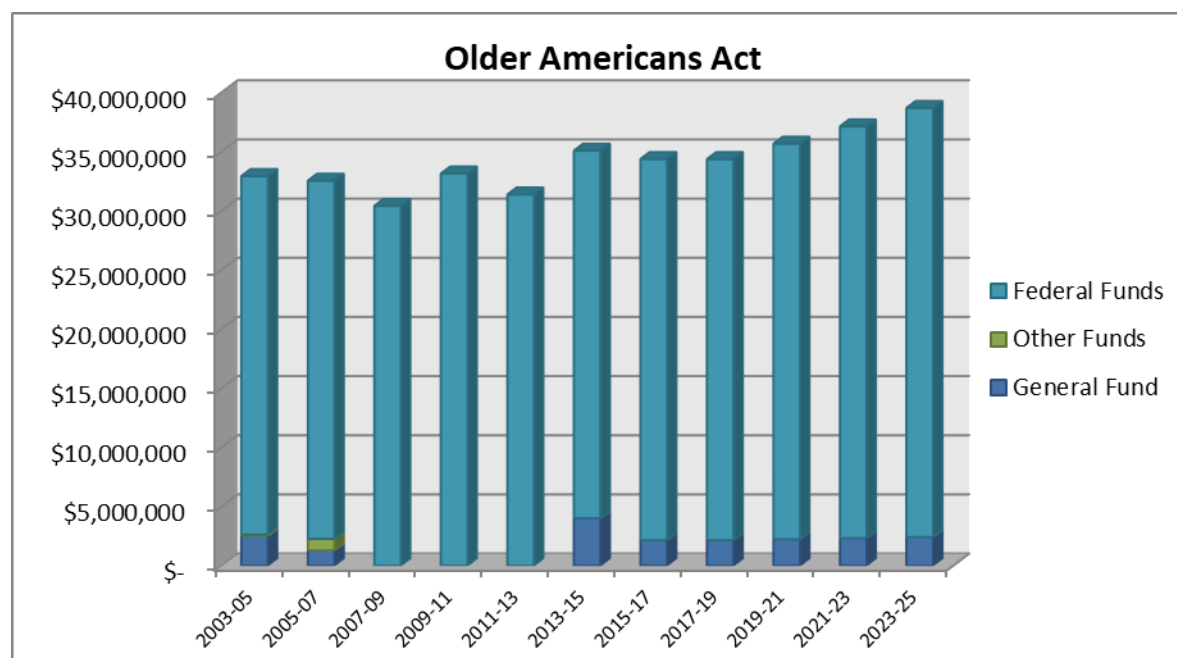
A focus on service equity and diversity, including individuals of different races, ethnicities, genders, sexual orientation, disability, age and other under-served populations, will create new approaches to service delivery that ensure all individuals have access to critical supports and services and achieve desired outcomes. Current initiatives include a focus on language access, district-level Service Equity plans, and Tribal outreach and partnership.

Department of Human Services: Older Americans Act

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Outcome Area:

Program Contact: Ashley Carson Cottingham



Older Americans Act funding comes primarily from the federal government. In 2011, OAA funding helped serve nearly 380,000 Oregonians.

Program Overview

Services and supports provided to individuals under the Older Americans Act (OAA) provide vital assistance designed to prevent or delay entry into Medicaid-funded long-term care such as In-Home or 24-hour residential services. The OAA is a Federal law that set out a national aging network structure consisting of the U.S. Administration on Aging (AoA) now part of the Administration for Community Living, State Units on Aging (DHS/Aging and People with Disabilities program), and Area Agencies on Aging (AAAs). The OAA authorizes funding and services through this network to serve older individuals in their homes and communities, through local entities. All individuals, aged 60 or older, regardless of income are eligible to receive services but the programs are targeted towards those in greatest social or economic need. A specific focus on how to

better serve diverse populations of older adults across race/ethnicity, sexual orientation, gender, veteran status, and other intersecting categories are essential with the continually changing demographics of Oregon.

Program Funding Request

APD Older Americans Act				
	GF	OF	FF	TF
17-19 LAB	2,153,979	-	32,204,050	34,358,029
19-21 GB	2,235,831	-	33,427,805	35,663,636
Diff.	81,852	-	1,223,755	1,305,607
% Diff.	3.80%	0.00%	3.80%	3.80%

Program Description

Older Americans Act services are administered entirely by local Area Agencies on Aging. To qualify for OAA supported services an individual must meet the following criteria:

- Be 60 years of age or older;
- Be a caregiver of someone 60 years of age or older (or younger if the person is diagnosed with Alzheimer's Disease or related dementia) or an older relative caring for a child 18 year of age or younger or an individual with disabilities age 18 or older;
- Be 55 or older and have an adjusted income at or below 125 percent of Federal Poverty Level for the Senior Community Service Employment Program (Title V).

Please Note: There is no income or asset/resource criteria for eligibility, except for the Senior Community Service Employment Program (Title V).

The Older Americans Act authorizes services and funding by title

Title III

Supportive Services

Provides assistance to maintain independence through assisted transportation, information and referral/assistance, in-home care, adult day care, chore services, home modification and other housing help, legal assistance, mental health

outreach, and assistive devices. Title III also partially funds Oregon's Aging and Disability Resource Connection (ADRC), which provides unbiased information, referral, and options counseling for individuals (consumers, family members, caregivers) needing long-term services and supports.

Nutrition Services

In order to reduce hunger and food insecurity and promote socialization, health, and well-being the Act authorizes both home-delivered (commonly known as Meals on Wheels) and congregate (community setting, senior center, community center, etc.) meals programs. The Act also provides nutrition education and counseling.

Services Incentive Program (NSIP)

Supplements funding authorized under Title III for food used in meals served under the Older Americans Act. States receive an allocation based on the number of meals served under the OAA in the state in proportion to the total number of meals served by all states.

Preventive Health Services

Authorizes evidence-based programs that promote healthy lifestyles through physical activity, appropriate diet and nutrition and self-management of chronic health conditions.

National Family Caregiver Support Program

Provides individual and group options counseling, training, and respite care for family members and friends who are primary caregivers to seniors. This program also provides support to older relatives and raising grandchildren.

Title V

Senior Community Service Employment Program (SCSEP)

Authorizes a community service and work-based training program for older workers that provides subsidized, service-based training for low-income persons 55 or older who are unemployed and have poor employment prospects.

Participants are paid minimum wage for approximately 20 hours per week while they develop valuable skills and connections to help them find and keep jobs in their communities. Title V funding is awarded to DHS/APD from the U.S.

Department of Labor and is competitively sub-granted to a qualified job training organization.

Title VII

Elder Rights Services

Provides a focus on the physical, mental, emotional and financial well-being of older Americans. Services include pension counseling, legal assistance, and elder abuse prevention education.

Ombudsman Program

Establishes an Office of the State Long-Term Care Ombudsman program to identify, investigate, and resolve complaints made by or on behalf of residents of licensed care facilities (nursing homes, assisted living, and adult foster homes) and promote system changes that will improve the quality of life and care for residents. The allocation for this program is 100 percent passed through to the Office of the Long-Term Care Ombudsman, a separate state agency from APD.

OAA Funding

OAA funding is granted to each State Unit on Aging (DHS/APD) based on a population formula. The State Unit on Aging sub-grants Title III funds to Oregon's 17 designated Area Agencies on Aging (AAA) based on a state population formula. The AAAs work with their local communities to assess and develop a menu of services that meet the needs of older adults in their planning and service area. Subsequently, the AAA submits an Area Plan to the State describing the delivery of OAA services in their communities; this is basis for the funding agreement between the AAA and DHS/APD.

Program Justification and Link to Focus Areas

OAA program services contribute to the Safer, Healthier Communities goal. The OAA, in partnership with providers and clients, provides vital support for older adults who are at significant risk of losing their independence by providing food, job training/opportunities, social support, transportation, chronic disease self-management and fall prevention.

Annual State Program reports are submitted to the Administration on Community Living, consisting of service unit data and client demographics. Evidence-based programs supported by the preventive health services funding under Title III have provided an opportunity to demonstrate health care cost-saving based on the research supporting the programs. The Senior Community Service Employment Program tracks six performance measures each year including employment and retention. Performance standards and measures have recently been established for

the Aging and Disability Resource Connections Program and will be tracked appropriately.

Program Performance

- **Number of people served/items produced**
OAA data reporting requires AAAs to capture identifiable unduplicated clients who receive “registered services” and an estimated number of clients receiving “non-registered services.” Registered services include personal care, home care, chore, meals, day care, case management, assisted transportation, caregiver, and nutrition counseling. Non-registered services include but are not limited to information and assistance, health promotion programs, group education, etc. The estimated number of non-registered service clients is 5-6 times that of the registered services clients (e.g. in 2017 OAA served 41,743 registered clients and an estimated 192,296 non-registered participants).
- **Quality of the services provided**
Program standards have been established for the major services and annual program monitoring is conducted.
- **Timeliness of services provided**
The Family Caregiver Support Program of the OAA is the only service area that consistently encounters wait lists.
- **Cost per service unit**
Varies depending on the level of community support, the OAA funding on average supports about one-third of the cost of service. Further funding comes from local governments, donations, and fundraising.

The following are selected examples of program performance for the OAA:

Older Americans Act Nutrition Program

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17
Total Registered Service Clients	54,049	50,649	54,149	52,809	48,730	45,684	45,893	41,743
Home-Delivered Meal Clients	13,891	13,441	13,630	12,636	12,652	13,478	13,733	13,488
Congregate Meal Clients	37,980	34,432	34,828	36,102	32,844	27,488	28,060	25,546
# of Home-Delivered Meals Served	1,675,082	1,667,493	1,601,457	1,734,292	1,620,727	1,795,824	1,750,765	1,674,735
# of Congregate Meals Served	1,006,814	977,815	949,202	941,152	924,300	908,133	836,335	763,641
# of High Nutritional Risk Persons	15,060	16,232	11,713	11,634	11,625	11,578	9,904	9,280

Senior Community Service Employment Program (SCSEP)

Performance Measure	PY10	PY11	PY12	PY13	PY14	PY15	PY16
Participants Served	320	212	180	156	180	165	140
Community Service Level	83.7%	97.0%	80.4%	83.9%	82.0%	80.3%	*
Entered Employment Level	45.3%	47.5%	34.8%	39.7%	38.0%	47.6%	28.6%
Employment Retention	68.4%	72.1%	29.0%	75.0%	66.7%	68.4%	60.0%
Average Earnings Per Participant	\$9,032	\$7,906	\$8,914	\$7,482	\$7,150	\$6,985	\$7,840

*Not calculated by DOL in PY16

Enabling Legislation/Program Authorization

Federal Law: 45 CFR, Part 1321.

Funding Streams

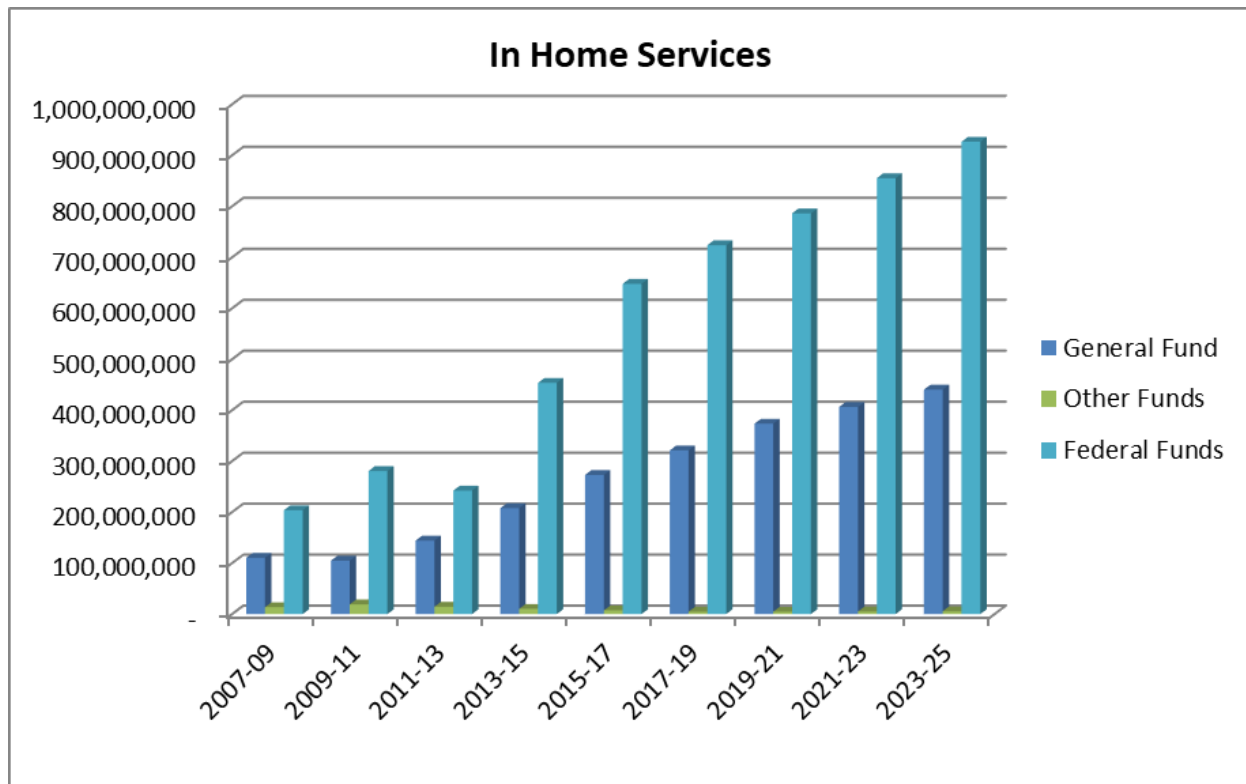
OAA funds are 100 percent federal. The law has a required Maintenance of Effort and state match of \$5 million per biennium, which is met with state funding authorized for the Oregon Project Independence Program (ORS 410.410 to 410.480). OAA funding was never intended nor does it fully fund services. Each dollar of OAA funding is leveraged with \$2 of state and local funds, participant donations, and community fundraising. Additionally, the services are enhanced with the in-kind support of volunteers, donated community space and equipment, etc.

Funding Justification and Significant Changes to CSL

N/A

Department of Human Services: Medicaid Long-Term Care In-Home Services

Primary Long-Term Focus Area: Safer, Healthier Communities
Secondary Long-Term Focus Area:
Program Contact: Ashley Carson Cottingham



In the 13-15 biennium, in-home agency and personal care budgets were moved from 'other services' to In-Home care for reporting purposes.

Program Overview

In-home services are the least restrictive service offered in Oregon's long-term care continuum. This program funds Medicaid long-term care services to seniors and people with disabilities in their own homes for individuals who are eligible to receive the same services in a nursing facility. In 2013, Oregon added a new Medicaid, 1915(k) State Plan Option, or "K plan," that provides additional flexibility and funds. Approximately 52.5 percent of individuals served in Oregon's long-term care system are served in their own homes. In-home services

offer an opportunity to provide differentiated care in a respectful, sensitive, and inclusive manner to Oregonians from a variety of diverse backgrounds.

Program Funding Request

APD In-Home Care				
	GF	OF	FF	TF
17-19 LAB	321,168,033	4,655,673	723,777,027	1,049,600,733
19-21 GB	349,857,196	4,338,775	741,575,273	1,095,771,244
Difference	28,689,163	(316,898)	17,798,246	46,170,511
% Diff.	8.93%	-6.81%	2.46%	4.40%

Program Description

This cost-effective program enables eligible low-income seniors and people with disabilities to remain in their own homes and established communities. Individuals from culturally diverse backgrounds benefit from this program that provides enhanced independence, health, safety, and quality of life. Oregon's model of long-term care is referred to as a social model, distinctly different from a medical model of care. Social models of care focus on client autonomy, respect, choice, and individualized care planning. Individuals are viewed holistically, with provided supports that enhance independence, dignity, and respect.

Eligibility for services is based upon a combination of financial criteria and service needs. An individual's service needs are calculated as a "service priority level" which ranges from 1 (highest need) to 18 (lowest need). In the 2003 budget crisis, funding to serve individuals with service priority levels 14 through 18 was eliminated. These levels remain unfunded through Medicaid; however, some (not all) of the needs can be met for these individuals through Older Americans Act and Oregon Project Independence programs.

In-home supports include necessary assistance with activities of daily living (walking, transferring, eating, dressing, grooming, bathing, hygiene, toileting, and cognition) and instrumental activities of daily living (meal preparation, housekeeping, laundry, shopping, medication, and oxygen management). Assistance ranges from several hours per week to 24 hours per day. Without these supports, more than 17,000 individuals would likely receive services in a more

costly nursing facility. Oregon provides a variety of in-home service options available to individuals based on preference, choice, and cost-effectiveness.

Consumer-Employed Provider Program

Individuals participating in this program receive services from hourly or live-in homecare workers. The in-home recipient is considered the employer and is empowered and responsible to hire, train, supervise, track hours worked, address performance deficiencies, and discharge providers. Homecare workers are paid a set rate established through collective bargaining, which the State pays on the individual's behalf. The Oregon Home Care Commission establishes homecare worker enrollment standards and training for homecare workers, both of which contribute to the quality of in-home services. APD is forecasted to serve more than 20,000 individuals in this program in the 2017-2019 biennium.

Independent Choices Program

This program is a 1915(j) State Plan Option and allows individuals to exercise more decision-making authority in identifying, accessing, managing, and purchasing goods and services that enhance independence, dignity, choice, and well-being. This option is popular among individuals who wish to take complete control over the planning and provision of services. In the Independent Choices Program, the cost of the established service plan is "cashed-out" and deposited into the eligible individual's dedicated Independent Choices Program checking account. The individual then pays providers directly based on a negotiated rate. Participants have the flexibility to use a portion of the funds to purchase goods that enhance their independence and are unavailable through the medical plan, such as a wheelchair lift for a vehicle or a wheelchair ramp for their home. The State performs periodic monitoring with an emphasis on safety and program integrity. APD is forecasted to serve 587 individuals in this program in the 2017-2019 biennium.

Specialized Living Services

These services are designed to serve a specific special-needs consumer base, such as those with traumatic brain injuries or other specific disabilities who would otherwise require a live-in attendant or other 24-hour care. The services are provided through contracts with qualified vendors who provide specialized, shared-attendant services to individuals living in their own homes or apartments.

APD is forecasted to serve more than 200 individuals in this program in the 2017-2019 biennium.

Cost Drivers

The major cost drivers of the in-home services program are the current number of eligible individuals, their level of needed assistance, the length of time receiving services, and the growing population of those requiring services. The population served is much different than it was 30 years ago when Oregon first received a waiver. With the advancement of medical technology and treatment options, individuals are living longer with chronic disease and significant disabilities. Another major cost driver is the provision of wages and benefits for homecare workers tied to collective bargaining. This includes set wages, paid time off, workers' compensations premiums, unemployment insurance, and other benefits.

Program Justification and Link to Focus Areas

In-home services link to the Safer, Healthier Communities focus area. In the early 1980s, Oregon was the first state awarded a Medicaid 1915(c) Home and Community-Based Services waiver from the Centers for Medicare and Medicaid Services, which allowed Oregon to serve individuals in their homes and communities. In 2013, Oregon added a new, 1915(k) State Plan Option, or "K plan," that provides additional flexibility and funds. In an independent study conducted by AARP, Oregon received an overall ranking of 4rd out of 50 states in terms of choice of settings and providers, quality of life and quality of care, and effective transitions from nursing facilities back into the community. Across the nation, Oregon continues to be a leader for serving individuals in their own homes.

The program empowers individuals to direct their own services and make choices that enhance their quality of life, live with dignity, and remain as independent as possible. Health is maintained through the provision of necessary assistance with activities of daily living and instrumental activities of daily living. Consistent provision of services, including medication management and the preparation of nutritious meals, delays or diverts an individual's entry into more costly care settings.

Program Performance

A key goal of the Department of Human Services (DHS) is that people are safe and living as independently as possible. DHS currently measures this goal based on the percentage of individuals living in their own homes in lieu of a licensed care facility, as well as the percentage of individuals who move to a less restrictive service setting. Currently, DHS is serving 87.2 percent of all recipients in home- and community-based settings. In the 2017-2019 biennium, DHS is forecast to increase this level to 88.9 percent.

Enabling Legislation/Program Authorization

Medicaid is an entitlement program that was enacted in 1965 under Title XIX of the Social Security Act. Eligible individuals have the right to receive long-term care services in a nursing facility. While states are not required to participate in Medicaid, they must follow Medicaid rules to receive federal matching funds. Oregon's Long-Term Care system operates under a variety of Medicaid options which allows long-term care services to be provided in home and community-based settings.

Funding Streams

In-home services are funded through the Medicaid program. Therefore, the federal government pays approximately 69 percent and the state pays 31 percent. There is a small amount of funding from the estates of former recipients. When a Medicaid recipient dies, DHS is required by federal law to recover money spent for the individual's care from the recipient's estate. These funds are reinvested in services for other individuals, offsetting the need for general funds.

Funding Justification and Significant Changes to CSL

Aging and People with Disabilities - 2019-21 POP Request at GB	GF	OF	FF	TF	Positions	FTE
121- Community Based Care Medicaid Access Package	2,878,313		-	2,878,313	0	0.00

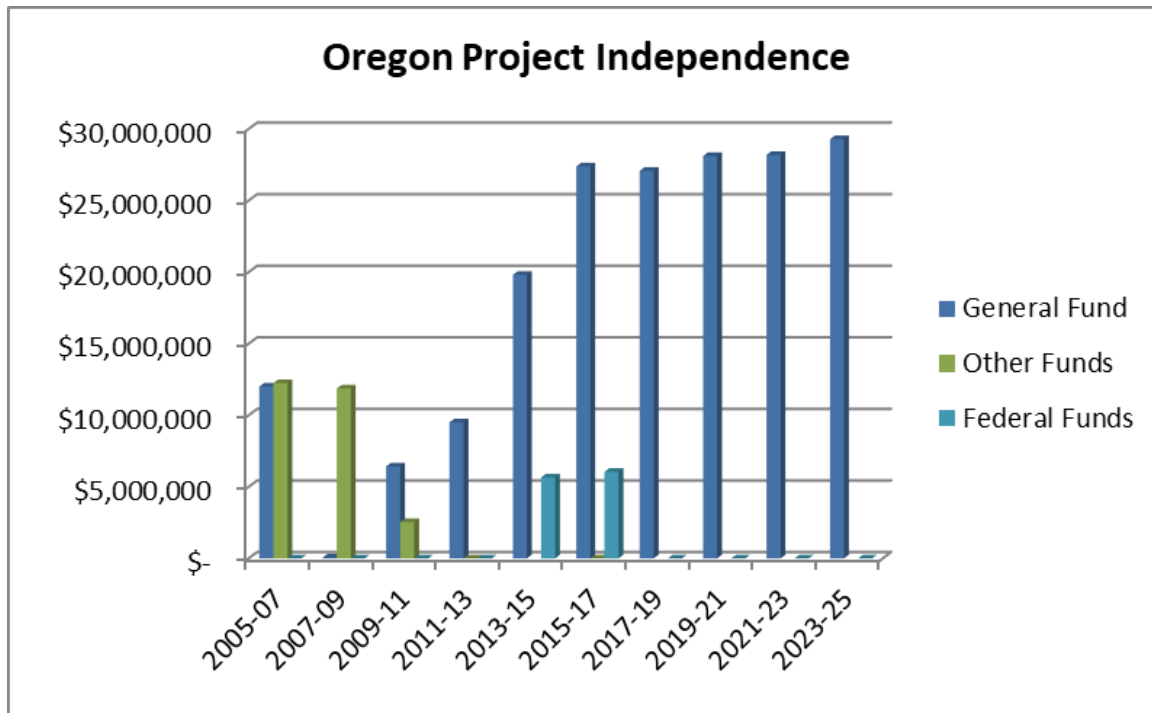
This policy option package is intended to protect and secure additional access to community-based care for Medicaid long term care consumers. This package provides a 10 percent increase to adult foster home providers effective 1/1/20 and another 4 percent increase effective 7/1/20 for a total of \$5 million in general funds. These increases are designed to recalibrate existing disparities to reverse the trend of lost access in the last five years. The package also adds a 5 percent increase effective 7/1/19 and a 5 percent increase effective 7/1/20 to assisted living, residential care, memory care and in-home agencies. Funding is also provided for anticipated increases in the upper payment limit for APD Program of All Inclusive Care for the Elderly programs. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community-based care settings.

Department of Human Services: Oregon Project Independence

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Ashley Carson Cottingham



Program Overview

Oregon Project Independence (OPI) provides preventive and in-home services and supports to a diverse population of eligible individuals to reduce the risk of out-of-home placement and promote self-determination. This program optimizes eligible individuals' personal and community support resources to prevent or delay spend down to Medicaid-funded long-term care, which could consist of in-home or other 24-hour residential services.

Program Funding Request

APD Oregon Project Independence				
	GF	OF	FF	TF
17-19 LAB	27,077,755	-	-	27,077,755
19-21 GB	28,106,710	-	-	28,106,710
Diff.	1,028,955	-	-	1,028,955
% Diff.	3.80%	0.00%	0.00%	3.80%

Program Description

Oregon Project Independence (OPI) is a state-funded program offering in-home services and related supports to a diverse population of Oregonians. DHS/APD strives to deliver in-home services in a culturally and linguistically appropriate manner. OPI provides essential services such as personal care, homecare and chore assistance, adult day care, service coordination, registered nursing (teaching/delegation of nursing tasks to caregivers), and home-delivered meals. This program complements services provided under the Older Americans Act.

Traditionally, OPI has served individuals who are 60 years of age or older are assessed as needing assistance with activities of daily living (eating, dressing/grooming, bathing/personal hygiene, mobility, elimination, and cognition) and/or instrumental activities of daily living (housekeeping, shopping, transportation, medication management and meal preparation) and are not receiving Medicaid. Also, individuals under age 60 who have been diagnosed with Alzheimer's disease or a related disorder are also eligible. The program was expanded by the 2005 Oregon Legislature to include younger adults with disabilities and recently \$6 million to continue funding for a pilot program has been made available to support this expansion.

There are neither income nor resource requirements for eligibility; however, these factors are taken into consideration when assessing the individual's risk of needing Medicaid long-term care. OPI clients do not pay a charge for the service coordination services they receive. Services other than service coordination are provided at no cost to families with net incomes at or below 150 percent of the federal poverty level (FPL). Families with net incomes from 150 percent to 400 percent FPL pay a fee toward services using a sliding scale based on income.

Families with net incomes at or above 400 percent FPL pay the full cost of the services provided (other than service coordination).

In a 2012 study of selected comparable clients, OPI clients used 24 percent of the hours that Medicaid clients used. The hourly rates are the same for homecare worker services in the two programs. OPI clients used 24 percent of the billed hours compared to Medicaid. Due to budget restrictions, the OPI program has capped the number of hours available to each client. In addition to personal and home care hours, Medicaid eligibility also provides individuals with benefits for comprehensive healthcare under the Oregon Health Plan (OHP) and pays for these costs. OPI clients do not access OHP so the healthcare expenditures are \$0.

Oregon Project Independence services are delivered statewide through the network of 17 designated Area Agencies on Aging (AAAs). Administrative cost efficiencies have been realized in one area of the state where neighboring AAAs collaborated to jointly secure contracted services of a single in-home care agency. Similar partnerships should be encouraged statewide.

Program Justification and Link to Focus Areas

OPI contributes to the Safer, Healthier Communities focus area and has a desired outcome to “decrease the number of older Oregonians that access Medicaid-funded long-term care.” Data reported by the Area Agencies on Aging in 2009 revealed that 63.6 percent of OPI clients had income below the FPL (33.1 percent between 100 percent and 200 percent of FPL and 3.3 percent over 200 percent of FPL). This data also revealed that fewer than 10 percent of OPI clients transitioned to Medicaid-funded services, despite the high rate of OPI clients whose income was at or below the FPL. AAAs are currently maintaining waiting lists of individuals who are eligible to be served by OPI. Annually, the “unable to serve” lists of individuals will be evaluated to determine how many of these individuals accessed Medicaid-funded services while waiting to be served by OPI.

This program empowers individuals to direct their own services and make choices that enhance their quality of life, live with dignity, and remain as independent as possible. Health is maintained through the provision of necessary assistance with activities of daily living and instrumental activities of daily living.

Program Performance

- **Recent data on number of individuals accessing OPI:**

	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr
60+ years	2,790	2,617	2,591	2,534	2,450	2,382	2,272	2,139
19-59 years	296	286	297	304	309	314	310	307
Total	3,086	2,903	2,888	2,838	2,759	2,696	2,582	2,446

- **Quality of the services provided**

Personal and home-care services are delivered via licensed in-home care agencies or registered home care workers. Quality of care standards for in-home care agencies are set forth in licensing rules found in OAR Chapter 333, Division 536; compliance with licensing standards is monitored by the Health Care Licensing and Certification unit of the Public Health Division. Home Care Workers who provide services to OPI clients are required to be registered with the Home Care Commission and receive background checks and ongoing training.

- **Cost per service unit**

The average monthly cost of services to an OPI client is \$332. This average is calculated using a combination of direct, administrative, and other costs.

Enabling Legislation/Program Authorization

OPI is authorized under Oregon law at ORS 410.410 to 410.480.

Funding Streams

OPI is comprised of majority State General Funds with a small amount of Federal match funding. Services are expanded through the utilization of program income generated from client cost sharing based on a sliding fee schedule.

OPI serves as the required Maintenance of Effort (45 CFR Sec. 1321.49) and state match (45 CFR Sec. 1321.47) to receive federal funding under the Older

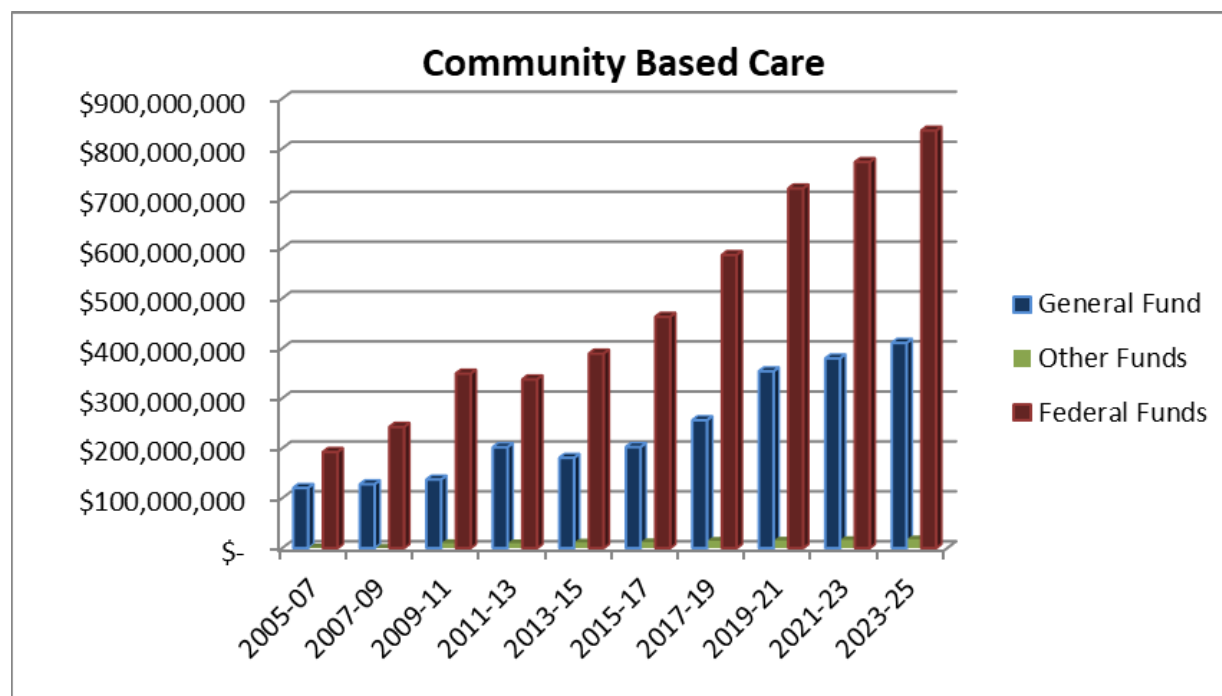
Americans Act. At least \$5 million per biennium in state funds is needed to maintain the Maintenance of Effort and match requirements of the OAA.

Funding Justification, And Significant Changes

N/A

Department of Human Services: Medicaid Long-Term Care Community-Based Care

Primary Long-Term Focus Area: Safer, Healthier Communities
Secondary Long-Term Focus Area:
Program Contact: Ashley Carson Cottingham



Access to care was challenging when a robust private-pay market existed in the mid-2000s. An investment by the Legislative Assembly in 2008 strengthened access considerably.

Program Overview

Community-based care is considered the middle layer of Oregon's long-term care continuum and includes a variety of 24-hour care settings and services for low-income seniors and people with physical disabilities who cannot meet their own activities of daily living. These services are part of Oregon's nationally recognized home and community-based care system, which provides a critical, cost-effective alternative to nursing facilities.

Program Funding Request

APD Community Based Care				
	General Fund	Other Fund	Federal Fund	Total Funds
17-19 LAB	255,923,065	14,438,436	586,848,884	857,210,385
19-21 GB	330,321,302	15,030,952	650,523,573	995,875,827
Difference	74,398,237	592,516	63,674,689	138,665,442
% Diff	29.07%	4.10%	10.85%	16.18%

Program Description

The State of Oregon strives to meet the needs and expectations of increasingly diverse populations, and community-based care provides a critical alternative to nursing facilities for seniors and people with disabilities who cannot meet their own daily needs.

Eligibility for long-term care services and supports is based upon a combination of financial criteria and service needs. Recipients contribute their own funds toward room and board directly to community-based care facilities, while the state pays for services consisting mostly of assistance with activities of daily living (walking, transferring, eating, dressing, grooming, bathing, hygiene, toileting, and cognition) and instrumental activities of daily living (meal preparation, housekeeping, laundry, shopping, medication, and oxygen management). Nursing facility care is a guaranteed Medicaid benefit to eligible individuals. If the state did not use alternatives to nursing facility level of care, more than 12,000 individuals would likely be receiving services in nursing facilities at more than 300 percent of the cost of community-based care services.

Community-based care includes:

- Adult foster homes, which serve five or fewer individuals in a home-like setting.
- Residential care facilities (RCF), which serve six or more individuals in a facility with private or shared rooms and common areas.
- Assisted living facilities (ALF), which serve individuals in their own apartments.

- Memory care facilities, dually licensed as either an ALF or RCF, specializes in serving individuals with dementia.
- Enhanced-care services, which serve individuals with significant limitations complicated by mental health needs. This program is jointly funded between DHS and the Oregon Health Authority.
- Program of All-Inclusive Care for the Elderly (PACE) serves more than 1,000 individuals via a fully capitated premium. The program is jointly funded with Medicare and Medicaid dollars and provides an integrated program for medical and long-term services. Participants are 55 years of age or older, generally attend adult day services, and live in a variety of settings representative of Oregon's long-term care continuum. Oregon's only PACE provider, Providence Elderplace, is responsible for providing and coordinating the full health and long-term service needs of their clients in all of these setting types.

APD competes with the private pay market for access to most community-based care. Most facilities have a mix of private pay and Medicaid residents. As the society ages and the economy strengthens, APD may lose access due to competition for open beds with the private pay market.

Adult foster homes are represented by SEIU and have collective bargaining rights. Factors such as safety and quality cannot be negotiated; however, issues such as training and service rates are mandatory subjects of bargaining.

Each community-based care setting must meet federal and state laws and regulations related to health, safety and service delivery. Mandatory services include assistance with activities of daily living, medication oversight, and social activities. Some settings that serve individuals with more complex needs may include additional services, such as nursing and behavioral supports.

Program Justification and Link to Focus Areas

Community-based care is a direct link to the Safer, Healthier Communities focus area (Oregonians are healthy and have the best possible quality of life at all ages). The program maximizes federal resources while reducing unnecessary costs in higher levels of care. With one of the lowest levels of nursing facility utilization in the country, Oregon is at the forefront of using community-based care as a core alternative to nursing facilities. With ongoing support, Oregon can meet the target

of serving 90 percent of the publicly funded long-term care caseload in-home and community-based care in the next ten years (up from 86 percent).

Program Performance

A key goal of the Department of Human Services (DHS) is that people are safe and living as independently as possible. DHS currently measures this goal based on the percentage of individuals living in their own homes in lieu of a licensed care facility, as well as the percentage of individuals who move to a less restrictive service settings such as community-based care. As of May 2018, DHS served 11,823 individuals in community-based care, compared to 4,350 in nursing facilities.

Community-based care service plans have been proven to be a cost-effective alternative to nursing facility care. Costs range by facility type and assessed need of the individual. The monthly average cost by setting is:

- AFHs: \$3,023
- RCFs: \$1,699
- RCFs (Specialized, including Memory Care): \$4,620
- ALFs: \$2,525

The cost of similar services provided in a nursing facility exceeds \$9,000 per month.

Enabling Legislation/Program Authorization

Community-based care is operated under a variety of Medicaid home and community-based services. The newest mechanism is the 1915(k) State Plan Option or, “K plan.” The state provides services that substitute for nursing facility services, the mandated benefit for Medicaid eligible individuals under Title XIX of the Social Security Act. Additionally, ORS 410 and ORS 443 provide statutory policy and structure to the services offered.

Funding Streams

Community-based care services are funded through the Medicaid program. Therefore, the federal government pays approximately 69 percent and the state pays 31 percent. There is a small amount of funding from the estates of former

recipients. When a Medicaid recipient dies, the state is required by federal law to recover money spent for the individual's care from the recipient's estate. These funds are reinvested in services for other individuals, offsetting the need for general funds.

Funding Justification and Significant Changes to CSL

Aging and People with Disabilities - 2019-21 POP Request at GB	GF	OF	FF	TF	Positions	FTE
121- Community Based Care Medicaid Access Package	19,310,285		9,441,059	28,751,344	0	0.00

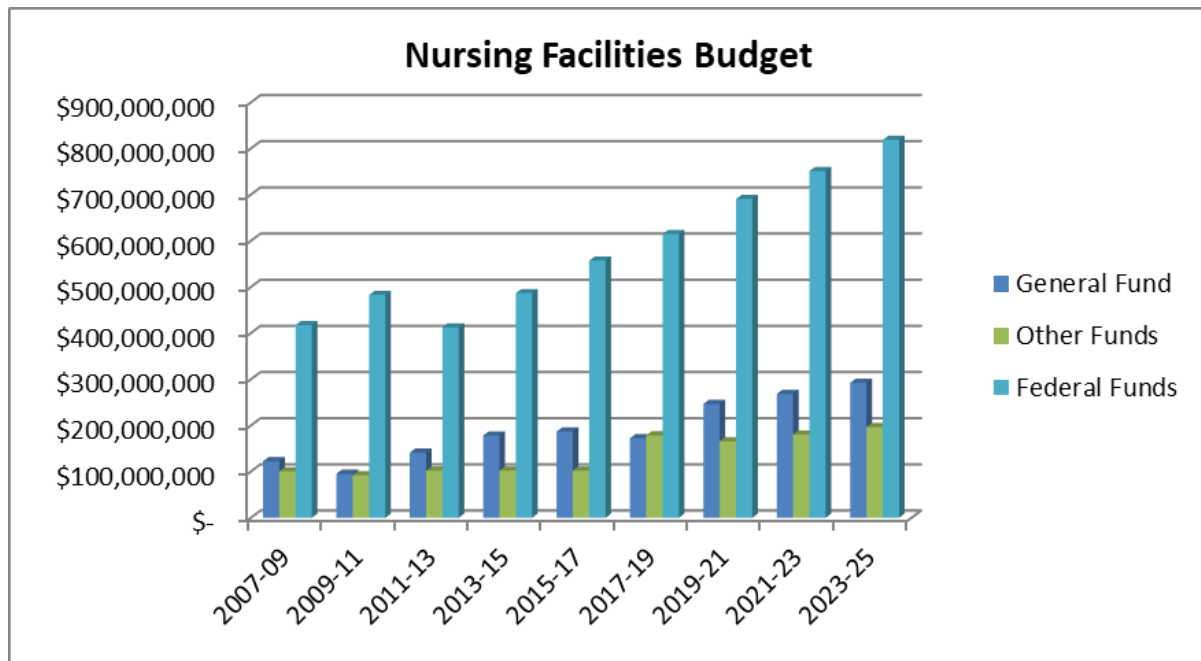
This policy option package is intended to protect and secure additional access to community-based care for Medicaid long term care consumers. This package provides a 10 percent increase to adult foster home providers effective 1/1/20 and another 4 percent increase effective 7/1/20 for a total of \$5 million in general funds. These increases are designed to recalibrate existing disparities to reverse the trend of lost access in the last five years. The package also adds a 5 percent increase effective 7/1/19 and a 5 percent increase effective 7/1/20 to assisted living, residential care, memory care and in-home agencies. Funding is also provided for anticipated increases in the upper payment limit for APD Program of All Inclusive Care for the Elderly programs. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community-based care settings.

Department of Human Services: Medicaid Long-Term Care Nursing Facilities

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Ashley Carson Cottingham



State general fund investments decreased with the passage of the provider tax. Caseload has shifted toward an overall downward trend as more and more individuals choose to receive long-term care services in a home or community-based setting.

Program Overview

Nursing facility services are the institutional option available in Oregon's long-term care continuum, which also consists of in-home and community-based care. Nursing facilities are generally considered the most restrictive setting of the three options offered; however, this program is important for individuals with the highest levels of acuity and is a mandated federal benefit under the Medicaid program. Nursing facility level of care is the guaranteed benefit (entitlement) by federal law.

Program Funding Request

APD Nursing Facilities				
	General Fund	Other Fund	Federal Fund	Total Funds
17-19 LAB	172,642,816	178,759,051	614,753,229	966,155,096
19-21 GB	243,628,237	165,895,182	693,878,627	1,103,402,046
Difference	70,985,421	(12,863,869)	79,125,398	137,246,950
% Diff	41.12%	-7.20%	12.87%	14.21%

Program Description

Nursing facilities are most appropriate for people with high acuity needs requiring 24-hour medical oversight and a protective/structured setting. They offer short-term care for individuals who need rehabilitation or 24-hour nursing. They may be appropriate for a limited number of individuals who need long-term care due to permanent health problems too complex or serious for in-home or community-based care settings.

Nursing facility rates cover basic, complex, pediatric, enhanced care, and post-hospital extended care. Services will vary in nursing care facilities, but generally consist of the following:

- Medical treatment prescribed by a doctor;
- Physical, speech, and occupational therapy;
- Assistance with personal care activities such as eating, walking, bathing, and using the toilet (custodial care);
- Social services.

Oregon currently has 136 licensed nursing facilities with 11,031 licensed beds, a decrease in both since the 2017 Legislative Session. These facilities have approximately 2.61 million annual resident days, of which nearly 61 percent are Medicaid clients. The majority of residents were admitted directly from acute care hospitals with a very small percentage from home. In 2015, the average length of stay for nursing facility residents is 133 days with a median of 23. Approximately 82 percent of all nursing facility residents stayed less than 3 months. Over 80 percent of nursing facility residents are aged 65 and older.

Payer	Long-Term Care – Nursing Facility
Medicare	17%
Medicaid	61%
Private Pay	22%

The main cost drivers are low census in nursing facilities, the length of stay in a nursing facility, and the steady increase in the daily reimbursement rate. The nursing facility reimbursement rate is tied to the provider assessment statute. The current nursing facility reimbursement rate is \$312.94 per resident per day, and the provider assessment rate is \$24.46. In the 2019-2021 biennium, the provider assessment is expected to account for approximately \$136.8 million of \$3.3 billion in expenditures.

Program Justification and Link to Focus Areas

Nursing facility services link to the Safer, Healthier Communities focus area. Though nursing facility level of care is a guaranteed benefit, Oregon has been the national leader in creating cost-effective alternatives that meet people's needs in their homes and other community settings, such as assisted living facilities, in-home care, retirement communities, residential care, and adult foster homes. Oregon continues to work closely with individuals and their families to offer the full array of community-based services. The new State Plan Authority approved by the Centers for Medicare and Medicaid Services in July 2013 provides Medicaid-funded resources to assist individuals in transitioning from nursing facilities. Oregon strives to provide quality services in a linguistically and culturally competent manner.

Nursing facilities are an important service in our continuum, meeting the needs of some individuals with higher acuity levels; however, DHS still believes there are opportunities to decrease its usage. Oregon continues to highlight, strengthen, and encourage the use of community-based care facilities instead of nursing facilities. DHS has established a goal of decreasing the percentage of long-term care recipients utilizing nursing facility services to 10 percent by 2020. As of May 2018, the percentage of long term care recipients utilizing nursing facilities services is 12.4 percent.

Program Performance

Nursing facilities are heavily regulated by the federal government and are licensed and routinely monitored by the state. The state establishes requirements for nursing facilities that promote quality of care and maximization of personal choice and independence for residents.

DHS remains diligent in diverting and relocating people who receive Medicaid-funded long-term care services from nursing facilities into home or community settings. One way performance is measured in this program is by the occupancy percentage of nursing facilities. Oregon has the lowest occupancy in the nation at 64 percent compared with the national average of 82 percent.

Enabling Legislation/Program Authorization

Medicaid is an entitlement program that was enacted in 1965 under Title XIX of the Social Security Act. While states are not required to participate in Medicaid, in order to receive federal matching funds states must follow the Medicaid rules. Oregon's long-term care system operates under Medicaid state plan authority. All clients qualify for nursing facility care have the choice of receiving care in other settings such as in-home or in community-based care settings.

Oregon's nursing facility reimbursement rate and accompanying provider assessment authorization is promulgated in ORS 409.736. The 2013 Legislative Assembly reauthorized the provider assessment through 2020.

Funding Streams

Nursing facility services are funded through the Medicaid program; therefore, the federal government pays approximately 64 percent with the remaining 36 percent being split between state general funds and provider taxes. In the 2017-2019 biennium, provider taxes from nursing facilities are expected to total \$127.6 million. There is \$27.2 million in biennial funding from the estates of former recipients. When a Medicaid recipient dies, the state is required by federal law to recover expenditures for the individual's care from the recipient's estate. These funds are reinvested in services for other individuals, offsetting the need for general funds.

Funding Justification and Significant Changes to CSL

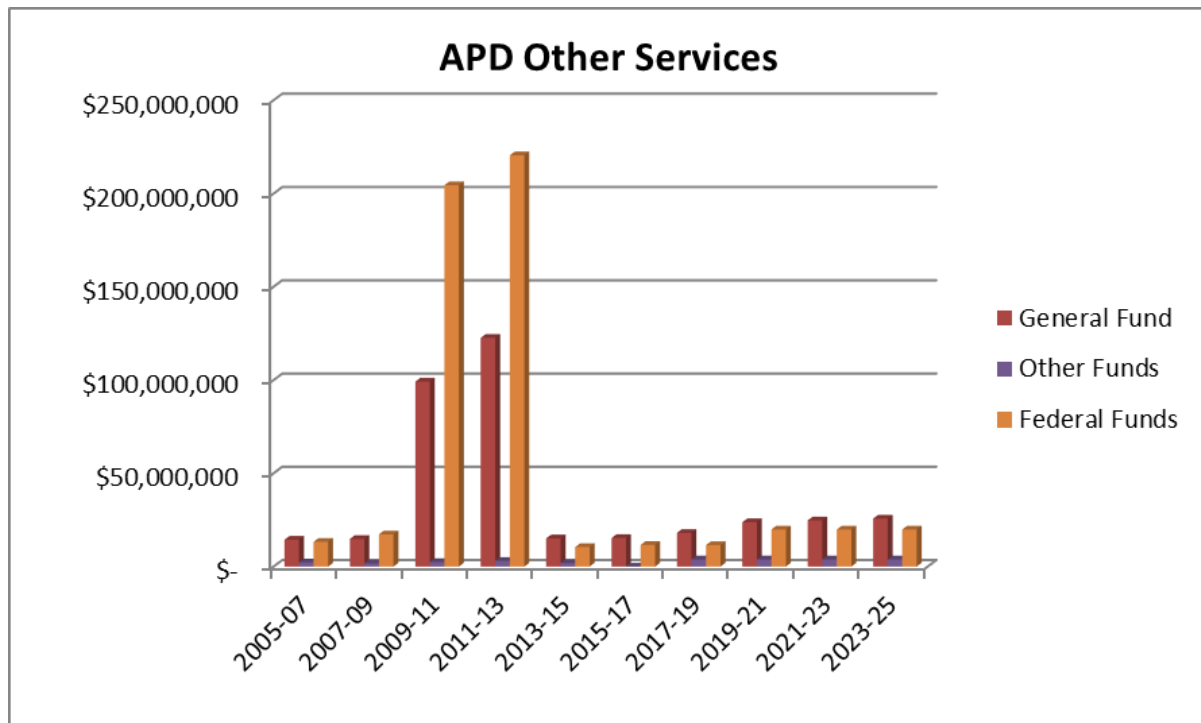
N/A

Department of Human Services: Other Services

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Ashley Carson Cottingham



Costs for 2009-2011 and 2011-2013 are higher due to the transfer of the funding for Medicare Part A and Medicare Part B buy-in programs from the Oregon Health Authority (OHA) to Aging and People with Disabilities (APD). These funding sources were transferred back to OHA in 2013-2015, but APD continues to administer the programs.

Program Overview

The other services category was previously dominated by federally mandated programs, such as the Medicare Buy-in and the Medicare Part D low-income subsidy programs, which help low-income Medicare beneficiaries meet their cost sharing requirements. This cost-effective investment ensures that Medicare remains in a first-payer position, thereby reducing or eliminating costs to the State's Medicaid health programs (Oregon Health Plan). Other services also include programs that support individuals living as independently as possible in the community. For example, home-delivered meals provide a critical support to many individuals who otherwise may not be able to remain independent in their own home.

Program Funding Request

APD Other Services (without OPI or OAA)				
	GF	OF	FF	TF
17-19 LAB	18,053,996	3,821,204	11,564,087	33,439,287
19-21 GB	18,847,350	3,821,204	11,896,217	34,564,771
Diff.	5,765,576	-	8,313,908	14,079,484
% Diff.	31.94%	0.00%	71.89%	42.10%

Program Description

As stated above, the majority of funding in other services was previously dedicated to the Medicare Buy-in programs that support low-income individuals in accessing their federal Medicare benefits. Federal law requires states to provide payments for Medicare beneficiaries who meet specific income guidelines. APD helps consumers access this benefit. Medicare beneficiaries include individuals aged 65 or older and people with disabilities who have been receiving Social Security Disability payments for at least two years. The passage of the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 expanded the asset allowance and eliminated the estate recovery component of Medicare Savings Programs. These changes eliminated many of the barriers to the Medicare buy-in programs for a significant number of Oregonians.

Oregon is expected to serve more than 150,000 seniors and people with disabilities in the following programs:

- **State Medicare buy-in:** By purchasing Medicare Part B (which has a federally required premium) for individuals eligible for both Medicare and Medicaid (dual-eligibles), the Medicaid program pays for medical services (such as physician, radiology and laboratory services) only after Medicare has paid as primary payer.
- **Medicare savings programs:** Clients in these programs receive federally mandated assistance with their Medicare Part B premiums. Specified low-income Medicare beneficiaries and qualified individuals are those individuals who have income between 100 percent and 135 percent of the federal poverty level.

- **Qualified Medicare Beneficiaries:** Beneficiaries receive state assistance for the costs associated with the Medicare hospital benefit, Part A, and physician services, Part B, that would otherwise be required of them, including premiums, deductibles and co-payments. These clients have income equal to or less than 100 percent of the federal poverty level.
- **Medicare Part D:** Medicare Part D is the Medicare pharmacy benefit. All clients in the Medicare buy-in programs receive assistance from CMS with their Medicare Part D premiums and co-insurance amounts. Oregon pays a per-person monthly premium to Medicare for eligible clients.

APD works to provide services that support individuals in their own home. These supports reduce reliance on nursing facilities and licensed community-based care while simultaneously improving quality of life and saving taxpayers' money. These programs provide supplemental services as needed to in-home clients and are not tracked as a separate caseload. These programs include:

- **Medicaid Adult Day Services:** Adult day services provide supervision for adults with functional or cognitive impairments who cannot be left alone for significant periods of times. Services may be provided for half or full days in stand-alone centers, hospitals, senior centers, and licensed care facilities.
- **Medicaid Home-Delivered Meals:** Home-delivered meals are provided for Medicaid eligible clients receiving in-home services who are homebound and unable to go to the congregate meal sites, such as senior centers, for meals. These programs generally provide a daily hot mid-day meal and often frozen meals for days of the week beyond the provider's delivery schedule.
- **Cash payments:** APD makes special-needs payments to reduce the need for more expensive long-term care payments and to allow a client to retain independence and mobility in a safe environment. Special needs payments may be used for such things as adapting a home's stairs into a ramp or repairing a broken furnace. Clients can also receive cash payments to help pay Medicare Part D prescription drug copays, payments for non-medical transportation, and a one-time emergency payment for an unexpected loss (such as stolen cash, a car repair or a broken appliance). The budget

supporting these payments meets the federal requirement for APD's maintenance of effort (MOE).

Program Justification and Link to Focus Areas

Other services are targeted supports that help Oregonians remain in the least restrictive setting possible. The Department strives to provide services in a respectful, culturally and linguistically appropriate manner. These services tie to Strategy 1 on changing how health care is delivered in Oregon by supporting efforts to increase home- and community-based care to 90 percent of the total Medicaid long-term care caseload. The Safer, Healthier Communities focus area also envisions an integrated system that these community supports will help realize.

These services allow individuals to receive services at the right time and in the right place. They maximize expenditures by using the federal portion of Medicaid funding to provide person-centered services when the person needs them. It ties directly to the desired outcome of Ensuring Financial Stability for the Long-Term Care Service Systems and Supports.

Other Services complement and enhance in-home service plans, contributing to overall cost-effectiveness and the sustainability of the plan. Other services not only have a positive impact on consumers, but also their natural support system (relatives/friends/neighbors), preventing burnout and the need for higher cost services.

Program Performance

In an independent study conducted by AARP, Oregon received an overall ranking of 4th out of 50 states in terms of choice of settings and providers, quality of life, quality of care, and effective transitions from nursing facilities back into the community. With approximately 54 percent of the Medicaid caseload served in their own homes, Oregon continues to rank in the highest percentile.

Enabling Legislation/Program Authorization

Services in this category are operated under both the Medicaid state plan options, including the "K plan" and Oregon's Home and Community Based Care 1915(c) waiver. The state provides services that "waive" against nursing facility services,

the mandated entitlement for Medicaid eligible individuals under Title XIX of the Social Security Act. Additionally, ORS 410 and ORS 443 provide statutory policy and structure to the services offered.

Funding Streams

Other services are mostly funded through the Medicaid program; therefore, the federal government pays approximately 69 percent and the state pays 31 percent. There is a small amount of funding that is state general fund only, which serves to meet the state's maintenance of effort requirements. Finally, there is a small amount of funding from the estates of former recipients. When a Medicaid recipient dies, the state is required by federal law to recover money spent for the individual's care from the recipient's estate. These funds are reinvested in services for other individuals, offsetting the need for general funds.

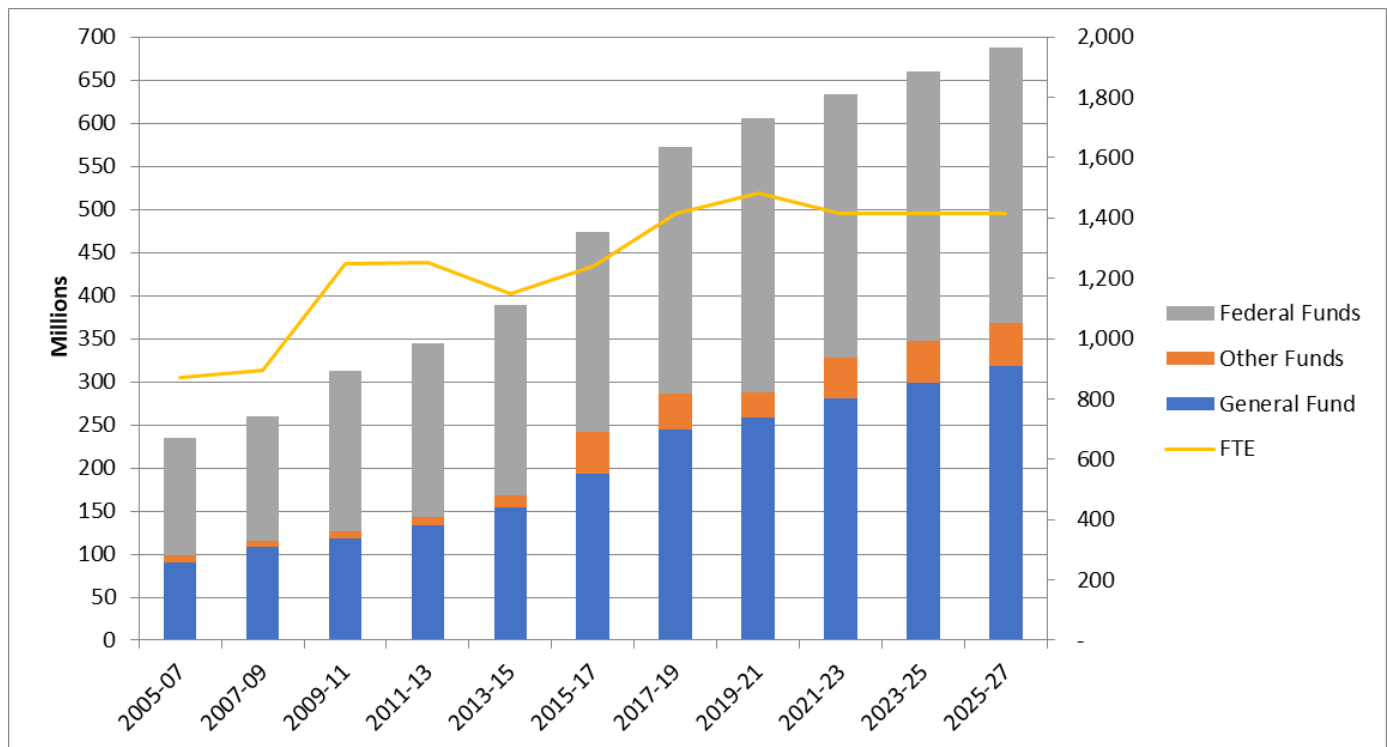
Funding Justification and Significant Changes to 17-19 CSL

N/A

Department of Human Services: Delivery and Design

Primary Long-Term Focus Area:
Secondary Long-Term Focus Area:
Program Contact:

Safer, Healthier Communities
Ashley Carson Cottingham



APD is seeing tremendous growth in the individuals it serves with relatively flat staffing levels. The increase from 2015-2017 is driven by the reintegration of licensing staff into the APD program.

Program Overview

The Aging and People with Disabilities (APD) program delivery system provides services and supports to Oregonians over the age of 65 and to adults with physical disabilities. The population is a diverse cross-section of Oregonians that requires supports that take into account race, ethnicity and language; lesbian, gay, bisexual, and transgender (LGBT) older adults; homeless seniors; older adult immigrants; and many other populations that qualify for services. Design and Delivery includes staff who design and provide technical assistance for Oregon's long-term care system as well as the staff and partners who directly provide services in over 50 offices located throughout the state.

Program Funding Request

	General Fund	Other Fund	Federal Fund	Total Fund	Positions	FTE
17-19 LAB	226,998,912	60,319,149	285,508,550	572,826,611	1,455	1,445.97
19-21 GB	258,958,272	28,282,114	319,767,289	607,007,675	1,487	1,489.22
Difference	31,959,360	(32,037,035)	34,258,739	34,181,064	32	43
% Difference	14%	-53%	12%	6%	2%	3%

Program Description

The APD program delivery system provides respectful and inclusive services and eligibility determinations to over 160,000 Oregonians. Some of the services accessed by individuals include:

- Medical assistance (Oregon Health Plan and Medicare premium assistance)
- Disability determinations
- Supplemental nutrition assistance

This caseload is growing rapidly and is served by eligibility staff only; case management services are not provided to individuals accessing only the services above. Approximately 35,000 of the 160,000 individuals APD serves access long-term care services and supports. For these individuals, case management services are provided, which generally consists of assessment, choices counseling, service plan development, and monitoring. Additionally, local offices have memorandums of understanding (MOUs) with local Coordinated Care Organizations. These MOUs focus on joint accountability for coordinating care for individuals accessing long-term care services. State and Area Agency on Aging (AAA) case managers will be the front line in ensuring effective care coordination occurs for individuals served by APD's long-term care system.

Local staff also license adult foster homes, including those that do not participate in Medicaid. Local staff provide adult protective services, consisting of investigations of abuse and neglect against seniors and people with disabilities.

APD has historically earned local service delivery staff through a caseload ratio model (e.g. one eligibility worker for every 500 cases). For the 13-15 biennium, the Legislature authorized the transition to the workload model. This model differs

from the caseload ratio model in that it measures time required to perform tasks and captures work performed for individuals who are never found eligible. However, the model has fallen out of date recently and needs an overhaul.

The delivery system is comprised of both state staff and AAA staff located in communities throughout Oregon. Under ORS 410.270, AAAs have the right to elect to deliver Medicaid services locally. Currently, four AAAs have elected this option. These four AAAs (Multnomah County, Northwest Senior and Disability Services, Oregon Cascades West Council of Government, and Lane Council of Governments) serve the most populous areas of Oregon. With the exception of Washington and Clackamas counties, state staff serves areas with lower population densities.

The Oregon Home Care Commission (HCC) is also included in the Design and Delivery Program Area. Under Oregon's constitution, the HCC is responsible for ensuring the quality of home care services for seniors and people with disabilities. The Commission maintains a web-site of home care workers that can be accessed by all Oregonians, including those not served by Medicaid. Training is provided to both consumers and home care workers in a variety of areas addressing safety and quality. The efforts of the HCC are critical to the successful delivery of long-term care services to Oregonians.

APD's Design and Delivery area also includes the staff that design and administer services centrally. Some of the major services provided include:

- Negotiating system design with federal partners
- Developing program policy and maintaining administrative rules
- Paying providers
- Executing contracts
- Negotiating and implementing collective bargaining agreements
- Maintaining provider rates

Program Justification and Link to Focus Areas

There is a direct link between this program and the goal of Safer, Healthier Communities. The APD Delivery system supports individuals living in their communities in settings of their choice, whether in their own home, a community-based care facility or a nursing facility. Partnerships between local law

enforcement, local court systems, and local advocates are critical to ensuring the senior and disability populations are protected from neglect and abuse.

Enabling Legislation/Program Authorization

Oregon Revised Statutes 410.070 charges the agency with primary responsibility for the planning, coordination, development, and evaluation of policy, programs and services for older adults and people with disabilities in Oregon. Area Agencies on Aging have universal responsibilities as articulated in ORS 410.210.

Additionally, ORS 410.270 authorizes Area Agencies on Aging to perform services locally that would otherwise be administered by state staff if they elect to do so.

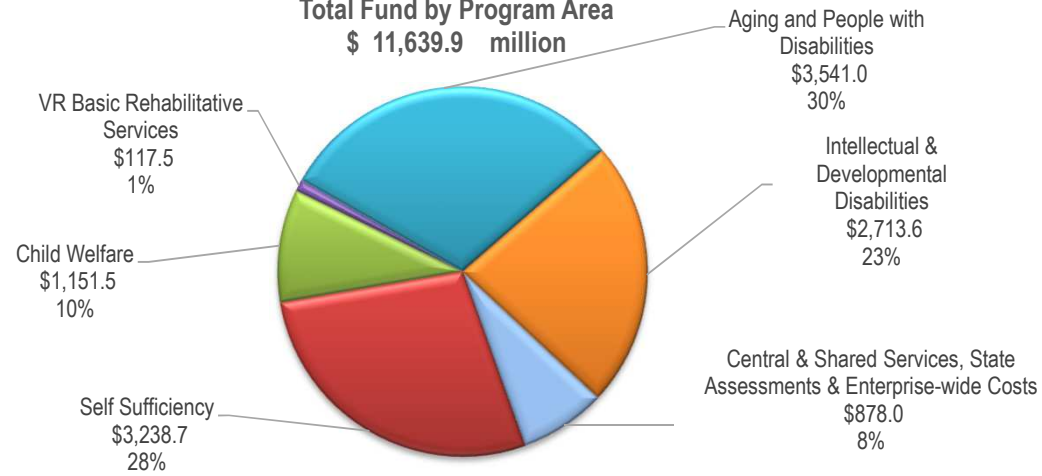
Funding Justification and Significant Changes to CSL

Aging and People with Disabilities - 2019-21 POP Requests						
	GF	OF	FF	TF	Positions	FTE
121-Community Based Care Medicaid Access Package	3,349,725		2,226,050	5,575,775	25.00	25.00
TOTAL	\$3,349,725	\$0	\$2,226,050	\$5,575,775	25.00	25.00

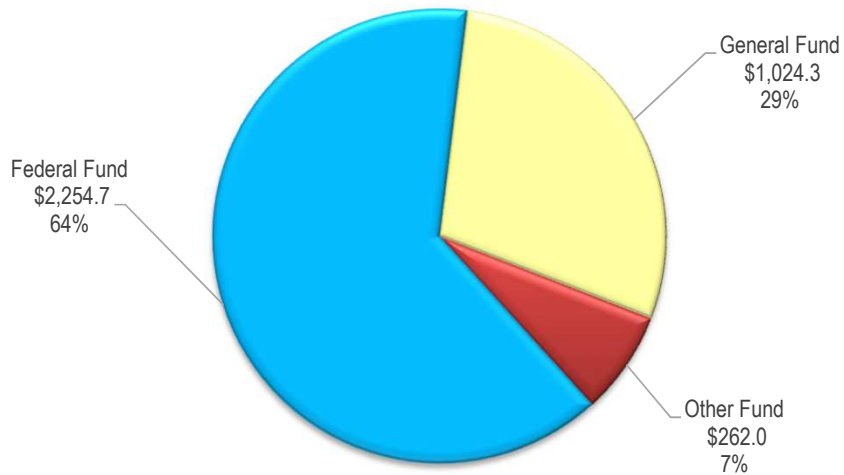
POP 121

This policy option package is intended to protect and secure additional access to community-based care for Medicaid long term care consumers. This package provides a 10 percent increase to adult foster home providers effective 1/1/20 and another 4 percent increase effective 7/1/20 for a total of \$5 million in general funds. These increases are designed to recalibrate existing disparities to reverse the trend of lost access in the last five years. The package also adds a 5 percent increase effective 7/1/19 and a 5 percent increase effective 7/1/20 to assisted living, residential care, memory care and in-home agencies. Funding is also provided for anticipated increases in the upper payment limit for APD Program of All Inclusive Care for the Elderly programs. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community-based care settings.

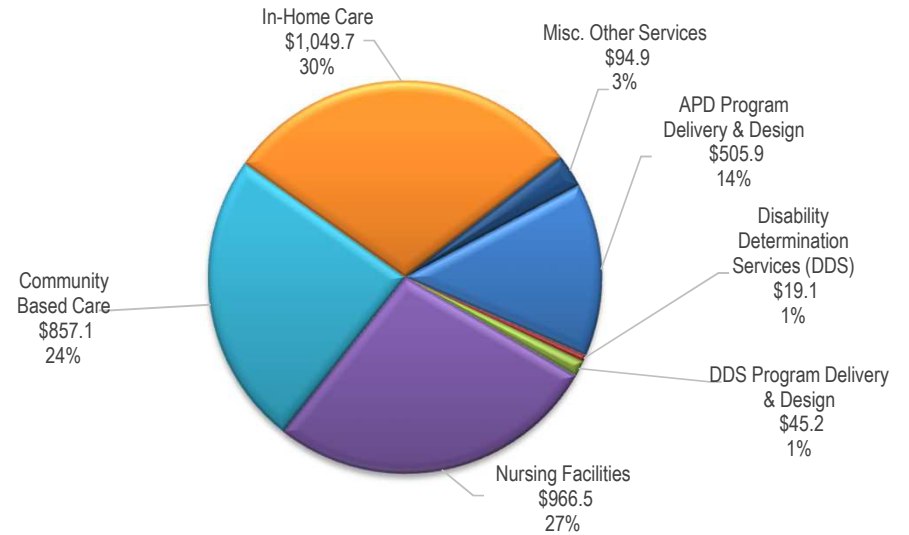
**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**

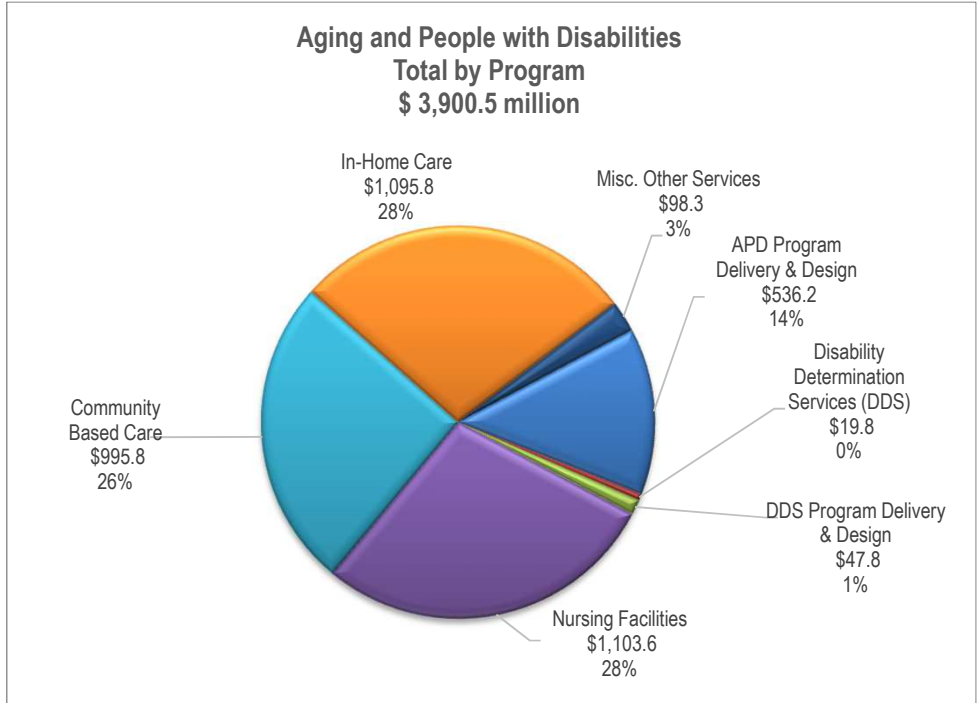
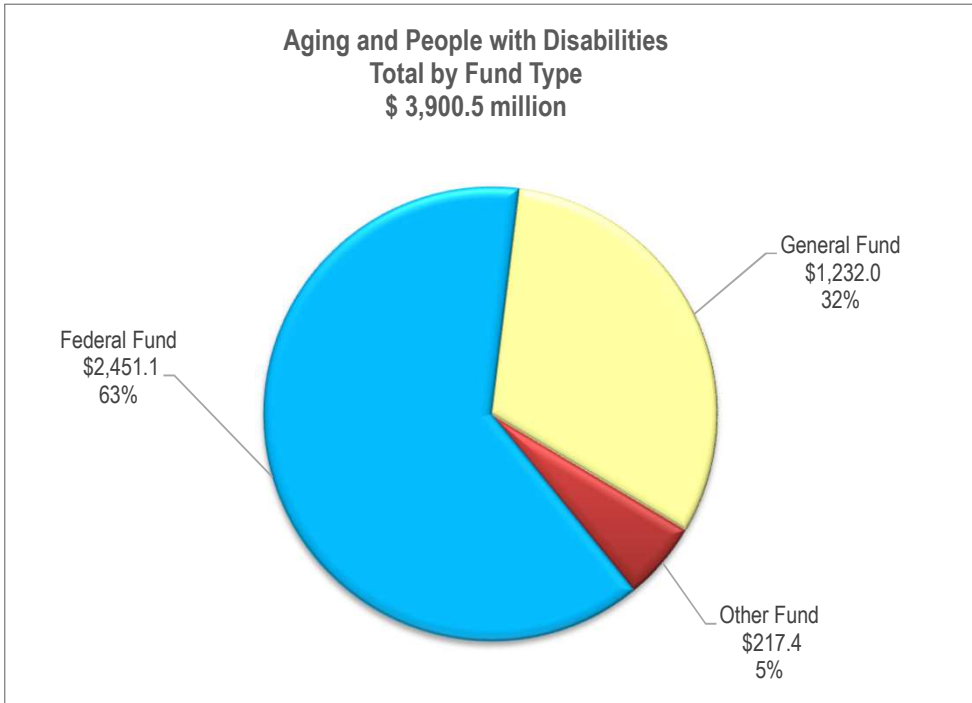
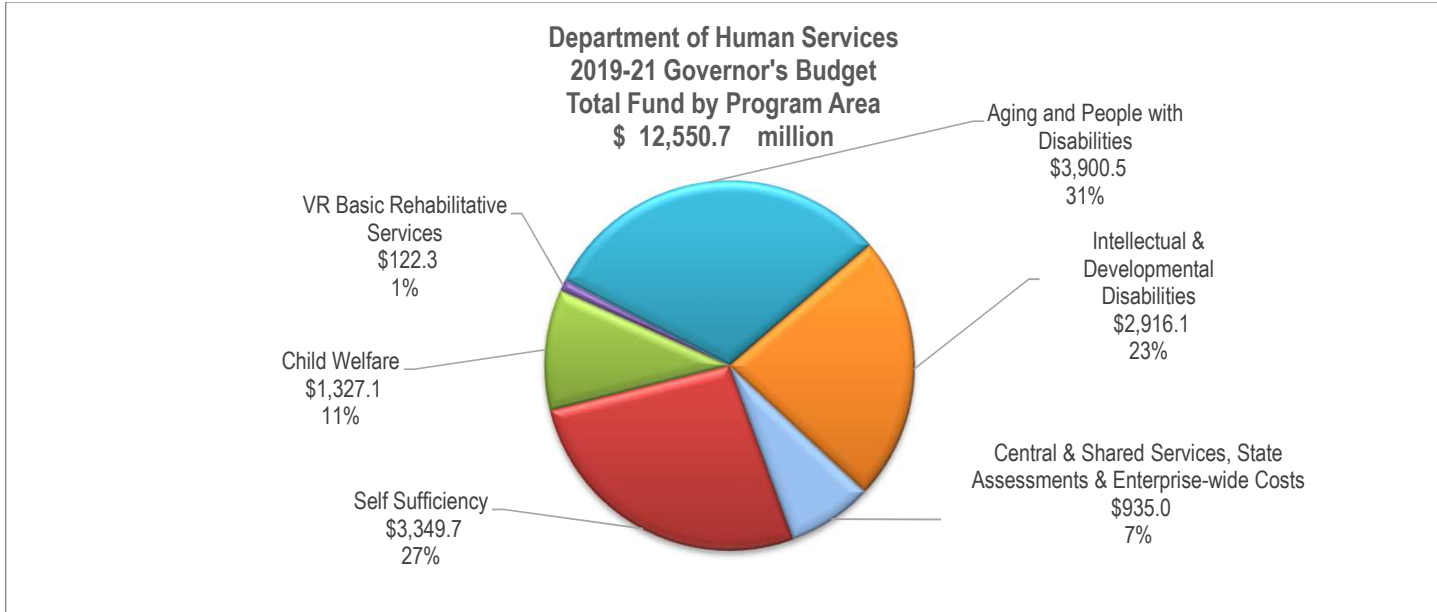


**Aging and People with Disabilities
Total by Fund Type
\$ 3,540.7 million**



**Aging and People with Disabilities
Total by Program
\$ 3,540.7 million**





Department of Human Services

Intellectual and Developmental Disabilities Services Program

Mission

The Department of Human Services Intellectual and Developmental Disabilities (I/DD) Services program provides support across the lifespan to Oregonians. ODDS, stakeholders, and the developmental disabilities community come together to provide services, supports, and advocacy to empower Oregonians with intellectual and developmental disabilities to live full lives in their communities.

Vision

People and families access quality supports that are simple to use and responsive to their strengths, needs and choices, while they live and thrive as valued members of their community.

Program

The I/DD program fulfills its mission and carries out its responsibilities while adhering to the following values:

- Choice, self-determination and person-centered practices
- Children and families together
- Health, safety and respect
- Community inclusion and community living
- Strong relationships
- Service equity and access

We have worked with a diverse group of stakeholders representing all areas of the I/DD service delivery system to develop a strategic plan that will guide our work for the next biennium and beyond. The Mission, Vision and Goals included here reflect that effort and the plan itself.

As a result of the state's adoption of the Affordable Care Act's Community First Choice Option (or K Plan), an increased number of children and adults with I/DD are able to access Medicaid-funded, community-based services to meet their needs, instead of having to meet crisis eligibility in order to access appropriate support.

We seek to achieve the following strategic goals:

- Create a system that is sustainable, easy to use, with effective communication and equitable access.
- Honor and support people to make their own choices about who they want to be and what they want to do in their life.
- Support equal opportunity for living options and meaningful employment in an integrated community setting.
- Provide families the amount and type of supports they need to raise their children at home, or when necessary, in another family home within their community.
- Support health and safety while people live rich, full lives.

People We Serve

The I/DD program serves people with intellectual disabilities (IQ 75 or below) or developmental disabilities such as autism, Down syndrome and cerebral palsy. These disabilities are lifelong and have a significant impact on the person's ability to function independently. Some people with I/DD may also have significant medical or mental health needs. Most people with I/DD meet Medicaid financial eligibility requirements.

Community First Choice Option Services

Historically, the I/DD service system was comprised of three basic components. There were two separate program service areas — Support Services and Comprehensive Services. The third major component was program design and delivery. While program design and delivery remain the same, Support and Comprehensive Services are now primarily offered through the Community First Choice Option (CFCO).

Under CFCO, eligible persons must receive a functional needs assessment that informs the planning process. They also participate in a person-centered planning process that focuses on the person's strengths, community engagement, personal goals and outcomes. That planning process results in an annual plan, the Individual

Support Plan (ISP), that documents the services the person will access in order to meet their goals. Together, the functional needs assessment and ISP inform the amount and/or rate for services that are available to the person.

Program Services

I/DD offers a broad array of services to optimize choice and offer an array of cost-effective services based on functional need. Importantly, implementation of CFCO expanded access to children with I/DD and eliminated the hard cap that had been in place for adults who receive in-home services. Since implementation of CFCO, Oregon has increased the number of children with I/DD who receive services and adults no longer have to be in crisis to receive 24-hour supports in an out-of-home setting.

The shift to CFCO required that most I/DD services be categorized as attendant care. This shift has been challenging for the system because people with I/DD, their families, providers and advocates were more familiar with Oregon's important history of self-directed and strengths-based support system. A new strategic plan that upholds this commitment and sets out steps to reorient the system is now underway. This strategic planning process resulted in a firm understanding that the person, their family and the goals they want to achieve remain at the core of our system. This process also commits the agency to develop a Service Equity Plan to reach out to underserved populations and to the removal of barriers to access, providing services by staff with the appropriate cultural and linguistic capacities.

ODDS has also converted its Comprehensive and Support Services Waivers into a Children's Waiver and an Adults' Waiver as part of its work to reorient the I/DD system to focus on person-centered planning. The new waivers will apply to all settings, simplify and streamline the federal authorities under which I/DD services are provided, and allow the I/DD system to tailor services to children and adults in the future.

Attendant Care

Attendant care provides support for people to perform activities of daily living and instrumental activities of daily living (ADL/IADL). With CFCO, this is the primary service available to people with I/DD. Most Support and Comprehensive Services are considered attendant care services and are generally categorized based on the setting where the person lives.

Services that now fall under attendant care include:

- In-home supports for children and adults
- Children's intensive in-home services
- 24-hour services:
 - Group home for children and adults
 - Adult and child foster care
 - Supported living (adults only)
- Day supports
- Stabilization and Crisis Unit (SACU)

In-home supports for children and adults

These services are designed to provide ADL/IADL supports in the home or in the community. Children that receive these supports live with family, and adults live either with family or in their own home. In-home services are provided to a majority of individuals served by the I/DD program. As a result of the expanded accessibility to these services, I/DD anticipates a continued increase in the use of this service over the 2019–21 biennium. However, based on an analysis that compared Oregon with other states that also serve everyone that meets the state's I/DD eligibility requirements, we expect the growth in the number of children coming into services to begin to slow during the 2019-21 biennium.

When families are supported to provide the core care that also meets linguistic and cultural standards of service, even people with the most significant needs have active and engaged lives in their community. Without in-home services, many individuals would require much more expensive out-of-home services such as group or foster homes.

Persons who remain in their own home or with their family and have changes in support needs can access interim or short-term services. Interim services may include increased attendant care, behavior consultation or technical assistance to determine if an intervention will assist in maintaining the current placement. Depending on the change in support needs, environmental modifications may also increase the individual's likelihood of remaining at home.

For both children and adults, in-home services are provided by Personal Support Workers (PSWs) or certified provider agency Direct Support Professionals (DSPs).

Personal Support Workers are directly hired by the person or their employer representative. Direct Support Professionals are employees of private organizations that contract with the state to provide services.

Children's Intensive In-Home Services (CIIS)

These services consist of three model waiver programs which provide intensive supports in the family home. One of these programs is for children with intensive behavioral issues who, without supports, would require specialized out-of-home services. The second program is for children with medical conditions who, without supports, would require nursing home services. The third program is for children with intense medical needs. These children are dependent on life support technology such as ventilators that, without these in-home services, would require a hospital setting. With the implementation of the Community First Choice Option, children who do not have the intensive needs described above may now be able to access in-home support services through their local Community Developmental Disabilities Programs (CDDP) upon completion of a needs assessment and an Individualized Support Plan (ISP).

24-Hour Services

These services are for children and adults who can no longer remain at home or adults who choose to receive services in a 24-hour setting. Under CFCO, these services are also categorized as attendant care. These services are primarily 24-hour supports, usually provided in settings outside the family home through group home, supported living or foster care providers.

These important services provide an alternative to institutional care. Community-based care, as opposed to institutional care, remains a less restrictive and more cost-effective program. In this setting diverse recruitment and the ability to provide linguistically and culturally appropriate services are fundamental to removing barriers to service access. Group home and supported living services are provided by private organizations that contract with the state. Adult foster care providers are represented by the Service Employees International Union (SEIU). Child foster care providers are private providers licensed through either Child Welfare or the local Developmental Disabilities office.

People usually receive 24-hour services when they are unable to stay at home on their own or with their family. This may be due to a person's needs or the caregiver's ability to continue providing services.

Children with disabilities enter 24-hour comprehensive services as a voluntary placement because the intensive needs of the child cannot be met in the family home or may be involuntary through child welfare action. Child Welfare programs maintain responsibility for the court relationship, but I/DD provides the specific disability-related care.

Day Services

Day services are available for people who are over 18 and out of school. Many adults receiving 24-hour services also receive ancillary day services. These services are available for about 20–25 hours a week for out-of-home activities, including employment-related activities. Adults receiving in-home supports are also able to receive day services as part of their attendant care. Day support activities that fall under the category of attendant care are provided through CFCO and provide supports promoting integration, independence, and participation in the person’s community.

Transportation

Non-medical transportation is also provided to help persons with I/DD in in-home and 24-hour services when public transportation is not available, or not feasible, to help them participate in employment or other services.

Stabilization and Crisis Unit (SACU)

SACU is a 24-hour service provided under the CFCO. SACU provides a safety net for Oregon’s most vulnerable, intensive, medically and behaviorally challenged people with I/DD. SACU provides services when no other community-based option is available for a person. This includes persons with I/DD coming out of the Oregon State Hospital, corrections systems, and from crisis situations where counties and private providers cannot meet the needs of the person to ensure health and safety. SACU focuses on supporting people in community-based settings and enabling them to return to less intensive service levels as quickly as possible.

SACU provides 24-hour residential and day supports to people with I/DD from across the state who have significant medical or behavioral needs. The services are provided in licensed five-bed group homes.

SACU started in 1987 when Oregon began moving all persons with developmental disabilities living at the state institution (Fairview Training Center and Eastern Oregon Training Center) to private providers. There were a small number of people with complex medical or behavioral needs who could not yet be supported by private providers.

From the first homes that were opened by SACU to today, the profile of the people served has changed. As private agencies increase their skills to meet challenging needs and agree to provide services, the person who needs a safety net has changed. In the past, the numbers of people with intensive behaviors often had a diagnosis of autism. Today, intensive behaviors are more related to co-occurring mental health diagnosis and/or personality disorders.

Ancillary Services

In addition, people with I/DD served through I/DD are able to access vital ancillary services. Examples of these services include:

- Behavioral consultation
- Assistive devices
- Assistive technology
- Long-term care community nursing
- Environmental modifications
- Specialized nursing

Case Management

These services are provided through certified entities called Support Service Brokerages or through Community Developmental Disabilities Programs (CDDPs). CDDPs support children and adults while Brokerages support adults in in-home settings.

CDDPs are responsible for eligibility determination and redeterminations, protective service investigations and foster care licensing and reviews. After eligibility is established through the CDDP, adults who live in in-home settings can choose to be served by the CDDP or a Brokerage.

A functional needs assessment is administered to determine the person's level of need and the amount or rate of services that will be available. The Services

Coordinator (SC) or Personal Agent (PA) then works with the person, family and others important in the person's life to complete an individual support plan (ISP) and a career development plan (CDP). They then work with the person to identify necessary supports required to meet the needs identified through the assessment and the goals identified in the ISP/CDP.

Employment First Policy

This policy states that employment in fully integrated work settings will be the first and priority option explored in service planning for all working-age and transition-age persons with I/DD. This policy is based on the general philosophy that persons with developmental disabilities have the ability, with the right supports, to be productive and contributing members of their communities through work. This philosophy also recognizes intrinsic and financial benefits of paid work to the persons with disabilities and their families. To support the policy and philosophy of fully integrated work settings, since July 1, 2015 the department no longer funds services for new people to enter sheltered workshops. Employment services are also provided consistent with the provisions and expectations of Executive Order 15-01, "Providing Employment Services to Individuals with Intellectual and Developmental Disabilities," reissued in January 2015.

Employment Services

These services have been strengthened and improved as part of the important Employment First initiative. I/DD has restructured employment services to encourage integrated, competitively paid employment for people with I/DD. Employment services are no longer bundled with attendant care services, they have been broken out into discrete services to support people as they learn about, find and maintain employment. Employment services are not offered through the CFCO, they remain available through the Medicaid waiver.

Employment services include:

- Employment path
- Job discovery
- Job development
- Job coaching
- Small-group supported employment

Family Support Services

These services are available to any family with a child with I/DD and under the age of 18 that is not eligible for Medicaid. The program offers minimal support services with the most common request being for respite care.

All children in this program have case managers through their county CDDP and state-funded services are allocated based on need. Most children are also in school programs and the case manager coordinates between school and home. Family support services can be more cost effective by allowing the family to support the child with a small amount of funding, without accessing Medicaid.

Family-to-Family Networks

These family-driven networks provide training, information, referral and general support with families providing support among one another. Just having another family to connect with or problem solve with is often what it takes to be supported in the family home.

Program Design and Delivery

Staff and services support the administration of I/DD programs through a central office providing strategic planning, program funding, policy development, general oversight, and technical support to community services and support and leadership for various advisory councils.

The structure for service delivery and design includes a central program administration office within DHS and contracted services with Community Developmental Disabilities Programs (CDDP) and Brokerages. Contracted CDDPs, usually operated by county government, are responsible for service eligibility determination, program enrollment, case management, and abuse investigations. Brokerages provide case management services, including assessment and service planning for adults in-home.

Quality Improvement

In 2017 the I/DD program created a Quality Improvement unit. This unit is responsible for coordinating quality assurance and quality improvement activities for I/DD services. This includes performing regular quality reviews of Brokerages and Community Developmental Disabilities Programs, overseeing Licensing

activities, coordinating with Abuse Investigator Specialists (AIS) and Office of Training, Investigations and Safety (OTIS), establishing quality metrics for I/DD, collecting and analyzing data to measure overall system performance and to inform policy decisions.

Brokerages and Community Developmental Disabilities Programs (CDDP) field reviews

The I/DD Quality Assurance unit conducts field reviews on a two-year cycle in each CDDP and Brokerage. The reviews are focused on ensuring Centers for Medicare and Medicaid Services (CMS) Assurances are met through performance measures approved by CMS. The reviews assist I/DD in identifying program specific strengths and areas requiring improvement allowing for focused training and technical assistance. The reviews assist with identifying individual issues needing to be corrected as well as allow for analyzing common trends across the state that may suggest a need for system changes, improvements, best practices and training.

I/DD Licensing Unit

The Intellectual/Developmental Disabilities (I/DD) Licensing Unit oversees a statewide program responsible for licensing and the quality of care in programs serving persons with I/DD, including the licensing of adult foster homes and 24-hour residential facilities. It oversees, and is responsible for, the Medicaid-agency certification of agencies and the endorsement of 24-hour residential programs, supported living programs, and employment programs. It also certifies Support Service Brokerages and Child Foster Homes throughout the state. Through licensing and certification the DD licensing team ensures that providers of services comply with requirements for federal and state reimbursement. The I/DD Licensing team conducts complaint investigations and determines necessary corrective action up to and including civil penalties or revocation of a license or certificate.

History — Future Trends

Oregon is recognized nationally as an innovative leader in developing community-based services for persons with I/DD. Oregon is one of the few states that have no state or privately operated institutional level services specifically for people with developmental disabilities. In fact, the majority of persons with

developmental disabilities in Oregon are served in their own home or their family's home.

This results from two decades of work to aggressively “re-balance” the developmental disabilities system by moving from an institutional model with expensive, one-size-fits-all approach to a self-directed, family involved, individually focused, culturally appropriate, and less expensive approach to service. People with I/DD and their families report a high level of satisfaction through increased control over services, the ability to more fully integrate in their home communities and the benefits of home community life.

Nationally, and in Oregon, the number of people with developmental disability-related needs is growing. There also is an increase in the number of people who need services that have co-occurring mental health needs or are coming to us from the corrections system. To reach underserved or underrepresented communities, more consistent and deliberate efforts are needed to build a diverse work force capable of delivering linguistic and culturally targeted services. However, to further advance the inclusion of people with I/DD in their communities of choice, and to serve the increasing number of people with I/DD accessing services, efforts to ensure the long-term sustainability of the system must continue.

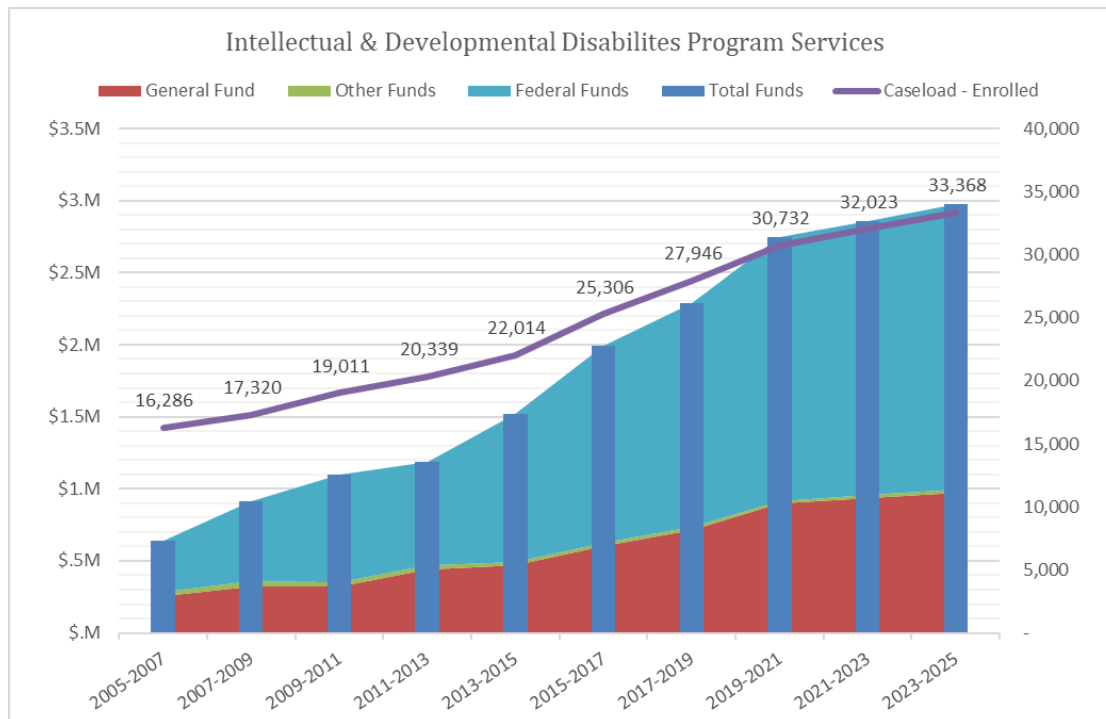
Department of Human Services: Program Services

Primary Long-Term Focus Area: Safer and Healthier Communities

Secondary Long-Term Focus Area:

Program Contact: Lilia Teninty

Program Services – Caseload and Funding



Note: Effective 2013-2015, K Plan increased enrollment as well as lifted spending caps.

Program Overview

Oregon home- and community-based services for people with intellectual and developmental disabilities are provided under several Medicaid authorities including Community First Choice Option (CFCO), also known as K Plan; and five 1915(c) waiver programs. ODDS also operate a small Family Support Services program funded by state general funds providing limited flexible supports for individuals and families.

Currently, ODDS home- and community-based services support more than 27,000 adults and children with intellectual and developmental disabilities to live their lives in their communities. About 12,000 of them receive services in their own of family homes.

Program Funding Request

I/DD Program Services	GF	OF	FF	TF
17-19 LAB	\$ 716,089,734	\$ 19,440,505	\$ 1,551,950,957	\$ 2,287,481,196
19-21 GB	\$ 810,882,074	\$ 26,267,597	\$ 1,631,122,668	\$ 2,468,272,339
Difference	\$ 94,792,340	\$ 6,827,092	\$ 79,171,711	\$ 180,791,143
Percent change	13%	35%	5%	8%

Program Description

Oregon home- and community-based services for people with intellectual and developmental disabilities are provided under several Medicaid authorities including Community First Choice Option (CFCO), also known as K Plan; and five 1915(c) waiver programs. Supports provided under K Plan are services such as attendant services that support individuals in accomplishing activities of daily living and instrumental activities of daily living (ADL/IADL), relief care, behavioral support services, transportation, environmental modifications, and assistive technology and devices.

Adult and Children Waivers provide services such as case management, employment services, and other ancillary services (direct nursing services, specialized medical supplies, environmental safety and vehicle modifications, and family training). Services through the Children's Waiver are provided to children in all settings, including family homes, group homes, foster care through County Developmental Disabilities Programs (CDDPs). Services through Adult Waiver are provided to adults, age 18 and older. Adults receiving service through CDDPs may reside in all settings including their own homes, family homes, supportive living, group homes, and foster care. Adults served through Support Services Brokerages receive services in their own or family home. Individuals receiving services through either waiver can access all K Plan services. Under CFCO, an individual can elect to live in any setting of their choice, but it may impact whether they receive case management support through CDDP or Brokerage.

Of the 27,159 individuals enrolled in services (June 2018 Variance Report), 3,033 live in 24-hour group homes, 3,289 in foster homes, 690 in supported living. 11,644 individuals, who receive I/DD services in addition to case management, reside in their own or family homes. 7,617 of the adults served at home receive case management support through Support Services Brokerages; 11,236 adults living in all settings receive case management through CDDP system. In-home

support services average approximately \$2,195 per month per individual while out-of-home services average approximately \$6,727 per month.

For both children and adults, the direct care services are provided through Personal Support Workers (PSWs), provider agencies, behavior consultants, and respite providers. Personal Support Workers were provided collective bargaining rights in 2010 through HB 3618.

Employment services

ODDS currently offer supported employment services, such as job development, job coaching, supported small-group employment, discovery, and Employment Path. Discovery and Employment Path help individuals explore and learn skills to help them gain competitive integrated employment. These services are currently provided through the Comprehensive and Support Services Waivers.

People who are employed in the community have the highest level of integration and have stronger social networks. The more people with developmental disabilities can achieve paid employment, the less dependence there is on public resources and the greater the state's flexibility in designing future services that respond to the need of this population.

Oregon has been very successful in developing community-based care to move away from institutions as a model of care. Individuals with developmental disabilities fully engaging with their communities brings positive outcomes while being fiscally beneficial. Based on new federal requirements, community employment services will be the only employment services to receive federal funding as of March 2019.

Model Waivers

ODDS administer three Model Waivers through the Children's Intensive In-Home Services (CIIS) unit: Medically Involved Children's Waiver, Medically Fragile Model Waiver, and Behavioral Model Waiver for children. Currently, these waivers serve about 388 kids. Children receiving service through Model Waivers are also able to access K Plan services. These services are substantially the same as individuals served through the Comprehensive and Support Services Waivers, including attendant services, relief care, behavioral support services, environmental modifications, and assistive technology and devices.

Family Support Program

Limited supports for children are offered by ODDS through the Family Support Program and are available to any family of a child under age 18. The program is funded by general fund and offers flexible supports with the most common request being for attendant care and respite services. On average, during 2017-19 biennium, the program served 33 families per month at an average monthly cost of about \$34. Surveys tell us this support is of immense value to families. All children in these programs have case managers through their county Community Developmental Disabilities Program (CDDP).

Family-to-Family Networks

ODDS also provide \$1.24 million in funding to the Oregon Consortium of Family Networks (OCFN) with support and technical assistance through Oregon Council on Developmental Disabilities (OCDD). OCFN collaborates with community partners and others to help families have an empowered vision of a full life for themselves and their children. They facilitate opportunities for families to support each other in accessing the information they need, navigating the many systems they encounter, and helping local community resources increase capacity to include and welcome families experiencing disability. OCFN believes that supporting families in this way will improve their quality of life and support greater sustainability of the formal support system over the long term.

Program Justification and Link to Focus Areas

ODDS service and supports for people with intellectual and developmental disabilities link to the Safer, Healthier Communities area through its focus on individuals with intellectual/developmental disabilities (I/DD) to ensure they are healthy and have the best possible quality of life in their communities among families and friends and are working or attending school to achieve their greatest potential. Additionally, ODDS continuously work to ensure that services are provided in a linguistically and culturally competent manner.

When compared to the entire Medicaid population, adults in the Medicaid-funded home- and community-based services with I/DD are uniquely more reliant on the

service system to make lifestyle changes and to adequately access health care. Funding I/DD programs to support the necessary lifestyle choices that reliably and consistently follow through with medical recommendations will result in significant cost savings to the state's medical programs. Families and case managers are critical to help with health care coordination in the communication and implementation of treatment.

I/DD services are critical to the financial stability of a family and to the person with intellectual/developmental disabilities. With supports, families are not forced to decide between working and supporting their family member. It is also important that working-age adults with developmental disabilities are supported to work. Oregon has implemented an Employment First policy. This prioritizes individuals in actively engaging in developing work skills and defining work interests, pursuing job development or being employed in the community, and receiving support to maintain employment.

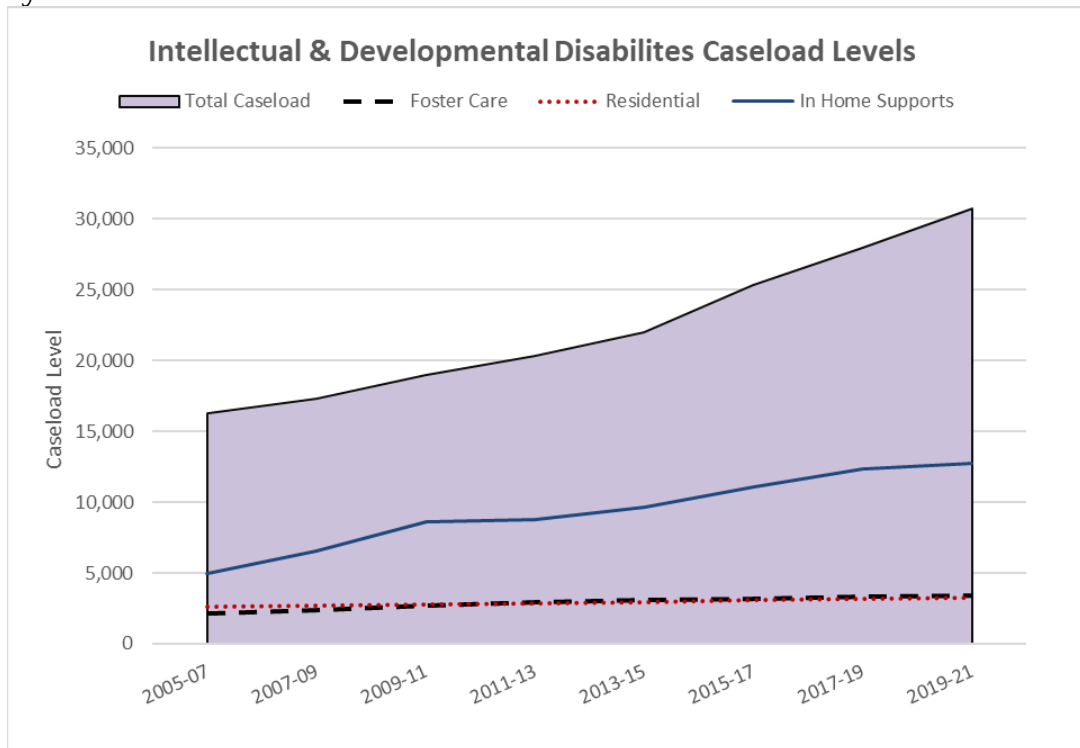
Executive Order 15-01 (which supersedes and replaces Executive Order 13-04 (issued in April 2013)) directs state agencies to take numerous steps that will advance the State's Employment First policy in Oregon. The goal of this Order is to further improve Oregon's system of designing and delivering employment services to those with intellectual and developmental disabilities in achieving integrated employment, including a significant reduction over time of state support of sheltered work and an increase in investment in employment services. The Order covers the time of July 1, 2014 through July 1, 2022 and specifies certain benchmarks and metrics to be achieved each year.

Individuals with intellectual/developmental disabilities who are employed may provide additional resources for their family unit. In addition to being happier and healthier, individuals with I/DD who are employed broaden their network of supports, contributing to the Thriving Oregon Economy focus area.

The success of having people live with families for as long as they can is dependent on the families themselves being supported. In the 2015-2017 budget, funding was provided to the Office Developmental Disabilities Services for a total of eight Family-to-Family Networks. These are family-directed organizations that provide education, resource connections, and personal outreach and support to families experiencing similar needs.

Program Performance

Supporting individuals to live at home or live on their own is the most desirable outcome for people with I/DD and is most cost effective for the state. The number of people supported at home has been the largest area of growth in the I/DD system.



Spring 2018 Forecast

Enabling Legislation/Program Authorization

Oregon Revised Statutes 427.005, 427.007, and 430.610 through 430.695 enable the provision of family support for children with developmental disabilities.

Oregon Revised Statutes 427.410 enables the provision of Support Services for adults through Support Services Brokerages.

At the federal level, in addition to all applicable Medicaid statutes and regulations, services must comply with the Title II of the Americans with Disabilities Act (ADA) of 1990 and Section 504 of the Rehabilitation Act of 1973. Compliance with these federal laws is subject to the U.S. Supreme Court's Olmstead Decision of 1999 and the U.S. Department of Justice's interpretation of that decision as it relates to the ADA and Rehabilitation Act. The Olmstead ruling applies.

Funding Streams

The services are designed and approved using a Medicaid 1915c Home and Community-Based Waivers, and primarily, the Community First Choice Option in the Medicaid State Plan. The program funding match rate is 63 percent Federal funds and 37 percent State General Funds for waiver services and 69 percent Federal funds and 31 percent State General Funds for State Plan services.

Funding Justification and Significant Changes to CSL

129 Expand Support to Kids with Significant Needs

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$7,749,683	\$0	\$16,277,095	\$24,026,778	0	0

Additional funding included in Design & Delivery Bid Form.

There are inadequate resources to serve children who experience an intellectual or developmental disability with significant support needs. This has led to a crisis that is widely recognized and is being discussed and considered in a number of forums. The result is that children with significant, cross-system needs are placed in inappropriate or inadequate settings. This includes children with I/DD under DHS care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital, or highly restrictive environments. Many of these children are living in the family home, with families barely managing to support these extremely high-needs children.

ODDS is proposing to address the lack of resources by a) creating a new foster care service level, "enhanced foster care", that will increase residential capacity by allowing children and youth to step down from more restrictive group home settings (similar to 'proctor care' that ended several years ago), and b) appropriately expanding residential group home capacity, and c) expanding the capacity in the waiver programs that support children with intensive medical needs in their family homes.

Reductions taken for 2019-2021 GB:

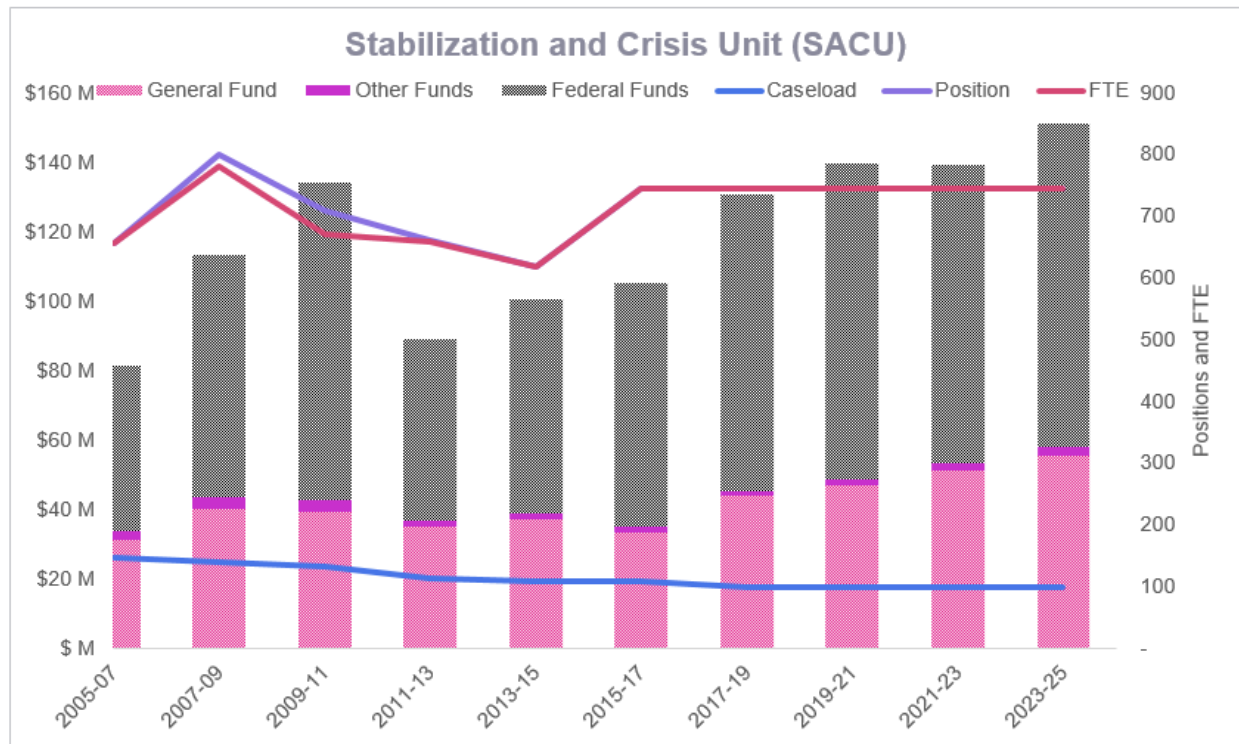
- The budget proposes expending the remaining balance of \$6 million general fund in the Fairview Housing Trust Funds.
- The budget proposes a reduction of \$2 million general fund to Employment services for lower than anticipated usage of Job Coaching hours.

Department of Human Services: Stabilization and Crisis Unit (SACU)

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area: N/A

Program Contact: Brad Heath



*A 7 percent overall budget reduction occurred in 2011.

Program Overview

The Stabilization and Crisis Unit (SACU) provides a safety net for Oregon's most vulnerable, intensive, behaviorally and medically challenged individuals with intellectual and developmental disabilities. This includes people with developmental disabilities coming out of crisis situations, including hospitals, correctional systems, and private providers who cannot meet the needs of the individual to ensure their health and safety. Almost all individuals served by SACU present with dual diagnosis of mental health and I/DD issues. This program is an integral part of the overall intellectual/developmental disabilities continuum of services. SACU focuses

on supporting people in community-based settings and preparing them to return to less intensive service levels once stabilized.

Program Funding Request

INTELLECTUAL & DEVELOPMENTAL DISABILITIES SACU	General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
2017 - 19 LAB	43,717,322	1,430,612	85,442,234	130,590,168	745	745.00
2019 - 21 GB	44,673,528	1,466,880	85,627,051	131,767,459	745	721.00
Difference	956,206	36,682	184,817	1,177,705	0	(24.00)
Percent change	2.2%	2.6%	0.2%	0.9%	-	(3.2%)

Program Description

SACU provides 24-hour residential services to individuals with intellectual/developmental disabilities who have significant behavioral, mental health/medical care needs. The services are provided in licensed 5-bed group homes located across six counties from the Portland metropolitan area south to Eugene.

As individuals enter SACU, staff work with each person to modify behaviors and increase individual skills. Many of the individuals supported have frequent and intense behaviors and staff may provide physical interventions as trained through the Oregon Intervention System (OIS). All individuals have focused behavioral protocols that require frequent staff training and a high level of data collection and review. The program utilized a person-centered approach and complies with all state and federal regulations.

There is an active referral list of adults and children waiting to enter SACU. Before entry into SACU, individuals are first referred by the CDDP to community-based providers across the state but when they are denied or terminated from a current provider program, they move to a SACU placement. Nearly all individuals served have co-morbid (co-occurring) disorders of mental illness and intellectual/developmental disability and mental illness. The acuity level of challenging behaviors requires intensive 24-hour supervision and behavioral support services to ensure the safety to themselves and the community. Challenging behaviors range from aggression toward people or property including self-injurious behaviors. SACU also supports up to 10 individuals with medically fragile conditions that require 24-hour nursing care and support services.

More than 50 percent of these individuals have a history of criminal charges and/or current or pending legal sanctions. The convictions range from such crimes as assault, criminal mischief, theft, harassment, public indecency, possession, rape, sex abuse, and murder. A number have legal sanctions as a result such as parole, probation, Psychiatric Security Review Board (PRSB), or are registered sex offenders. Some are civilly committed as they have been found to be a danger to themselves or others. The majority of individuals referred to SACU have an identified need for a secured facility due to their risk of flight and/or offensive behavior. In addition, a large percentage of individuals require facilities where housing modifications are implemented to avoid injury to self and others.

SACU serves 79 adults who need acute stabilization and crisis services. These individuals have been identified due to extreme behavioral and psychiatric needs that have not been successfully provided in the community.

SACU has 10 beds available for children (up to 18 years old) who are in acute crisis situations and require stabilization. These children come from a variety of settings including the family home, foster care, 24-hour group home care, and institutional care. As of 2018, SACU is in the process of converting one five bed home from an adult home to a children's home in the Portland Area, increasing the total number of children's beds to 15 overall.

SACU serves up to 10 individuals in specialized medical facilities due to their fragile medical conditions and I/DD needs.

In all the homes, SACU staff provides services that ensure health and safety needs are met and that the individual has the ability to participate in the community. As the goal of the program is to have the individual live in the most independent, least restrictive community setting, it is important to ensure the individual can be supported in the same type of setting.

All of the individuals in SACU qualify for Medicaid, currently use the Oregon Health Plan and are served by Coordinated Care Organizations, to meet their medical needs. Since there are high medical, behavioral and mental health needs, the program treatment plans are critical for individual stabilization and coordination of health services.

From the initial homes established in 1987 through today, the profile of the individuals served by SACU has dramatically changed. As private agencies

increase their skills to meet challenging needs and are able to provide services, the individual who needs safety net services has changed. In 2000, SACU had six homes serving 30 people with high medical needs. Today these medical homes serve only up to 10 individuals. These individuals now receive care in community and nursing facilities.

In the past, the numbers of people with intensive behaviors were people who had a diagnosis of autism. Today, intensive behaviors are related to co-occurring mental health diagnosis and/or criminal convictions.

With the 2015-2017 budget, SACU completely transformed the organizational structure to increase efficiencies and lower injuries and overtime. The agency formed seven island structures within the existing three regions and created a staffing float pool, which allows for more flexibility in direct care staffing. SACU also created the Crisis Outreach Assessment Team (COAT), a rapid-response team that responds to an individual's crisis as it is occurring. COAT also completes mental health assessments allowing SACU to better support the individuals served. In addition, SACU contracted with a national consultant, Benchmark, to review SACU as a whole and make recommendations for improved services as well as individual and staff safety.

Program Justification and Link to Focus Areas

SACU links to the Safer, Healthier Communities focus area. SACU helps individuals with intellectual/developmental disabilities be healthy and have the best possible quality of life by helping them live in their communities and to work or attend school to achieve their potential. Stabilization and training are provided for adults and children who have entered the program in crisis. SACU helps individuals transition back into community settings with support from their families, caregivers, or private providers.

Individuals enrolled generally have no other alternatives for a residential placement. They are in crisis due to a family breakdown; discharge from a hospital, psychiatric or correctional setting, or discharge from a private provider who can no longer support them due to the intensity of their behavioral or medical needs. SACU provides a critical alternative to assist the person to return to a healthy and productive life through a high quality residential program, including community-based housing, appropriate nutritional and medical care, and interventions.

In addition, the safety net provided by SACU allows for targeted, community-based support to individuals in crisis or with otherwise unmet intensive needs, individuals receive the services they need for the time they need them, and are then assisted to transition back to families or private providers.

Program Performance

Staff ratios are quite high; at minimum all require a 1:1 staffing level. Many require a greater staffing level while in the community. The goal is to stabilize behaviors and health issues in a residential setting so that transition to a private provider is successful. Average length of stay for SACU adults overall (in both medical and behavioral beds) is 5.8 years which is down slightly from previous years.

SACU is focusing on placement of these long-term individuals in private care. These types of individuals, who can now be served by private providers due to improvements in community service skills and capacity, are no longer prioritized for this program.

SACU continues to build strong data tracking, including clinical data (individuals' incidents, medication errors, safety records, restraints, and a number of other elements), staffing data (ratios, overtime), and programmatic data (admissions, transfers, exits, length of stay). SACU uses this data to make programmatic changes.

Enabling Legislation/Program Authorization

Virtually all individuals served by SACU are funded through Medicaid Home and Community-Based Waivers and the 1915(k) Medicaid State Plan. The individuals served by SACU would be entitled to nursing home or intermediate care facilities for persons with Mental Retardation (ICF/MR) institutional services. Oregon no longer uses institutional care but the service would be required if we could not meet the need in the community.

Other federal laws and rulings that impact services delivered through SACU are the Americans with Disabilities Act and the Supreme Court Ruling on Olmstead, which generally require individuals to be served in least restrictive, non-institutional settings. Oregon commitment statutes in ORS 427 also require the State to provide care and custody to a person who presents harm to themselves or others, and SACU's status as the safety net is integral to accomplishing this.

Additional statutes that guide the delivery and program are found in ORS 412, 430, 409 and 410. The Oregon Administrative Rules (OARs) that govern the operations of SACU require that individuals be supported in the community and in pursuit of educational and vocational activities.

At the Federal level, in addition to all applicable Medicaid statutes and regulations, services must comply with the Title II of the Americans with Disabilities Act (ADA) of 1990 and Section 504 of the Rehabilitation Act of 1973. Compliance with these Federal laws is subject to the U.S. Supreme Court's Olmstead Decision of 1999 and the U.S. Department of Justice's interpretation of that decision as it relates to the ADA and Rehabilitation Act. The Olmstead ruling is relevant to SACU in that it requires all services allowed in the waiver, including SACU, are ones that create inclusion in the community equitably across the state.

Funding Streams

The services are designed and approved using a Medicaid 1915(c) Home and Community-Based Waiver and a 1915(k) Medicaid State Plan which provides a Federal match to the program's General Funds. The program funding match rate is 63 percent Federal funds and 37 percent state general funds for waiver services and 69 percent Federal funds and 31 percent state general funds for 1915(k) State Plan services. Based on their income level, some individuals also pay an other funds contribution toward their room and board costs.

Adjustments and Reductions for Governor's Budget

AY 2019-21 GB	GF	OF	FF	TF
Reductions	(\$2,308,217)	(\$4,029)	(\$5,327,621)	(\$7,639,867)

The FMAP rates were reduced for the next biennium resulting in an increased need of \$1,381,482 GF and an equal reduction of FF.

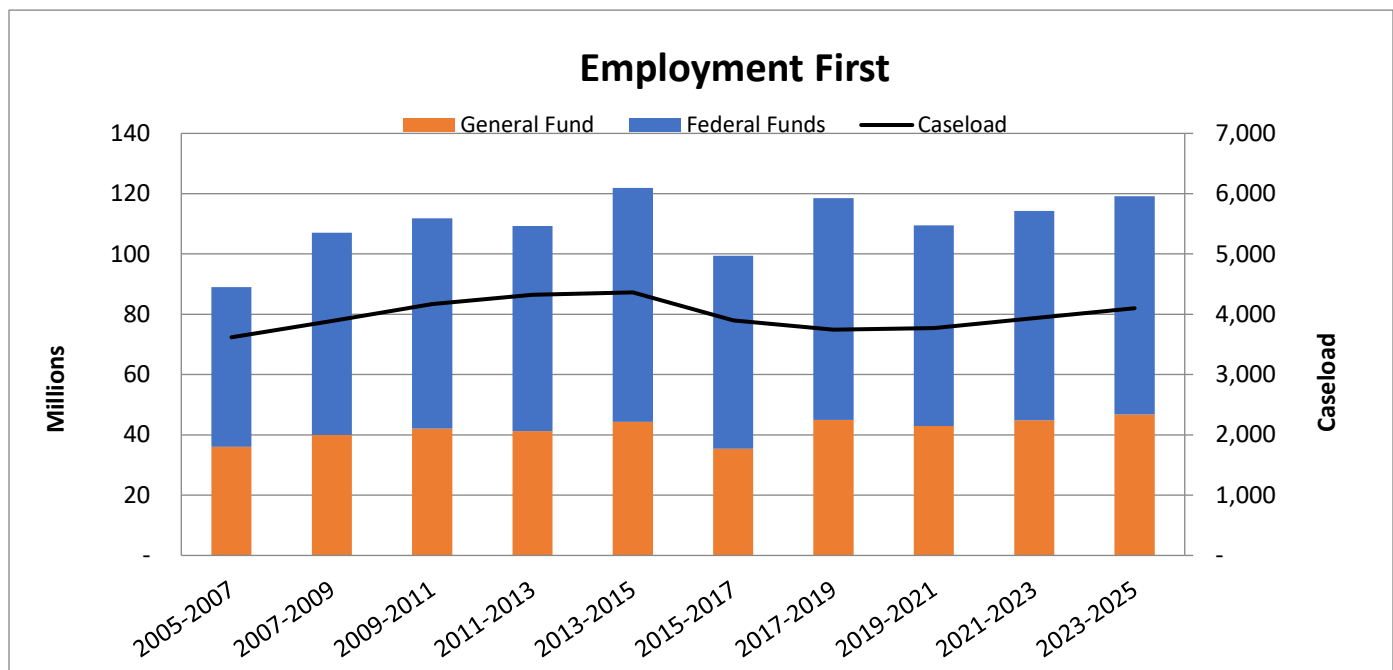
The Governor's budget proposed reductions are as follows:

- eliminate most inflation for Supplies and Services
- 5% Vacancy savings in GF
- 5.95% reduction for Attorney General services
- reduction for DAS service and assigned vehicle charges
- phase out the two Eliot Homes beginning in January 2020.

Department of Human Services: Employment First Intellectual and Developmental Disabilities Services

Primary Outcome Area:
Secondary Outcome Area:
Program Contact:

Thriving Oregon Economy
Safer Healthier Communities
Acacia McGuire Anderson, 503-947-5099



Program Overview

Employment First is a nationwide initiative which helps individuals with I/DD reach and maintain competitive integrated employment by ensuring that employment is the first and priority option in each state. Research has shown that people who are employed in the community have the highest level of integration and have stronger social networks. The more people with developmental disabilities that achieve paid employment, the less dependence there is on public resources and the greater the state's flexibility in designing future services that respond to the need of this population. For these reasons and many more, in 2008 Oregon was an early adopter of the Employment First initiative. Employment First is both a national initiative and a state policy. In Oregon, Employment First includes the Office of Developmental Disabilities Services (ODDS), Vocational Rehabilitation (VR), and the Oregon

Department of Education (ODE). Employment First is working to increase employment opportunities for individuals with intellectual and developmental disabilities (I/DD). New federal regulations, as well as the Lane v. Brown settlement agreement, place even greater emphasis on the state's need to provide community-based employment services to people with I/DD. The state is also working to help providers that current provide facility-based services (also known as sheltered workshops) to transform their services to community-based.

Program Funding Request

Employment First	GF	OF	FF	TF
LAB 17-19	44,990,807	-	73,534,837	118,525,644
GB 19-21	42,958,084	-	66,557,934	109,516,018
Difference 19-21 GB - 17-19 LAB	(2,032,723)	-	(6,976,903)	(9,009,626)
% Difference 19-21 GB - 17-19 LAB	-4.52%		-9.49%	-7.60%

Program Description

Employment First is based on the general philosophy that individuals with intellectual and developmental disabilities have the ability to be productive and contributing members of their communities through work. This philosophy also recognizes intrinsic and financial benefits of paid work to the individuals with disabilities and their families. This improved economic self-sufficiency has shown to also reduce reliance on government services. Oregon has been very successful in developing community-based care to move away from institutions as a model of care. Having individuals with developmental disabilities fully engaged in their communities is highly desirable as an outcome and fiscally efficient. The Employment First initiative is designed to ensure that employment supports are provided in the community.

All people with developmental disabilities who are eligible to receive services through either the Comprehensive or Support Services waiver and the Community First Choice (K Plan) may choose to receive residential support through in-home services, foster care, group homes, or supported living services, as well as employment and/or day services. Employment supports include:

- Employment Path services — individuals learn employment skills
- Supported Small Group services — supports for individuals to work in the community with up to seven other individuals who have disabilities and make minimum wage or better

- Job coaching —support to work independently in a community-based job making minimum wage or better
- Discovery — a time-limited service designed to help an individual learn more about their employment strengths and potential job interests

The Employment First policy states that work in integrated jobs is the first and priority option in planning employment services for working-age adults and youth. Services should be planned using person-centered practices that identify an individual's talents, skills, and interests. This information can then help inform employment options and career opportunities.

In 2014, CMS issued additional guidance regarding their Home and Community Based Services (HCBS) regulation requiring that employment supports be community-based by March 2019. Further, DHS reached a settlement in the *Lane v. Brown* case in January 2016 which requires that ODDS, VR, and ODE work together to ensure that individuals who are currently in a sheltered workshop (or who have been in a sheltered workshop as of 2012) or transitioning out of high school with I/DD receive supported employment services to help them obtain competitive integrated employment. Additionally, the Rehabilitation Act was amended formally as of June 30, 2016 via the Workforce Innovation and Opportunity Act, which requires competitive integrated employment as the outcome to be considered a successful placement through VR.

These federal and state changes, as well as implementing Employment First policies, require some fundamental systems transformation. Many providers need support to change business practices to support individuals in jobs throughout their communities. It is also critical for business partners to embrace the benefits of hiring people with developmental disabilities. Employment First partners with the Oregon Council on Developmental Disabilities and other stakeholder and advocacy organizations to develop policies and communications that strengthen employment outcomes.

As part of the department's strategic planning to integrate those with developmental disabilities into their communities, as well as new federal regulations which require that all employment supports be community-based, efforts are being made to move away from the sheltered workshop model in favor of jobs in the community. For people with developmental disabilities, the goal is that their time in career exploration and hours working in the community will increase and time spent in sheltered workshops decreases. This goal aligns with

federal regulations, as well as the Lane v. Brown settlement agreement.

Program Justification and Link to Focus Areas

Employment First links to the Thriving Oregon Economy focus area. Individuals with developmental disabilities are healthier, safer, and happiest when they are engaged in meaningful work. Individuals are more likely to be able to live with their family longer when they have their own daily schedule that is similar to working parents. As with all other citizens, for individuals with I/DD, employment has many positive impacts. These impacts include increasing self-worth, building relationships, and access to community resources. Employment improves economic well-being as well as physical and mental health. Employment supports are key in moving people with developmental disabilities away from 24-hour support services, which results in less public funds being spent.

Employment First also links to other economic development strategies to increase workforce diversity while meeting business needs in ways that result in jobs and prosperity for all Oregonians.

Program Performance

Employment trends have been tracked since 2007. Since Employment First began in 2008, there has been growth in community employment. Additionally, according to the March 2017 Employment Outcomes System (EOS), 1,111 people received individual supported employment services. This is an increase of 270 people working in individual supported employment services from March 2016 and 575 people more than who were working in March 2015. From July 2016 to July 2017 (SFY 2017), Vocational Rehabilitation (VR) had 476 closures that led to competitive integrated employment for those people also receiving ODDS services. The average number of VR case closures that led to competitive integrated employment has more than doubled, from 22 closures per month in 2011 to 48 per month in 2015. Based on a March 2016 EOS count, there were less than 800 people in ODDS services working in a sheltered setting, a decrease of over 660 individuals from the March 2016 count.

Employment First and its partners have reached the goals outlined in the 2015-2017 Bid ensuring that by 2016, no transition age youth may enter a sheltered workshop when leaving school as there were no new entries into a sheltered workshop setting allowed by Oregon Administrative Rule as of 7-1-2015. As stated above, the census and hours of individuals in a sheltered workshop setting have been reduced while the census of individuals in supported employment has increased.

For more details regarding process, please visit our bi-annual data reports:
<http://www.oregon.gov/DHS/EMPLOYMENT/EMPLOYMENT-FIRST/Pages/data-reports.aspx>

Employment First Goals:

By June 30, 2022, based on the Lane v. Brown Settlement, Employment First (through ODDS and Vocational Rehabilitation) must place 1,115 individuals currently or recently in a sheltered workshop in competitive integrated employment; and

By June 30, 2022, based on the Lane v. Brown Settlement and Executive Order 15-01, Employment First must provide supported employment services to 4,600 transition age youth or individuals currently or recently in a sheltered workshop. This is required by the Lane v. Brown Settlement Agreement and DHS along with ODE is progressing toward system change to ensure these outcomes are reached.

Enabling Legislation/Program Authorization

The provisions of employment-related services for individuals with developmental disabilities are in ORS 430.610, .650, and .670. The enabling statutes are in ORS 409.050 and ORS 410.070.

At the federal level, in addition to all applicable Medicaid statutes and regulations such as the Home and Community Based Services regulation and Workforce Innovation and Opportunity Act mentioned above, services must comply with the Title II of the Americans with Disabilities Act (ADA) of 1990. Compliance with these federal laws are subject to the U.S. Supreme Court's Olmstead Decision of 1999 and the U.S. Department of Justice's interpretation of that decision as it relates to the ADA and Rehabilitation Act. ADA and Olmstead are relevant to Employment First since the program must assure statewide access in the least restrictive environment.

As of January 2016, the Lane vs. Brown case has been formally settled and Oregon via DHS and ODE are mandated to effectively implement policies to achieve the required outcomes of the Settlement Agreement, which is mandated under federal jurisdiction.

Funding Streams

All funding for Employment First through ODDS is matched through the Medicaid 1915(c) Home and Community-Based Waiver. When a person is getting job development from Vocational Rehabilitation (VR), OVR Title 1 case service funding is used.

Funding Justification and Significant Changes to CSL

Reductions taken for 2019-2021 GB:

- Reduction of \$2 million GF/ \$6 million TF was taken because of less direct contact time for job coaching services.

Department of Human Services: Delivery and Design

Primary Long-Term Focus Area: Safer, Healthier Communities

Secondary Long-Term Focus Area: N/A

Program Contact: Anna Lansky

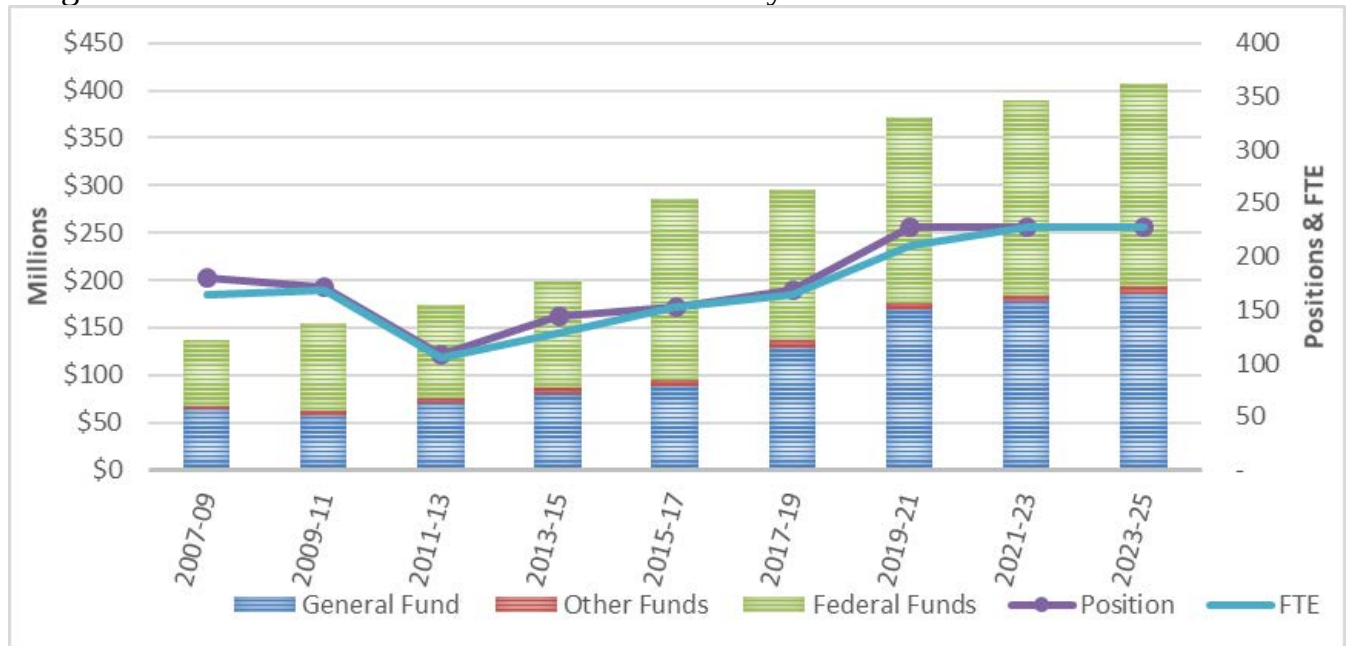


Figure I: Funding of I/DD Delivery and Design (not reflective of funding or FTE for the Stabilization and Crisis Unit (SACU)).

Program Overview The Office of Developmental Disabilities Services (ODDS) manages a lifespan program that provides support and funding to children and adults with intellectual and developmental disabilities (I/DD) to live fully engaged lives in their communities. Oregon has stopped using institutional models to care for people with intellectual and developmental disabilities and has focused all efforts on people living in their community. Programs are provided in the community in the person's own home, family home or in a foster care, group home or in supported living programs. Design and Delivery provides administrative and operational support to these programs.

Program Funding Request

I/DD Delivery and Design	GF	OF	FF	TF	Positions	FTE
17-19 LAB	\$129,009,447	\$7,192,671	\$159,317,902	\$295,520,020	169	164.70
19-21 GB	\$133,002,015	\$7,224,958	\$175,718,096	\$315,945,069	179	174.94
Difference	\$3,992,568	\$32,287	\$16,400,194	\$20,425,049	10	10.24
Percent Change	3.1%	0.4%	10.3%	6.9%	5.9%	6.2%

Program Description

There are over 26,000 Oregonians with I/DD receiving case management and other supports through the ODDS program. Since implementation of Community First Choice Option (CFCO), also known as K Plan, in July 2013, the Oregon I/DD service delivery system has undergone significant changes. Due to CFCO implementation, ODDS now can provide services to all eligible children, while in the past families with children with I/DD had to reach crisis before being able to access services and supports. Additionally, the K Plan has expanded in-home services for adults as well, lifting budget caps previously imposed on the amount of services adults with I/DD were able to access in their own or family homes. Under CFCO, the amount of in-home services is determined based on functional needs assessment. As a result of these changes, the number of individuals served within I/DD system has significantly increased. During this biennium, since July 2015, over 2,300 new individuals enrolled into the I/DD service delivery system increasing total population by 9.7 percent. The trend is expected to continue into the 2019-21 biennium, with enrollment of children starting to level off.

The structure for service delivery and design includes a central program administration office, Children Intensive In-Home Services (CIIS) unit, and contracted services with Community Developmental Disabilities Programs (CDDP) and Support Service Brokerages (Brokerages). Additionally, the ODDS central office provides strategic planning, program funding, policy development, provider licensure and certification, general oversight, and technical support to community services. Contracted county Community Developmental Disability Programs (CDDPs) are responsible for eligibility determination, program enrollment, case management, abuse investigation, and quality assurance. Adults

receiving in-home services can also choose to get case management through contracted Brokerages.

Services are offered on a continuum-of-care model and are provided as the first option of supports for a person with developmental disabilities. With CFCO, people can choose the setting in which they live, which increases the importance of supporting and strengthening the ability of families and communities to include and provide natural supports to those with I/DD.

ODDS delegates the responsibility for administration to local county government, Community Developmental Disabilities Programs (CDDPs), in accordance with state statutes (ORS 407). DHS has Intergovernmental Agreements with all but six counties. In those counties, the state contracts with a private agency. Local oversight responsibilities include determining eligibility for developmental disabilities, planning and resource development, developing and monitoring Individual Support Plans, documentation of service delivery to comply with state and federal requirements. Counties also are responsible for case management services, evaluation and coordination of services, abuse investigations of adults and quality assurance services. ODDS provides funding for the equivalent of nearly 865 full time employees of CDDPs through contracts. CDDPs provide case management for all individuals, except adults choosing to be served by a Support Service Brokerage. Adults living in their own or family home have a choice of case management providers, between the local CDDP and a Brokerage. Children are all served by the CDDPs, except those case managed by ODDS staff through the Children's Intensive In-Home Services or Children's Residential Services programs.

There are 14 Support Service Brokerages statewide. Brokerages vary in size and support from 251 to 720 people. People with I/DD are enrolled in Brokerages from the county when they select Brokerage case management services. Once in a Brokerage, the Brokerage Personal Agent (PA) completes a needs assessment, develops the Individual Support Plan, and assists the person in determining services needed, amount of service and possible workers or agencies. PA's help the individual to design plans that meet their needs as determined by the needs assessment. ODDS provides funding for 307 full-time employees to the Brokerages¹. In order to not duplicate services, once a person is in a Brokerage, they do not also get case management from the CDDP.

¹ Spring 2016 Forecasted caseload for 2017-2019 CSL

The majority of individuals receiving services are eligible for Medicaid. Oregon no longer uses institutional models of care for people with I/DD. Instead, the state uses Medicaid Home and Community-Based Services (HCBS) that allow for shared funding from the federal government. Through the CFCO State Plan Option, the states receive FMAP plus an additional 6 percent in federal match.

ODDS staff provide policy and program design, technical support, provider licensure and certification, quality assurance, and field support of CDDPs, Brokerages, and direct service providers. There are more than 250 private service provider agencies, approximately 1,120 foster care providers and over 11,900 Personal Support Workers. Regulatory oversight for licensed settings is provided by the ODDS Office of Licensing and Regulatory Oversight.

Central office staff provides programmatic and budget analysis support to Department of Administrative Services Labor Management, collective bargaining, for the Adult Foster Homes, Home Care Workers, and Personal Support Workers.

The Delivery system also includes the Children's Intensive In-Home Services (CIIS) and the Children's Residential Services comprised of state staff under ODDS' umbrella. These units operate and provide case management services to the three Model Waivers for children and provide case management support to children in residential services.

Program Justification and Link to Focus Areas

This program links to the Safer, Healthier Communities focus area. The program delivery system, designed and monitored by central staff and implemented through either the CDDP or Brokerage, is designed to assure supports are provided so the individual is healthy and safe, and fully engaged in their community. The goal is to help them have the best possible quality of life at any age. Person-centered strategies are used to maximize the person's outcomes and use of natural supports. The CDDP and Brokerage report on critical incidents and the data are used to track trends and determine strategies to improve healthy living outcomes.

Program Performance

Adequate personnel resources are necessary to ensure delivery of programs and provision of services within Developmental Disabilities in a linguistically and culturally competent manner. The chart below provides a comparison of the

caseload growth to the equivalent contracted CDDP and Brokerage personnel: CDDP Service Coordinators and the Brokerage Personal Agents.

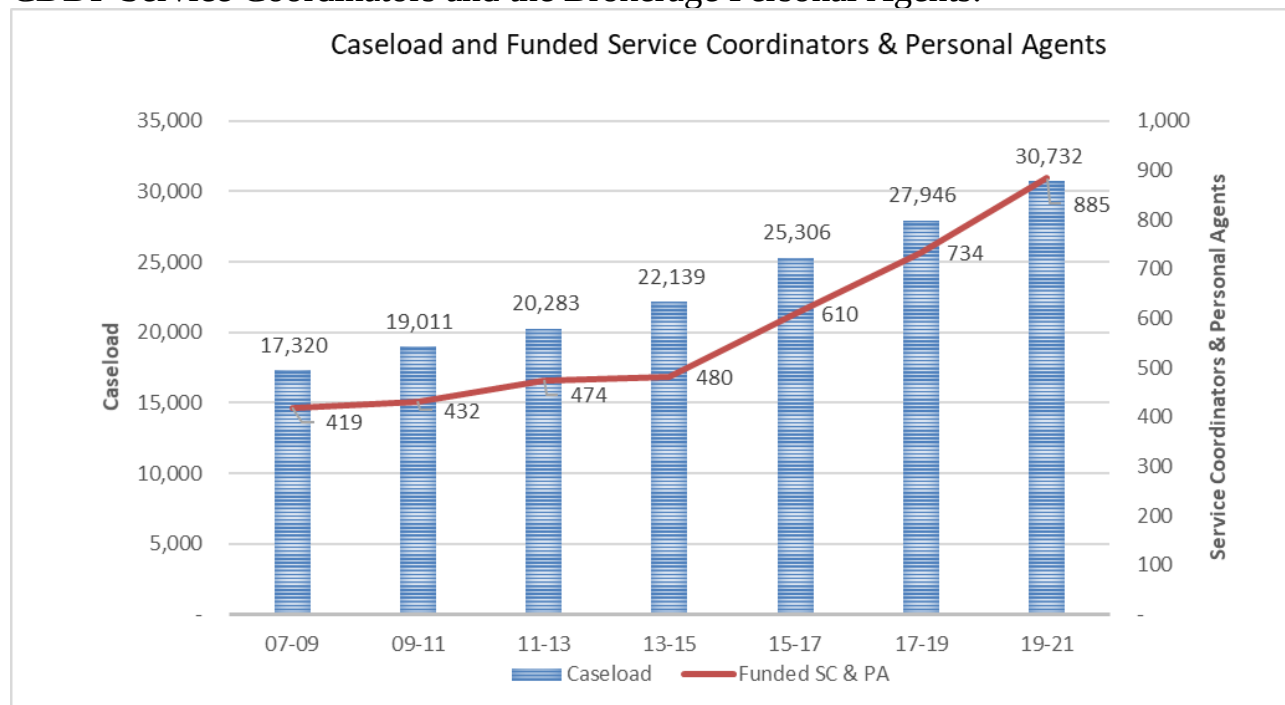


Figure II: Growth of I/DD Caseload and CDDP Service Coordinators and Brokerage Personal Agents.

Enabling Legislation/Program Authorization

The services are designed and approved using Medicaid 1915c Home and Community-Based Waivers and the CFCO Medicaid State Plan. Without the waivers and state plan, individuals would be entitled to Institutional Care for Individuals with Intellectual and Developmental Disabilities (ICF/IDD). Individuals can also be court committed to the state care and custody under ORS 427. Case Management is authorized under the Medicaid State Plan. Federal authorization for all services is at 42 C.F.R. 441 and Section 1915(c) of the Social Security Act. Authorization to provide the services in Oregon is in ORS 410.070, 409.050.

At the federal level, in addition to all applicable Medicaid statutes and regulations, services must comply with the Title II of the Americans with Disabilities Act (ADA) of 1990 and Section 504 of the Rehabilitation Act of 1973. Compliance with these federal laws are subject to the U.S. Supreme Court's Olmstead Decision of 1999 and the U.S. Department of Justice's interpretation of that decision as it

relates to the ADA and Rehabilitation Act. The Olmstead Decision requires states to provide services and supports in non-segregated settings.

Funding Streams

The services are designed and approved using the Community First Choice Option in the Medicaid State Plan and Home and Community-Based Waivers, which provide a federal match to the program's General Fund. The program funding match rate for waived services is 63 percent Federal Funds and 37 percent state General Fund and for CFCO services is 70 percent Federal Funds and 30 percent state General Fund.

The administration of CDDP, Brokerage, and Central Office staff are funded at the Medicaid administrative match of 50/50. Authorization to provide the services in Oregon is in ORS 410.070, 409.050.

Funding Justification and Significant Changes to CSL

129 – Expand Support to Kids with Significant Needs

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
\$724,318	\$0	\$725,170	\$1,452,488	11	7.52

Additional funding included in Program Bid Form.

There are inadequate resources to serve children who experience an intellectual or developmental disability with significant support needs. This has led to a crisis that is widely recognized and is being discussed and considered in a number of forums. The result is that children with significant, cross-system needs are placed in inappropriate or inadequate settings. This includes children with I/DD under DHS care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital, or highly restrictive environments. Many of these children are living in the family home, with families barely managing to support these extremely high-needs children.

ODDS is proposing to address the lack of resources by a) creating a new foster care service level, "enhanced foster care", that will increase residential capacity by allowing children and youth to step down from more restrictive group home settings (similar to 'proctor care' that ended several years ago), and b) appropriately

expanding residential group home capacity, and c) expanding the capacity in the waiver programs that support children with intensive medical needs in their family homes.

Adjustments and Reductions for Governor's Budget

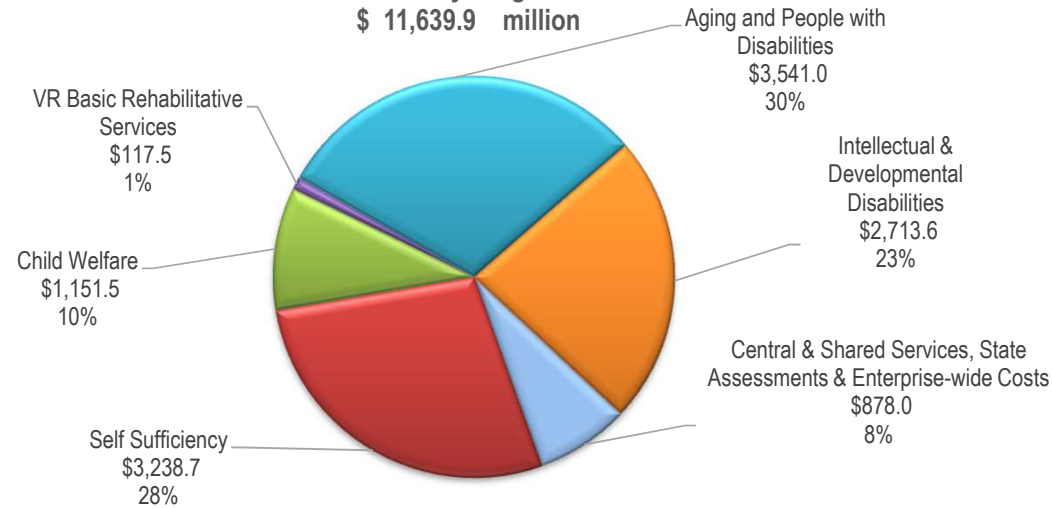
AY 2019 - 21	GF	OF	FF	TF
GB Reductions	(\$23,820,529)	(\$1,340)	(\$20,545,724)	(\$44,367,593)

The Governor's Budget reflects the current updates of caseload projections and FMAP rates for AY 2019-21.

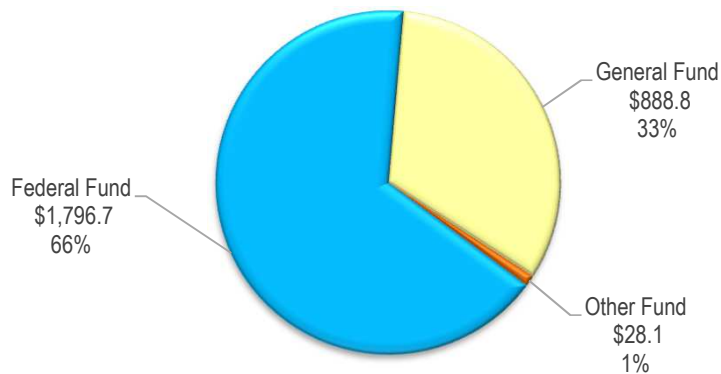
In addition, the Governor's budget proposed reductions are as follows:

- eliminate most inflation for Supplies and Services
- 5% Vacancy savings in GF
- 5.95% reduction for Attorney General services
- reduction for DAS service and assigned vehicle charges
- a 2% reduction in equity for CDDPs and Brokerages from 95% to 93%

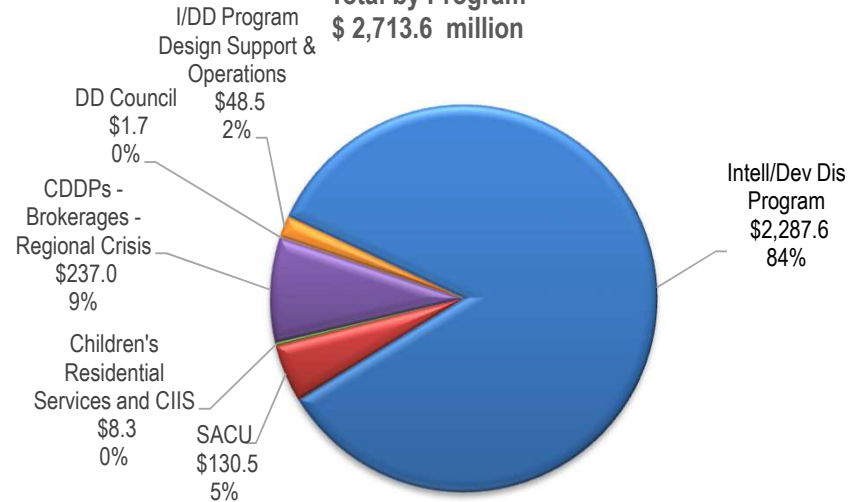
**Department of Human Services
2017-19 Legislatively Approved Budget
Total Fund by Program Area
\$ 11,639.9 million**



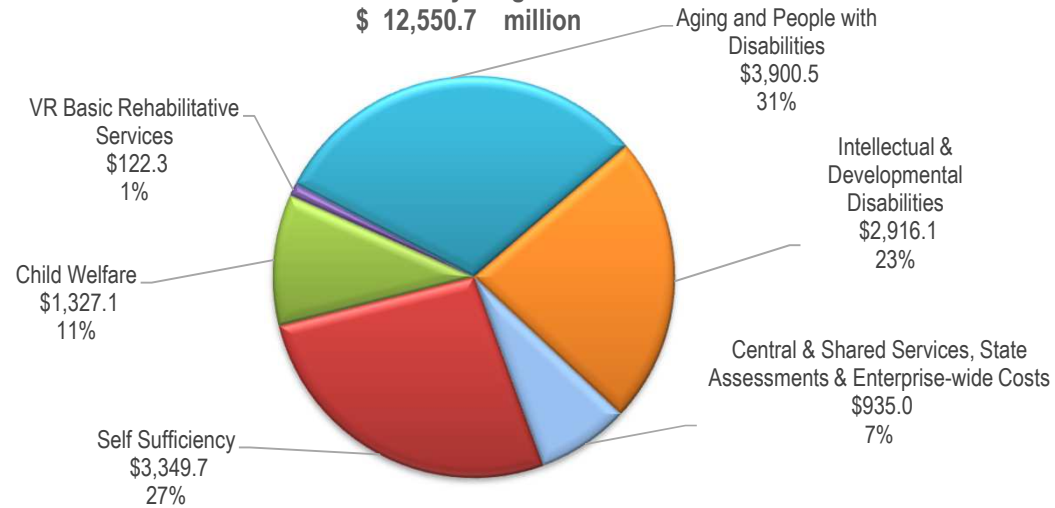
**Intellectual & Developmental Disabilities
Total by Fund Type
\$ 2,713.6 million**



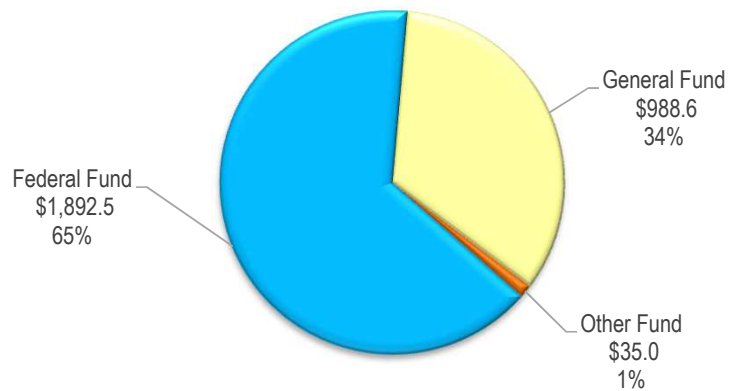
**Intellectual & Developmental Disabilities
Total by Program
\$ 2,713.6 million**



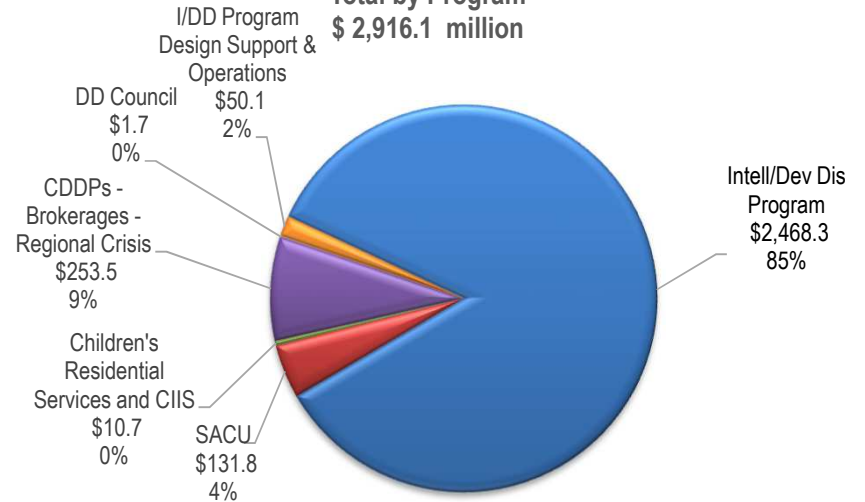
**Department of Human Services
2019-21 Governor's Budget
Total Fund by Program Area
\$ 12,550.7 million**



**Intellectual & Developmental Disabilities
Total by Fund Type
\$ 2,916.1 million**



**Intellectual & Developmental Disabilities
Total by Program
\$ 2,916.1 million**



Program Area	POP Number	Official Title (45 Character Limit)	Detailed description of ask	General Fund	Other Funds	Federal Funds	Total Funds	POS	FTE
Package 070									
CW-Safety	070	IVE Waiver Ending				(17,588,998)	(17,588,998)		
CW-Well Being	070	IVE Waiver Ending				(3,851,520)	(3,851,520)		
SSP	070	TANF				(5,828,689)	(5,828,689)		
VR	070	Basic 110				(3,435,378)	(3,435,378)		
Agency Priority #1: 100% Workload Model									
CW Program, Design, Delivery	070/107	REVENUE SHORTFALL TANF/BACKFILL TANF IN CW STAFF	At some point in the past TANF funding was used to fund a significant number of child welfare staff. The history of why this was done has been lost. This was not inappropriate at the time. However, as TANF caseloads have dropped and CW (and Self Sufficiency) staffing costs have increased, a technical restriction in the TANF rules have caused revenue shortages in Child Welfare Staffing. The TANF grant is a block grant that has not changed since the mid 90's. However, there is a 15% administrative cap on program expenditures. Over time as the TANF caseload has dropped and the investment in JOBS has been reduced the 15% Cap has also been reduced. At this point the 15% admin cap is spent in total by Self Sufficiency. This means that TANF can no longer be used for CW staffing. This impacts many positions, causing hundreds of positions to be eliminated unless remedied. In a companion POP DHS requests backfill of General Funds for this mandated program that was denied at CSL. This proposed POP would remove all TANF Federal Funds from CW staffing causing many positions to become part time funded. This will free up TANF for future use in case of a recession or for other program uses determined appropriate by the legislature. TANF partially funds over 2,400 CW positions. Due to system limitations all positions with TANF need to be abolished (in package 070), and then if funded reinstated at full time positions through the companion POP that would establish the same number of positions and FTE, effectively causing a fund shift of GF for TANF in each position.	40,000,000	-	(40,000,000)	-	-	-
Agency Priority #2: Double Fill Reconciliation									
Agency Priority #3: Staffing Stabilization									
SSP	111	GRANT-FUNDED LIMITED DURATION POSITIONS	SSP is requesting position authority and federal fund limitation for up to 7 grant-funded limited duration positions. These grants are attached to work that has been expanding over the past 5 years. The SNAP Employment and Training Program continues to pull in more federal dollars through partnerships created across the state, but lack the infrastructure to support and provide technical assistance along with federal oversight. The Nutrition Education Program through SNAP also provides 100% federal funding opportunity to support the program which also spans across the state and requires much technical support The final program is the My Future My Choice Program which has been supported by federal Title V dollars for over 10 years. This will not include a General Fund ask.	-		1,657,278	1,657,278	7	7.00
BPA	112	INCREASE DHS BUDGET STAFF CAPACITY	Over the past few years, the complexity of the department's budget has grown. Currently there are only eight budget analysts, one manager, and one support position for the five main program areas and central office, which include over 9,000 budgeted positions and an \$11.6 billion-dollar budget. Each program has multiple, complex funding streams and their own requirements and limitations. The department requests the addition of one PEMF deputy budget director, two Fiscal Analysts 2, and two Fiscal Analysts 3 to further the agency's ability to: track budgets at the levels not expected of the unit in the past, focus on revenue analysis, provide backup to programs that are only supported by one analyst in each program and design/delivery area, and to assist in the production of ever more detailed and complex information requests for budgeting and decision-making purposes. They will also provide coordinated position management resources for the over 9,000 budgeted positions in the department.	632,772	-	420,470	1,053,242	5	4.40

Program Area	POP Number	Official Title (45 Character Limit)	Detailed description of ask	General Fund	Other Funds	Federal Funds	Total Funds	POS	FTE
VR	116	VR PRE-ETS	The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services. Further, WIOA states that there must be local coordination with districts for Pre-ETS at all 16 VR branch offices. The Oregon Department of Education and VR estimate that the target population for Pre-ETS to be roughly 27,000 students with disabilities. Currently Oregon VR has two Pre-Employment Transition Service Coordinators that provide direct services to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Neither of these positions have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the data entry elements of this mandate. This POP would utilize funds already within VRs budget so this will be a zero cost or, cost neutral POP.		576,906		576,906	3	3.00
Agency Priority #4: Program Stabilization									
CW Delivery	119	CENTRALIZED SCREENING	SAFETY: Centralized Screening currently exists in half of all child welfare programs in the U.S. Research has proven its effectiveness in improving consistency in screening decisions and increased training opportunities for screeners to build a specialized expertise. Screening is the first point of contact for all mandated and non-mandated reporters of child abuse in Oregon. It is imperative that screeners apply Oregon Revised Statute 419B.005 accurately to each allegation of abuse and determine when the department is required to investigate. Oregon Child Welfare currently operates under a district-wide child abuse reporting system in most areas of the state. 7,000 reports of child abuse or neglect are being processed through 15 child welfare offices each month, and at least that many phone numbers. Screening decisions can vary based on where the call is received and a multitude of other reasons such as, workload, inexperience, misinterpretation, bias, etc. This POP would support the ongoing operation of a single, stand-alone, 24 hours a day, 7 days a week child abuse hotline. Enhanced training, decision-making and data-informed tools, a single leadership structure and continuous quality assurance processes all support increased accuracy and reduced bias in screening decisions. In addition, it affords opportunities for quality assurance measures which increase the ability of the Department to provide consistent practice and customer service. Overall, this will increase the level of safety for children exposed to abuse or neglect.	10,189,554	-	-	10,189,554	46	45.28
APD	121	COMMUNITY BASED CARE MEDICAID ACCESS PACKAGE	This policy option package is intended to protect and secure additional access to community based care for Medicaid long term care consumers. This package provides a 30% increase to adult foster home providers, designed to recalibrate existing disparities. The package also adds regional resources to recruit adult foster homes for APD services plus one-time marketing campaign investment. It provides a ten percent increase to assisted living, residential care and memory care facilities with an additional \$500 per month add-on for facilities with Medicaid census levels at 75%. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community based care settings.	25,538,323	-	11,667,109	37,205,432	25	25.00

Program Area	POP Number	Official Title (45 Character Limit)	Detailed description of ask	General Fund	Other Funds	Federal Funds	Total Funds	POS	FTE
SSP	122	EMERGENCY HOUSING ASSISTANCE	The housing crisis has greatly impacted the low-income families in Oregon, making them even more vulnerable. This policy option package addresses the housing need by expanding the Department of Human Services, Self-Sufficiency Programs' ability to provide emergency housing services and supports to homeless families and families at risk of homelessness in areas where assistance is not available, including maximizing coordinated efforts with housing and community action agencies and other local partner organizations across the state. If this policy option package is not funded, homelessness and housing needs will remain unmet, reducing the ability to strengthen and stabilize the living situation of low-income families, and potentially requiring reliance on assistance programs.	-			-		
SSP	125	EXPAND ERDC	SSP is requesting to restore \$20 million of funding back to ERDC which was cut during the last session. Child care for working parents is a fundamental need to keep children safe while a parent is working. This is a priority we've discussed with the Governor's office.	-	10,776,672		10,776,672	-	-
Agency Priority #5: Expansion of Services									
SSP	127	ED ATTAINMENT SUPPORT FOR TANF & SNAP PARENTS	This POP expands targeted vocational training and education opportunities for families receiving Temporary Assistance for Needy Families (TANF) assistance in rural locations as and provides access to underserved TANF populations statewide. The expansion would include a comprehensive service model with eligible participants enrolling in training programs that match up with in-demand, high wage job openings, such as in the healthcare or information technology areas. Participants receive a scholarship/stipend to help augment Pell grants, with average awards estimated cost at about \$2,976 per participant (\$2,000 of which is a tuition stipend) plus additional support services funding for the expanded participant group; approximately 850 individuals would participate in the program over the course of the biennium, doubling the current capacity. The pilot project will be a joint effort among workforce program partners, the education communities, and the Department of Human Services.	-		3,641,542	3,641,542	-	-
I/DD	129	EXPAND SUPPORT TO KIDS WITH SIGNIFICANT NEEDS	There are inadequate resources to serve children who experience an intellectual or developmental disability with significant support needs. This has led to a crisis that is widely recognized and is being discussed and considered in a number of forums. The result is that children with significant, cross-system needs are placed in inappropriate or inadequate settings. This includes children with I/DD under DHS care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital, or highly restrictive environments. Many of these children are living in the family home, with families barely managing to support these extremely high-needs children. ODDS is proposing to address the lack of resources by a) creating a new foster care service level, "enhanced foster care", that will increase residential capacity by allowing children and youth to step down from more restrictive group home settings (similar to 'proctor care' that ended several years ago), and b) appropriately expanding residential group home capacity, and c) expanding the capacity in the waiver programs that support children with intensive medical needs in their family homes.	8,477,001	-	17,002,265	25,479,266	11	7.52

Program Area	POP Number	Official Title (45 Character Limit)	Detailed description of ask	General Fund	Other Funds	Federal Funds	Total Funds	POS	FTE
CW Design	131	FOSTER FAMILY RECRUIT TEAM	SAFETY: Oregon does not currently have a structure in place to target statewide foster family recruitment and the services and supports necessary to retain good foster family homes. This has resulted in a lack of appropriate placement resources for many children experiencing foster care and was a finding of shortcoming in the most recent federal Child and Family Services Review and the Secretary of State Audit, titled 'Chronic Management Failures and High Caseloads Jeopardize the Safety of Some of the State's Most Vulnerable Children.' The State must address this issue of foster care recruitment and retention as a part of its federally required Program Improvement Plan and in its federal Child and Family Services Plan. This Policy Option Package requests the positions necessary to develop, implement and sustain a data informed targeted Statewide Foster Care Recruitment and Retention practice model. This model is intended to recruit and retain an abundance of foster families reflecting the cultural, linguistic and other characteristics, including LGBTQ status, of children experiencing foster care to allow for enhanced placement matching and ~~reduce the number of placement changes~~	3,008,924	-	749,993	3,758,917	17	17.00
CW Design	139	CONTINUING EDUCATION FOR CAREGIVER TRAINING	SAFETY: Funds will allow for increased training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are available in multiple languages and alternate formats. Trainings must be trauma-informed, linguistically appropriate, culturally responsive, and must support cultural agility. These trainings will be readily available within each District each year.	1,165,056	-	334,691	1,499,747	8	7.04
CW Program Well Being - Independent Living Program	142	INDEPENDENT LIVING PROGRM SERVICE ENHANCEMENT	This POP seeks to expand the Independent Living Program (ILP) and youth transition services through a rate increase, new services, and an expanded age range of youth to be served, to improve outcomes for youth in their young adulthood. This will be achieved by: - Increasing monthly service rates to stabilize current programs and to increase solicitation opportunities for additional programs. The rate is currently too low to attract new potential contractors. - Expanding services to begin serving 14 – 15-year-olds and 21 – 23-year-olds (currently services are limited to 16 – 20-year-olds). - Increasing the comprehensiveness, linguistic appropriateness, and cultural agility of services and supports. - Adding a Young Adult Transitions Navigator to help guide youth through difficult circumstances. - Developing transitional housing for young adults.	8,500,000	-	-	8,500,000	2	1.92
OBIS	208	CAM MAINTENANCE AND OPERATIONS	Summary Statement: House Bill 4151 requires the state of Oregon and DHS as its agent, to standardize its processes and technology related to abuse of vulnerable adults. Oregon's current environment for tracking, reporting, analyzing, and investigating incidents of adult abuse relies on accessing information from nine distinct systems or data sources. Additionally, local offices have created their own one-off mechanisms for supporting the abuse investigation processes, further complicating, and decentralizing information. Existing systems limitations include the inability to search across program populations, inhibiting the ability to track perpetrators and/or victims over time and between populations. This heightens the risk of not capturing all abuse allegations. This POP requests general funds to implement ongoing maintenance and additional enhancements that will build upon the capabilities of a base system implemented in the 2017-19 biennium, for an integrated solution, which meets HB 4151 criteria and helps protect vulnerable Oregonians. Not funding this POP will limit Oregon's ability support the system after Go-Live.	3,512,949		-	3,512,949	3	2.64
Shared/DHS Wide									

Program Area	POP Number	Official Title (45 Character Limit)	Detailed description of ask	General Fund	Other Funds	Federal Funds	Total Funds	POS	FTE
Joint with OHA									
OIS/OBIS	202	MEDICAID MODULARITY	This POP requests additional positions and funding to support continuation of planning and begin implementation activities for modularization of the systems supporting Oregon Medicaid. The outcome will be a solution set that meets CMS modularity criteria, with the ability to make updates as needed to meet federal and state demands over time. Funding is for OHA division leadership and subject matter expertise and for professional consulting services supporting planning and road-mapping efforts. This POP requests 3 permanent positions for OHA HSD to work in partnership with OIS and \$1,415,000 TF for consulting services. DHS companion POP to request 3 complimentary positions to represent DHS related Medicaid. Due to delays in 2017-19 planning efforts less than \$1,000,000 approved TF (under \$100,000 GF) from the 2017-19 POP will be expended by the start of 2019-21. CMS will fund 90% of positions and consulting during planning/implementation and 75% for on-going maintenance.	277,922		276,444	554,366	2	2.00
OIS	201	INTEGRATED ELIGIBILITY MEDICAID ELIGIBILITY	This POP will provide resources to support the continuation of the Department's ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project during FY19-21 resulting in a single eligibility determination system for Non-MAGI Medicaid, Supplemental Nutrition Assistance Program (SNAP Food Stamps), Temporary Assistance for Needy Families (TANF Cash Assistance), and Employment Related Day Care (ERDC Child Care subsidies). This POP would further the development, and implementation period for the Integrated ONE System –for the purposes of Eligibility Determination work. DHS plans to put the system into pilot in the Summer of 2019, followed by a six-month implementation roll-out beginning early in 2020 and being rolled out statewide by Summer of 2020. This POP takes advantage of enhanced federal funds across two separate federal agencies. Without funding, DHS will not be able to continue its project in a timely manner, resulting in increased state general fund cost, subsequent federal audits, and required modifications to our Legacy systems which would cost more than the total cost of this project.	18,320,972	39,247,563	121,950,843	179,519,378	33	25.26
TOTAL				119,623,473	50,601,141	86,996,050	257,220,664	162	148.06

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Child Welfare Program
Program Name: Child Welfare Program
Policy Package Title: Backfill TANF in CW Staff
Policy Package Number: POP 107
Related Legislation: N/A

Summary
Statement:

At some point in the past TANF funding was used to fund a significant number of child welfare staff. The history of why this was done has been lost. This was not inappropriate at the time. However, as TANF caseloads have dropped and CW (and Self Sufficiency) staffing costs have increased, a technical restriction in the TANF rules have caused revenue shortages in Child Welfare Staffing. The TANF grant is a block grant that has not changed since the mid 90's. However, there is a 15% administrative cap on program expenditures. Over time as the TANF caseload has dropped and the investment in JOBS has been reduced the 15% Cap has also been reduced. At this point the 15% admin cap is spent in total by Self Sufficiency. This means that TANF can no longer be used for CW staffing. This impacts many positions, causing hundreds of positions to be eliminated unless remedied. In a companion POP DHS requests backfill of General Funds for this mandated program that was denied at CSL. This proposed POP would remove TANF Federal Funds from CW staffing causing many positions to become part time funded. This will free up TANF for future use in case of a recession or for other program uses determined appropriate by the legislature. TANF partially funds over 2,420 CW positions. Due to system limitations all positions with TANF need to be abolished (in package 070), and then if funded reinstated at full time positions through the companion POP that would establish the same number of positions and FTE, effectively causing a fund shift of GF for TANF in each position.

	General Fund	Other Funds	Federal Funds	Total Funds
Policy Package Pricing:	40,000,000	-	-	40,000,000

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

TANF funding has historically been available to support Child Welfare. However, due to TANF grant restrictions TANF is no longer available for CW staffing. Currently DHS is having to use GF instead of TANF due to these restrictions. Each year this issue will grow as costs of staffing rise. This pop would remove full position authority and funding, including GF for the current budgeted CW positions that were abolished in package 070 and not backfilled in CSL. Due to system limitations DHS is not able to focus on just the net positions that would be lost but must abolish all positions impacted and then DHS proposes what is effectively a fund shift to “buy” back the current amount of TANF budgeted in CW staff. In addition, Federal legislation is currently being considered that may limit the use of TANF Federal funds for Child Welfare to 10% of the TANF grant. DHS spends about 10% of the TANF grant in the CW Program area. TANF funding is assumed to remain available for CW Program where these Federal Funds can be spent. Using GF in CW program cannot count as TANF Maintenance of effort so FF is used in program with offsetting GF in Self Sufficiency. This has a net zero sum to the state but allows the additional MOE for TANF purposes. New federal legislation has proposed to eliminate third party MOE which would be another GF issue but in the Self-Sufficiency program area.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This pop would abolish 2,420 positions currently authorized in the DHS CW budget. There is a companion pop that would re-establish these positions with GF instead of TANF.

3. HOW DOES THIS FURTHER THE AGENCY’S MISSION OR GOALS?

This POP does not support the agency mission or goals as it reduces staffing sorely needed in the CW system. Sufficient staffing is directly related to the agency's ability to provide services to assure that the safety, well-being, and permanency needs of abused/neglected children are being met.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Yes, adequate funding for CW Design/Delivery can fundamentally tie to the Department of Human Services (DHS) CW performance measures.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

If this POP is funded without the corresponding companion pop then Child Welfare Design/Delivery will lose over 11% of its Total Funds budget. If the companion pop is not funded, this would cause the elimination of over 2,420 current positions in Child Welfare.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.
No.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

The funding changes are being spurred by Federal regulations. Federal law changes being proposed would have more significant impacts in the self-sufficiency program. No alternatives exist.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

DHS has worked across programs (SSP and CW) to analyze options that would assure Oregon can meet TANF Federal regulations. DHS made an exception request to backfill these federal funds in the mandated Child Welfare program but were denied because the TANF grant is a block grant.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

Many agencies would be negatively impacted in a multitude of ways by this POP. From a customer service standpoint, other agencies stand to lose due to this pop if Child Welfare Program cannot perform all areas of the work necessary to meet State and Federal requirements and expectations. Keeping Child Welfare staffing levels high is critical for Child Welfare's success at keeping Oregonians safe.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None

11. WHAT IS YOUR EQUITY ANALYSIS?

Having consistent funding for CW staffing will positively impact client equity.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

CW Design/Delivery needs long-term financial stability so that adequate staffing can be maintained to provide better outcomes for Oregon's children and families, decrease disproportionality, recruit and retain foster parents, and support a currently overburdened workforce, resulting in staff retention and satisfaction. This pop would **not** support these outcomes.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

The funding shift will result in staffing staying at currently approved levels, but with the funding splits changing to be heavier in General Funds based on available federal revenues.

Implementation Date(s): 7/1/2019

End Date (if applicable): Ongoing

a. Based on these answers, is there a fiscal impact?

Yes

b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.

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c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
No.

d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**
No.

e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

Unless the corresponding POP is funded a significant reduction in CW staffing would be required to stay within budget.

f. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
None.

g. **What are the ongoing costs?**
Personal services costs.

h. **What are the potential savings?**
TANF Federal Funds would be freed up for use.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	76,652,696	271,740	(47,633,843)	29,290,593	2,420	2,385.69
Services & Supplies	3,134,637	-	-	3,134,637		
Capital Outlay				-		
Special Payments	(39,787,333)	(271,740)	47,633,843	7,574,770		
Other						
Total	40,000,000	-	-	40,000,000	2,420	2,385.69

DHS - Fiscal Impact Summary by Program Area:

	CW/Delivery	CW/Design	Program /Division 3	Program /Division 4	Total DHS
General Fund	32,970,555	7,029,445	-	-	40,000,000
Other Funds	-	-	-	-	-
Federal Funds- Ltd	-	-	-	-	-
Total Funds	32,970,555	7,029,445	-	-	40,000,000
Positions	2,297	123	-	-	2,420
FTE	2,263.81	121.88	-	-	2,385.69

What are the sources of funding and the funding split for each one?

N/A

INTENTIONALLY LEFT BLANK

POP DID NOT PASS GB

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: SSP Design
Program Name: SNAP
Policy Package Title: Limited Duration Positions
Policy Package Number: POP 111
Related Legislation:

**Summary
Statement:**

SSP is requesting position authority and federal fund limitation for up to 7 grant-funded limited duration positions. These grants are attached to work that has been expanding over the past 5 years. The SNAP Employment and Training Program continues to pull in more federal dollars through partnerships created across the state, but lack the infrastructure to support and provide technical assistance along with federal oversight. The Nutrition Education Program through SNAP also provides 100% federal funding opportunity to support the program which also spans across the state and requires much technical support. The final program is the My Future My Choice Program which has been supported by federal Title V dollars for over 10 years. This will not include a General Fund ask.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>			<u>\$1,657,278</u>	<u>\$1,657,278</u>

PURPOSE

1. **WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?**
The SNAP program has hired 7 LD employees who are doing work that is grant funded. They have been hired as double fills. The request is for 7 LD positions to clear the double fills.
2. **WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?**
Once the 7 LD positions are allocated, DFs would be cleared, allowing for better tracking of the grant funds being used.
3. **HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?**
The agency's goal is to ensure the funding is utilized as it should be.

QUANTIFYING RESULTS

4. **IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?**
5. **WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**
Grant funds for the specified body of work may not be utilized fully or correctly and could result in GF spending inadvertently.

HOW ACHIEVED

6. **DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**
No.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

Allowing double fills to continue; potentially not pulling down the grant funding that has been given to the state.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

DHS has reviewed and corrected coding that drives the use of funding as it should be. This coding would be easier to track if double fills were cleared.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

None.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None.

11. WHAT IS YOUR EQUITY ANALYSIS? No impact.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Ensuring that DHS is effectively utilizing all the federal grant moneys that have been awarded to Oregon.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): _____

End Date (if applicable): _____

a. Based on these answers, is there a fiscal impact? No.

b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities. No.

c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.

None.

d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.

No.

e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.

No. Providing new LD positions for the current staff who are double filled will be a simple cleanup effort and allow easier tracking of how the grant funds are being utilized.

- f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
There would not be start-up costs.
- g. What are the ongoing costs?**
No ongoing costs to DHS; the positions are grant funded.
- h. What are the potential savings?**
No savings, no costs.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	0	0	\$1,386,469	\$1,386,469	7	7.00
Services & Supplies	0	0	\$270,809	\$270,809		
Capital Outlay	0	0	0	0		
Special Payments	0	0	0	0		
Other	0	0	0	0		
Total	\$0	\$0	\$1,657,278	\$1,657,278	7	7.00

DHS - Fiscal Impact Summary by Program Area:

	Program /Division 1	Program /Division 2	Program /Division 3	Program /Division 4	Total DHS
General Fund	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$1,657,278	\$0	\$0	\$0	\$1,657,278
Total Funds	\$1,657,278	\$0	\$0	\$0	\$1,657,278
Positions	7	0	0	0	7
FTE	7.00	0.00	0.00	0.00	7.00

What are the sources of funding and the funding split for each one?

Federal funds only

Department of Human Services 2019-21 Policy Package

Agency Name: DEPARTMENT OF HUMAN SERVICES
Program Area Name: OFFICE OF BUDGET, PLANNING, AND ANALYSIS
Program Name: DHS CENTRAL SERVICES
Policy Package Title: INVESTING IN DHS BUDGET STAFF CAPACITY
Policy Package Number: POP 112
Related Legislation: N/A

**Summary
Statement:**

Over the past few years, the complexity of the department's budget has grown. Currently there are only eight budget analysts, one manager, and one support position for the five main program areas and central office, which include over 9,000 budgeted positions and an \$11.6 billion-dollar budget. Each program has multiple, complex funding streams and their own requirements and limitations. The department requests the addition of one PEMF deputy budget director, two Fiscal Analysts 2, and two Fiscal Analysts 3 to further the agency's ability to: track budgets at the levels not expected of the unit in the past, focus on revenue analysis, provide backup to programs that are only supported by one analyst in each program and design/delivery area, and to assist in the production of ever more detailed and complex information requests for budgeting and decision-making purposes. They will also provide coordinated position management resources for the over 9,000 budgeted positions in the department.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	632,772	0	420,470	1,053,242

PURPOSE

- 1. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?** This package will increase the number of budget staff available to build, maintain, and analyze the department's budget and revenues. Currently each program has one analyst for program and one for Design and Delivery. While the intent is to eventually cross train, current staffing levels make it difficult to adequately cross train staff. Each program is only supported by one analyst, which puts the agency at risk each time an employee separates. There is not currently a true employment path for a new employee to enter as a Fiscal Analyst 2 and gain experience to become a Fiscal Analyst 3. This office does not currently have a deputy budget director. A deputy budget director would be essential in adding quality controls and reviews for which the department doesn't currently have capacity. The addition of a deputy budget director and FA3 could improve the department's management of positions. Finally, this will increase our capacity to analyze revenues and potential federal program or funding changes.
- 2. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?** The department is trying to increase budget analysis and position management capacity resources for its over \$11.6 billion-dollar budget and 9,000 budgeted positions. The more complex the department becomes, the more risk there is that mistakes will be made if not resourced properly. This could cost the department and the state up to several million dollars in federal penalties. This could also compromise the department's ability to adequately track, analyze and maintain the budget.
- 3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?** We are expected to manage within our budget. However, the complexity of this budget with five distinct program areas, the smallest of which is bigger than most other agencies, have many complex funding sources, funding restrictions, and thousands of positions. As the department grows in complexity, overall expectations of reporting and information requests from this office responding to managers, the Governor's Office, Legislative Fiscal Office, the state's Chief Financial Officer, the Legislature, and others has increased dramatically over the last several years. The department under its current staffing level struggles to keep up with all the expectations of the central budget office.

QUANTIFYING RESULTS

4. **IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?** No.
5. **WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**
We would continue and likely further struggle to keep up adequate budget, revenue and position analysis and responsiveness to information requests including meeting budget building timelines.

HOW ACHIEVED

6. **DOES THIS POP REQUIRE A CHANGE(S) TO AN EXISTING STATUTE OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**
No.
7. **WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?**
None.
8. **WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?**
None.
9. **WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?**
The department would be more responsive and able to work better with the state agencies and tribal governments DHS interacts with, from a budget standpoint.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None.

11. WHAT IS YOUR EQUITY ANALYSIS?

The department is committed to having a diverse workforce.

12. WHAT IS THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)? To build capacity so DHS can better react to new legislation, manage positions, and analyze, build and maintain DHS budgets and analyze current and proposed revenue sources.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): Oct 1, 2019 start date for employees

End Date (if applicable): _____ none – request is for full time permanent positions.

a. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities. n/a

- b. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
Normal equipment, chairs etc. will be needed; and there should be minimal impact on human resources and payroll and information service resources simply due to adding more staff.
- c. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.** Not applicable.
- d. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**
One PEMF 21 months in 19-21, 24 months from then on.
Two FA3s 21 months in 19-21, 24 months from then on.
Two FA2s 21 months in 19-21, 24 months from then on.
- e. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
Only normal, new staff costs that are built into the pricing.
- f. What are the ongoing costs?**
Position costs and S&S
- g. What are the potential savings?**
There is the potential for increased federal funding if additional resources are available to analyze grants to determine if DHS is appropriately maximizing federal funds.
- h. Based on these answers, is there a fiscal impact?**
Yes.

TOTAL FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	525,207	0	350,130	875,337	5	4.40
Services & Supplies	33,010	0	22,020	55,030		
Capital Outlay	0	0	0	0		
Special Payments	74,555	0	48,320	122,875		
Other	0	0	0	0		
Total	\$632,772	\$0	420,470	1,053,242	5	4.40

DHS - Fiscal Impact Summary by Program Area:

	BPA				Total
General Fund	\$632,772	\$0	\$0	\$0	\$632,772
Other Fund	\$0	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$420,470	\$0	\$0	\$0	\$420,470
Total Funds	\$1,053,242	\$0	\$0	\$0	\$1,053,242
Positions	5	0	0	0	5
FTE	4.40	0.00	0.00	0.00	4.40

What are the sources of funding and the funding split for each one?

General fund 60%, Federal fund 40%

Department of Human Services

2019-21 Policy Package

Agency Name: Department of Human Services (DHS)
Program Area Name: Vocational Rehabilitation (VR)
Program Name: VR Transition Services
Policy Package Title: Pre-Employment Transition Services (Pre-ETS)
Policy Package Number: POP 116
Related Legislation: WIOA; IDEA

Summary Statement:

The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services. Further, WIOA states that there must be local coordination with districts for Pre-ETS at all 16 VR branch offices. The Oregon Department of Education and VR estimate that the target population for Pre-ETS to be roughly 27,000 students with disabilities.

Currently Oregon VR has two Pre-Employment Transition Service Coordinators that provide direct services to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Neither of these positions have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the data entry elements of this mandate.

This POP would utilize funds already within VRs budget so this will be a zero cost or, cost neutral POP.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>		\$576,906		\$576,906

PURPOSE

1. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP is designed to assist VR meet new transition requirements established in WIOA that mandates VR to create the provision and availability of Pre-Employment Transition Services (Pre-ETS) for roughly 27,000 students with disabilities throughout the state. These are the five required Pre-ETS:

- Job exploration counseling;
- Work-based learning experiences,
- Counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs
- Workplace readiness training to develop social skills and independent living;
- Instruction in self-advocacy, which may include peer mentoring.

Oregon VR currently has two Pre-Employment Transition Service Coordinators that provide Pre-ETS to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Neither of these positions have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the data entry elements of this mandate.

This POP would utilize funds already within VRs budget so this will be a zero cost or, cost neutral POP.

2. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

The Workforce Innovation and Opportunity Act (WIOA), calls for Oregon Vocational Rehabilitation to collaborate with school districts to provide, or arrange for the provision of, pre-employment transition services (Pre-ETS) for all students with disabilities who are eligible or potentially eligible for VR services. Further, WIOA states that there must be local coordination with districts for Pre-ETS at all 16 VR branch offices. Currently we do not have the capacity with our existing staff to fulfill these new mandates.

3. HOW DOES THIS FURTHER THE AGENCY’S MISSION OR GOALS?

This POP directly relates to VR’s strategic objective and goal to “implement inclusive, dynamic statewide youth programs”. Additionally, this package will support the governor’s goal to train a high quality workforce reflects the working face of Oregon.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Oregon VR is now required to arrange for the provision of Pre-Employment Transition Services for roughly 27,000 youth with disabilities in over 145 school districts. This performance measure is set forth in section 113 of WIOA. This POP will provide VR with the field staff to implement these new services and coordinate with the districts and other providers to ensure the provision of the Pre-ETS.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

Oregon Vocational Rehabilitation could be out of compliance by not fulfilling the required services in section 113 of WIOA outlining Pre-Employment Transition services and Coordination.

HOW ACHIEVED

6. DOES THIS POP REQUIRE A CHANGE(S) TO AN EXISTING STATUTE OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.
NO.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

None – this POP is consistent with implementing the Workforce Innovation and Opportunity Act as discussed above and the specific action plans adopted to implement the new mandatory services set forth in that act.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

VR has hired two Pre-Employment Transition Service Coordinators that deliver services to students with disabilities in the state. One is based in the Portland Metro area and the other is based in Bend with the responsibility of covering the eastern part of the state. Both of these positions are do not have enough capacity to cover the entire state and deliver the mandated services by WIOA. Therefore, we are requesting the position authority to hire 2 more Pre-Employment Transition Service Coordinators to meet this need and one OPA1 to handle the data entry elements of this mandate.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

There are five tribal vocational rehabilitation programs in the state that would benefit from this POP. These programs have extremely limited funds and our POP would be able to coordinate and serve their tribal students.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

Oregon Department of Education, University of Oregon, CTE and CTE Hubs, STEM Hubs, Local School Districts, Workforce Innovation Technical Assistance Center, and the National Technical Assistance Center on Transition.

11. WHAT IS YOUR EQUITY ANALYSIS?

Working with the Oregon Department of Education we pulled 2017-18 school year data to determine the current enrolled population of students with disabilities between the ages of 14 and 21. This analysis was comprised 13 different disability types, gender, geographic location, and school of record. It has been determined that there are roughly 27,000 students with disabilities that could potentially eligible and served by this program.

12. WHAT IS THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Pre-Employment Transition Services are meant to be the first step in career exploration for students. When students have the opportunity to participate in these services they are more equipped to make an informed decision about their future and will have a better understanding of their own preferences, interests, skills and needed supports. By funding this POP we are seeking improved postsecondary employment outcomes for students with disabilities in Oregon. This will result in more students employed in competitive, integrated settings. More students with disabilities will be enrolling in postsecondary training and education programs. These activities will result in fewer individuals with disabilities utilizing governmental supports and, in turn, they will be participating and contributing members in our community.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): 7/1/2019

End Date (if applicable): N/A

- a. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.**

☒ Reporting to RSA

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- b. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
No.

- c. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

There will be an increase of services provided to students with disabilities. It is estimated that there are 27,000 students in the state that are potentially eligible for these services. Not all of these students with require these services but they would be served locally in collaboration with contracting school districts and the local VR office.

- d. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

Yes, we are requesting position authority to hire two more Pre-Employment Transition Service Coordinators (PA1) to meet this need and one OPA1 to handle the required data entry elements for our federal funders (RSA).

- e. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
None.
- f. **What are the ongoing costs?**
This POP would utilize funds already within VRs budget so this will be a zero cost or, cost neutral POP.
- g. **What are the potential savings?**
N/A.
- h. **Based on these answers, is there a fiscal impact?**

TOTAL FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	0	\$576,906	0	0	3	3.00
Services & Supplies	0	0	0	0		
Capital Outlay	0	0	0	0		
Special Payments	0	0	0	0		
Other	0	0	0	0		
Total	\$0	\$576,906	\$0	\$0	3	3.00

DHS - Fiscal Impact Summary by Program Area:

	Program Area 1	Program Area 2	Program Area 3	Program Area 4	Total
General Fund	\$0	\$0	\$0	\$0	\$0
Other Fund	\$0	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$0	\$0	\$0	\$0	\$0
Total Funds	\$0	\$0	\$0	\$0	\$0
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

What are the sources of funding and the funding split for each one?

100% Other funds

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Child Welfare
Program Name: CW Delivery
Policy Package Title: Centralized Screening
Policy Package Number: POP 119
Related Legislation:

Summary

Statement:

Centralized Screening currently exists in half of all child welfare programs in the U.S. Research has proven its effectiveness in improving consistency in screening decisions and increased training opportunities for screeners to build a specialized expertise. Screening is the first point of contact for all mandated and non-mandated reporters of child abuse in Oregon. It is imperative that screeners apply Oregon Revised Statute 419B.005 accurately to each allegation of abuse and determine when the department is required to investigate. Oregon Child Welfare currently operates under a district-wide child abuse reporting system in most areas of the state. 7,000 reports of child abuse or neglect are being processed through 15 child welfare offices each month, and at least that many phone numbers. Screening decisions can vary based on where the call is received and a multitude of other reasons such as, workload, inexperience, misinterpretation, bias, etc. This POP would support the ongoing operation of a single, stand-alone, 24 hours a day, 7 days a week child abuse hotline. Enhanced training, decision-making and data-informed tools, a single leadership structure and continuous quality assurance processes all support increased accuracy and reduced bias in screening decisions. In addition, it affords opportunities for quality assurance measures which increase the ability of the Department to provide consistent practice and customer service. Overall, this will increase the level of safety for children exposed to abuse or neglect.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	10,189,554	-	-	10,189,554

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

Child Welfare generates 7000 reports of child abuse monthly. Statute requires all 7000 reports be cross reported to the appropriate Law Enforcement Agency (LEA) jurisdiction. This POP would allow for the creation of a single call facility by consolidating the 15 hotlines currently scattered around the state into a single location. It would provide for the additional Hotline staff needed to operate 24 hours a day, 7 days a week. It would also allow for the maintenance of advanced phone technology and other equipment such as desk-side scanners to support the work. The Child Abuse Hotline would be the point of receipt for all new allegations of child abuse and neglect. This POP requests funding for the facility, positions, and enhancement of technology to help bridge the communication gap with the field offices and our law enforcement partners, especially.

Facility:

The Hotline will be located at 6035 NE 78th Court, Suite 200 in Portland. The POP would provide the resources needed to support ongoing operations of a stand-alone facility and functionality to support screeners, supervisors, consultants, program managers, hotline managers, case aides, office specialists, office managers and an ORKids trainer. The facility will utilize a work station, rather than desk assignment model to minimize square footage requirements, and support the shift-work that will be required of Hotline staff. This will require screener workstations to be flexible to meet the ergonomic requirements of more than one person. The facility will need adequate safety features such as an electronic key system and good lighting. Customers will not be received at this building.

The Hotline will be identified as a DHS critical infrastructure. To ensure ongoing operation the facility will run 24/7, the office will include but is not limited to; backup generator, dual internet sources, increased rent and utilities increases for 24/7 operations, building showers, and storage lockers.

Technology:

In a 2008 study commissioned by the state of Wyoming, Casey Family Programs evaluated centralized screening efforts. Findings indicate getting the technology piece right is elemental to the success of a hotline.

“Automated call handling, and distribution systems [that] can facilitate call management and tracking of call volumes and call center performance may significantly reduce the proportion of callers who encounter busy signals. A dedicated call line or system for prioritizing referrals from law enforcement may be needed to allow those reporters to deliver referrals in a timely way.” In Oregon’s current decentralized system, units vary greatly in the types of data they capture, store and utilize. The POP would allow for the maintenance of the web-based phone system with the ability to respond to disasters or coverage needs with a plug-and-play system. This design allows supervisors to reroute phone lines anywhere and remain fully functional via the Web, including uninterrupted data capture. The phone software has the capabilities to track calls, wait times, dropped calls, worker productivity, etc. It will allow supervisors the ability to listen in and record live calls, provide dedicated lines to LEA, be able to transfer calls and forward calls without disruption or excessive prompting for the caller. Utilization by non-English callers will be accessible statewide. The phone system will provide quality sound, the capacity to predict call volume and assist with workload management. The POP would allow for ongoing licensure of the phone software and maintenance of desk-side scanners and printers for the unit. Technology will include but not be limited to; building and maintaining a Geographic Information System (GIS), hardware/infrastructure, phone systems, ORKids and other appropriate software applications as needed.

Training:

Screening is a discreet function that is independent of the CPS assessment and requires autonomy in making decisions. Training for screeners and supervisors, decision-making tools and CQI processes are inadequate and inconsistently applied across the state. There is little specific training available for screeners or their supervisors. A more robust, formalized training, for business staff, pre-screeners, screeners and supervisors, has emerged as a critical need. Casey Family Programs and Action for Child Protection will be partnering with child welfare to develop a screening academy training plan and curriculum. Screeners, screening supervisors, and program managers of the Hotline will receive a comprehensive training, that includes application of Oregon Safety Model at screening, screening procedure, guidelines and various tools including the adoption of an equity lens to assist with decision-making. This POP would allow for the

ongoing Continuous Quality Improvement for the application of new screening procedures, sustainability planning and periodic review.

Staffing:

Statewide 167 screening positions exist statewide. Most child abuse hotlines currently operate 8 a.m.-5 p.m., except for District 2 which operates 24 hours a day, 7 days a week. Calls that come in after business hours in the districts operating 8 a.m.-5 p.m. are screened and assigned by District staff. Interpretation needs will be addressed through bi-lingual staff, and the use of interpretive language line services when there are no staff available to interpret. With centralization, after-hours screening decisions and assignments will shift to one central hotline. This will result in increased CPS workload evenings, nights, and weekends.

Centralization will require 119 additional staff statewide to meet the workload model, due to the implementation of a 24 hours a day, 7 days a week call facility, which subsequently will require 24 hours a day, 7 days a week CPS response to ensure child safety. The stand-alone facility will require an independent leadership structure including; a hotline manager, program managers, supervisors, SSS1s, case aides, office specialists, office managers, consultants and an ORKids trainer to support the planning, implementation and sustainability of the centralized hotline. These positions will focus on statewide change management strategies regarding policies, procedures, engagement with community partners and modeling change management post implementation.

A short implementation schedule is anticipated April 2019 through June 2019; however, in the meantime, districts are experiencing extended screening position vacancies due to the upcoming centralization. We anticipate moving some screening function to the NE Portland location in August 2018, including rerouting calls, workload and positions to the new location, begin transitioning and hiring new screeners, training to and provide structured onboarding of all districts. Full transition is expected by Summer 2019.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

Oregonians deserve a system that can provide efficient, effective, equitable, and consistent screening practice, as defined by statute. As custodian of Oregon's most vulnerable children, Child Welfare is requesting funding to stand up a single, stand-alone, 24 hours a day, 7 days a week screening hotline that

utilizes real-time data and quality assurance tools to improve safety outcomes for children. Nationally, about 50% of all states operate centralized screening units. A national study of Statewide [Intake] Screening (Morningside, 2014) found that states utilizing a centralized child abuse reporting hotline are safer, call volume is higher, and timeliness of response is longer. Oregon can anticipate a 10% increase in the number of calls, a 10% increase in assignments, and a 10% increase in the number of families who receive support services due to substantiated findings of abuse or neglect. This POP addresses timeliness of response through improved staffing allocation, ongoing quality assurance and reliable technology.

We know from file reviews that errors in screening processes have contributed to bad outcomes for children. Staff cite inadequate training and coverage as significant barriers to developing the specialized skill set screening requires. Unit meetings, group supervision, peer reviews, policy review, and updates are prioritized and delivered in 15 different ways right now. Typically, districts shift CPS workers to cover, often triaging the immediate assignments and deferring completion of closed reports to screeners. This is true for after-hours responses as well. It is imperative that we make systemic changes to screening. We need to do better. In 2017, the workload model was adjusted to account for the significant body of work associated with screening reports. This POP provides for the remaining screening positions to obtain 100% of the staffing level earned by the workload model, and to increase CPS staffing allocation to respond timely to the anticipated 10% increase in call volume associated with centralization of the hotline. The department will engage in targeted outreach to communities of color (with special emphasis on African American and Native American communities) and other non-dominant cultures to ensure future staffing is more reflective of the communities we serve. This will increase congruency between screeners and the individuals being reported, and will ultimately contribute to a reduction in disproportionality across the Child Welfare system.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

Healthy. Safe. Independent. It is essential that allegations of abuse and neglect are handled accurately. A single administrative structure and quality assurance practices can occur in a single location with maximum impact, equity, benefit, and accountability. This data driven system aligns with DHS' vision of a world-class organization.

QUANTIFYING RESULTS

4. **IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?**

This POP directly impacts KPM #17, in that the Child Abuse Hotline is the primary contact point of the community to the agency when they have concerns around the safety and well-being of children.

5. **WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**

The Department would continue to operate the 15 separate and distinct Hotlines throughout the state. Substantial hours in consultation and review would be expended. Inconsistency amongst hotlines would continue. Coverage for screening absence would continue to be filled by CPS workers, by pulling them away from their critical work. Statewide quality assurance measures will be difficult to implement. Consumers will experience inconsistent responses, and inequities and disproportionalities impacting youth from non-dominant cultures and non-English speaking communities will continue. Systemic issues, identified in critical case reviews, will also continue.

HOW ACHIEVED

6. **DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**

OAR 413-015-0305, Cross Reporting Requirements, would need to be amended to remove the requirement that a cross report be made to a law enforcement agency where the alleged abuse occurred, and, a second time in the county where the report was made. A centralized unit will eliminate the need for a second cross report. Continuing to cross report in the jurisdiction where the Hotline is situated causes one LEA to receive 7,000 assigned and closed reports of child abuse per month, regardless of their relevance.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

District, regional and centralized options have been vetted through the Centralized Hotline steering committee and approval to centralized by DHS executive leadership. The district and regional options diminish workload efficiencies, increase the probability of differing and inequitable practices across the regions, promote the continued use of CPS workers to cover screening work, and increase the likelihood that customers will receive inconsistent service. District and regional operations require duplicative spending on buildings, technological equipment, and the like.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

Child Welfare moved from a county based screening structure to a district format over the last couple of decades to manage resources and develop regional supports. As workload has increased, District offices have allocated additional staff to their screening units from other program areas to manage the increased call volume. Other child welfare workers and units periodically cover for screening; however, consistency in practice and decision-making can be negatively impacted.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

Centralization of the hotline will change how calls of child abuse are received, processed, and disseminated. This will impact all CW staff, mandatory reporters, and agencies who cross report to screening units statewide. Calls will no longer be accepted in the county of origin. Although callers will continue to be able to come to local field offices, they will be required to call the hotline and engage with screeners who may not be familiar with their local community resources. There is a risk that non-dominant and non-English speakers will not know about the child abuse reporting changes, the required information needed to make a child abuse report, or what to expect. The mechanism by which cross reports are made will change primarily to electronic communication. There will be an absence of screening leadership and expertise at the local offices; it will require community partners to collaborate with staff at the central hotline rather than their local offices.

The community will have access to the central hotline 24 hours a day, 7 days a week, 365 days a year.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

The efforts to centralize are overseen by the Centralized Hotline Steering committee. Other agency representation includes law enforcement, medical professionals, educators, Tribal governments, legislators, Service Employees International Union, District Attorney offices, Action for Child Protection, Casey Family Programs, and Office of Training Investigations and Safety, Office of Continuous Improvement. Office of Business Engagement Services, Office of Reporting, Research, Analytics and Implementation, Unified Child Safety provide support technical assistance and project management to the project. Screeners, screening supervisors, safety consultants, program managers and district managers are represented on the steering committee and/or subcommittees who are responsible for the project deliverables. Statewide listening tours, outreach to supervisory groups, and screening units continue throughout the project.

11. WHAT IS YOUR EQUITY ANALYSIS?

Through this POP the Agency seeks to make accessible skilled screening staff who can serve the diverse needs of the community, 24 hours a day, 7 days a week. In Oregon, the U.S. Census data shows that while Spanish, Vietnamese, Chinese and Russian are the most common languages spoken by people at home after English, about 172,000 people in the state speak one of 120 other languages. Currently, Child Welfare employs 105 Social Service Specialists and 11 supervisors who receive the bilingual differential, but they are thinly spread at multiple sites across the state. Having our bilingual screeners in a central location will enable the agency to more consistently staff screening and take reports in the caller's preferred language. Further, this POP will enable having effectively applied phone software that tracks language preference and informs hiring practice of needed language skills. When live bilingual staff are not available, contracted Language Services will continue to provide language support to ensure every report of child abuse and neglect is handled appropriately.

In addition, a centralized screening model will enable Child Welfare to have more consistent screening

standards that will limit bias to ensure equitable outcomes for children of color, as research demonstrates that disproportionality occurs at every step of the child welfare process nationally. For these reasons, we believe that this POP is essential for the health and safety of all children.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)

- Improved child safety
- Improved customer service
- Consistent decision-making
- Improved data informed decision-making
- Continuous Quality Assurance
- Continuous Quality Improvement
- Reduced biases in screening decisions
- Congruent with DHS values
- Improved continuity of operations
- Improved service equity for non-dominant cultures and non-English speaking communities

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): August 2018, stand up phase; full implementation Summer 2019

End Date (if applicable): n/a

a. Based on these answers, is there a fiscal impact? Yes

- b. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities. No**

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- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**

This POP allows for the ongoing lease of the facility and technical staff to support the hotline operations. Shared services is actively involved in evaluating phone needs, computer services, emergency readiness and other facility modifications necessary for day to day operational needs. Onsite phone supports will be essential to ensure child safety. GIS (geographic information system) technology will need maintained and updated. This technology will be used to child safety assessments. Addresses, business locations and police jurisdictions, for example, will require continuous maintenance and updates.

- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

Standing up a central location will not change client caseload or services provided; however, there may additional time required to gather information, staff cases with management, and complete the case assignment which is impacted by obtaining more comprehensive information. It is anticipated this increased workload will be offset by the efficiencies gained by consolidating staff into a single location.

- e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

No existing positions will be modified.

New Positions

- 17 SSS1 for screening at 100% workload model allocation.
 - 6 SSA-case aides for screening at 100% of workload model.
 - 15 OS2 for screening at 100% of the workload model.
 - 1 ISS5; permanent, will work 24 months in each biennium at DHS OFRA (Office of Forecasting, Research and Analysis) shared services department.
 - 1 ISS4; permanent, will work 24 months in each biennium at DHS OIS (Office of Information Services) shared services department.
 - 2 OPA; screening safety consultation and ongoing continuous quality assurance and improvements; permanent, will work 24 months in each biennium
 - 1 PEMF; Hotline Manager – permanent, will work 24 months in each biennium
 - 2 PEME; Program Manager - permanent, will work 24 months in each biennium
 - 1 Training and Development Specialist 2 – permanent, will work 24 months in each biennium
- f. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
- None. Securing a facility, curriculum development, training, relocating staff and securing call software are occurring in the 17-19 budget cycle.

- g. **What are the ongoing costs?**

Staff: \$9,283,567

Phones: \$605,987

Marketing campaign – Centralizing the child abuse hotline will impact all Oregonians. The change will be significant and require ongoing statewide efforts to ensure changes are effectively communicated: \$300,000.

h. What are the potential savings?

No significant cost savings identified.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	7,056,385	-	-	7,056,385	46	45.28
Services & Supplies	3,133,169	-	-	3,133,169		
Capital Outlay	-	-	-	-		
Special Payments	-	-	-	-		
Other	0	0	0	0		
Total	10,189,554	-	-	10,189,554	46	45.28

DHS - Fiscal Impact Summary by Program Area:

	CW/ Delivery	Program/ Division 2	Program/ Division 3	Program/ Division 4	Total DHS
General Fund	10,189,554	0	0	0	\$10,189,554
Other Funds	-	0	0	0	\$ -
Federal Funds- Ltd	-	0	0	0	\$ -
Total Funds	10,189,554	0	0	0	\$10,189,554
Positions	46	0	0	0	46
FTE	45.28	-	-	-	45.28

What are the sources of funding and the funding split for each one? 100% General Fund.

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Aging and People with Disabilities
Program Name: Community Based Care
Policy Package Title: Community Based Care Medicaid Access
Policy Package Number: POP 121
Related Legislation: None

Summary
Statement:

This policy option package is intended to protect and secure additional access to community-based care for Medicaid long term care consumers. This package provides a 10 percent increase to adult foster home providers effective 1/1/20 and another 4 percent increase effective 7/1/20 for a total of \$5 million in general funds. These increases are designed to recalibrate existing disparities to reverse the trend of lost access in the last five years. The package also adds a 5 percent increase effective 7/1/19 and a 5 percent increase effective 7/1/20 to assisted living, residential care, memory care and in-home agencies. Funding is also provided for anticipated increases in the upper payment limit for APD Program of All Inclusive Care for the Elderly programs. Finally, it has a request for surveyor positions to eliminate a backlog of inspections and to keep up with the ongoing oversight required by law - given the growth of community-based care settings.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	\$25,538,323		\$11,667,109*	\$37,205,432

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

This policy option package seeks to maintain and secure access to community-based care for Medicaid beneficiaries.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP:

- o Provides a 10% increase to APD-licensed adult foster homes effective 1/1/20.
- o Provides a 4% increase to APD-licensed adult foster homes effective 7/1/20.
- o Provides a 5% increase for assisted living, residential care and memory care effective 7/1/20.
- o Provides an additional 5% increase for assisted living, residential care and memory care effective 7/1/21.
- o Provides a 5% increase for In-Home Agencies on 7/1/20 and an additional 5% increase on 7/1/21.
- o Funding is also provided for anticipated increases in the upper payment limit for APD Program of All Inclusive Care for the Elderly programs.
- o Provides the Safety, Oversight and Quality Unit with 25 additional FTE (surveyors) to be able to perform the required oversight per OAR and ORS.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

Home and community based care is the backbone and philosophy of Oregon's system of long term care. Maintaining this access is critical. This funding will promote and secure continued access to these valuable services.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Yes. It is directly tied to **KPM # 11**: The percentage of Medicaid individuals served outside of nursing facilities.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

APD's access to adult foster care has reduced by 17% in the last four years with no signs of this slowing down. Failing to recalibrate the rates will exacerbate this situation resulting in further and further access issues to adult foster care in the future. Failing to fund this POP indicates an acceptance of this situation. The surveyor positions are required to be able to provide the oversight needed to help protect this vulnerable population and to be able to prevent serious safety issues within facilities. Without the positions, the Agency will remain past due on the required timeframe of 24 months between surveys.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.

No.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

APD could fail to provide the rate increase and face continued loss of access to adult foster homes.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

N/A

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

The rates proposed by APD will be discussed and potentially have impact on providers in the Intellectual/ Developmental Disabilities and Behavioral Health programs.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None.

11. WHAT IS YOUR EQUITY ANALYSIS?

Maintaining access to community based care is the cornerstone of equity. When Medicaid access is threatened, access is limited to those with the means to pay privately.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Continued maintenance of community based care rates and access. Eliminating any backlog in the survey and oversight process that is necessary by the Agency.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): January 1, 2020 (July 1, 2019 for the FTE ask for surveyors)

End Date (if applicable): N/A

a. Based on these answers, is there a fiscal impact?

Yes

- b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.**

☒ OIS Programming for Medicaid rate incentives	☐
☐	☐
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- c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
Normal costs associated with the new FTE proposed.

- d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**
None anticipated. This will change the caseload mix, but can't be quantified at this point.

- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**
Twenty five permanent Client Care Surveyors effective 7/1/19.

- f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
N/A

- g. What are the ongoing costs?**
Ongoing costs of rate increases.
- h. What are the potential savings?**
Not quantifiable.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	2,750,267	0	1,833,500	4,583,767	25	25.00
Services & Supplies	599,458	0	392,550	992,008		
Capital Outlay	0	0	0	0		
Special Payments	22,188,598	0	9,441,059*	31,629,657		
Other	0	0	0	0		
Total	\$25,538,323	\$0	\$11,667,109	\$37,205,432	25	25.00

**Federal Fund is error, will request
correction at Reshoot.*

DHS - Fiscal Impact Summary by Program Area:

	Program	Delivery	Design	Total DHS
General Fund	\$22,188,598	\$3,349,725	\$0	\$25,538,323
Other Funds	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$9,441,059	\$2,226,050	\$0	\$11,667,109
Total Funds	\$31,629,657	\$5,575,775	\$0	\$37,205,432
Positions	0	25	0	25
FTE	0.00	25.00	0.00	25.00

What are the sources of funding and the funding split for each one?

- All rate increases should be assumed at the K Plan FMAP rate *(Federal match incorrect at GB, will request correction at Reshoot).*
- Regional foster home recruiters should be assumed at the Medicaid admin rate.
- Marketing effort should be assumed as state general fund only.

Department of Human Services 2019-21 Policy Package

<u>Agency Name:</u>	Department of Human Services
<u>Program Area Name:</u>	Self-Sufficiency Programs
<u>Program Name:</u>	Temporary Assistance for Needy Families
<u>Policy Package Title:</u>	Emergency Housing Assistance
<u>Policy Package Number:</u>	POP 122
<u>Related Legislation:</u>	Not Applicable

Summary Statement:

The housing crisis has greatly impacted the low-income families in Oregon, making them even more vulnerable. This policy option package addresses the housing need by expanding the Department of Human Services, Self-Sufficiency Programs' ability to provide emergency housing services and supports to homeless families and families at risk of homelessness in areas where assistance is not available, including maximizing coordinated efforts with housing and community action agencies and other local partner organizations across the state. If this policy option package is not funded, homelessness and housing needs will remain unmet, reducing the ability to strengthen and stabilize the living situation of low-income families, and potentially requiring reliance on assistance programs.

An investment of \$6.5M in emergency housing will be transferred to help low-income Oregonians experiencing a housing crisis to remain safe and provide wrap-around services that support families during their period of instability. The Department of Human Services (DHS) and Oregon Housing and Community Services (OHCS) are working to align services and strategies to better serve our families and provide quality person-centered assistance. DHS and OHCS will work in collaboration on the four strategies below to begin to address the statewide housing stabilization issues facing the families we serve.

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

To help Oregonians create and sustain economic stability over a lifetime, the Department of Human Services (DHS) is taking a long view approach to helping families and individuals earn enough to make ends meet. This includes offering innovative and essential employment and training programs that lead to careers that pay, and providing family and housing stability supports to prevent homelessness of families with children and that lead to sustainable independence.

Oregon is currently experiencing a housing crisis, caused by new construction not keeping up with housing demand due to the population increase. The housing shortage has made it increasingly difficult for Oregonians to find and retain safe, decent and affordable housing. Approximately, 39 percent of Oregon households are renting. In Oregon, two-bedroom apartments have an average Fair Market Rent of \$1,028. To afford this level of rent, a household must earn \$3,428 per month if they are spending no more than the recommended 30 percent of their income toward rent. An individual working fulltime at the standard Oregon minimum wage (\$10.25 per hour) is not able to afford a two-bedroom apartment. In the past 5 years, rent for a two-bedroom unit in Oregon increased by 27. In 2017, Oregon had the 18th highest rent rate in the United States.

From 2015 to 2017, Oregon experienced a 6 percent increase in people experiencing homelessness from 13,176 to 13,953 based on the Oregon Point in Time Homeless Counts. 2,636 out of 13,953 of those homeless in 2017 were children under 18 years old. 57 percent of those homeless in 2017 were unsheltered. Low-income to no-income families, such as those who receive public assistance through the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF), are among the most vulnerable population.

2. **WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?**

The Department of Human Services (DHS) Self Sufficiency Programs (SSP) proposes this policy option package as an effort to address various housing needs that low-income families with dependent children are facing in the current housing crisis. This will target the prevention of homelessness by providing housing assistance in areas where it is not available by complementing and aligning with the collective services provided within the communities where the families reside.

This proposal would (1) fund emergency housing assistance for low-income families with children who do not have available resources in their areas; (2); support and complement services offered by housing and community action agencies and other local partner organizations in areas where additional need is identified; (3) develop strategies for SSP to address the housing needs of families who receive SSP program benefits and services; (4) gather data related to current housing crisis and how proposed services will impact the housing need.

1. Provide emergency housing assistance for low-income families with children who do not have available resources in their areas

An Emergency Assistance program was ended May 1, 2004 because the program was no longer funded. This does not create a program but uses an existing infrastructure to provide emergency housing assistance directly to families experiencing a temporary housing crisis when other program resources are not available. The assistance will serve homeless families with children who are at risk for homelessness. Payments can include but are not limited to housing costs, home repairs to address safety concerns, moving costs, and utility related costs.

2. Support and complement services offered by housing and community action agencies and other local partner organizations in areas where additional needs are identified

This aims to maximize the community collective impact and strengthen collaboration between SSP, housing and community action agencies and other local partner organizations in serving vulnerable populations by providing wrap-around services. This includes developing a collaborative referral process to Oregon

Housing and Community Services (OHCS) programs and programs offered by local housing and community action agencies, such as the Housing Stabilization Program (HSP). This will bolster other local programs that promote housing stability, provide rental and homeownership education for low-income families, and increase the capacity and improve services offered by emergency family shelters.

3. Develop strategies for SSP to address the housing needs of families who receive SSP program benefits
Expand upon support services payments offered to address the housing needs of the families served by SSP programs that are not otherwise covered by other housing agencies.
4. Gather data related to current housing crisis and how proposed services will impact the housing need
Contract with a community partner to collect data and report on the impact of these proposed services after implementation. SSP currently does not track data related to housing, this measure is needed to determine effectiveness.

Implementation of this policy option will include amendments to Oregon Administrative Rules, the Family Services Manual, and training offered to SSP staff. This policy option will also require new or expanded interagency and contract agreements.

\$6.5 million would be used to expand the capacity to provide emergency housing assistance in areas where it is not available by complementing and aligning with the collective services provided within the communities where the families reside. These estimates are based on: 1) spending \$6.5 million to add capacity to the Housing and Stabilization Program (HSP) which is funded by the TANF program and administered by Oregon Housing and Community Services through an interagency agreement.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

This policy option package supports the Department's mission and goals by addressing a significant need that Oregon's most vulnerable face. Housing stability is essential for families to experience safety, wellbeing, independence, and empowerment.

QUANTIFYING RESULTS

4. **IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?**

This policy option is not tied to current DHS performance measures. The proposal will require service providers to collect data, track, and measure performance for the programs implemented and the impact on homelessness in Oregon. Measures will be identified as a part of this proposal.

5. **WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**

The long-term desired outcomes are to prevent and reduce the homelessness of low-income families with children by having affordable, safe and decent housing. If this policy option is not funded, homelessness will continue to be a major issue for the vulnerable populations DHS serve. Homelessness and housing needs of DHS clients may increase because data shows that housing prices in Oregon will continue to rise.

HOW ACHIEVED

6. **DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**

No, this policy option package does not require any changes or creation of statutes.

7. **WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?**

The request for this POP was brought up as a high priority as there are no other alternatives in place at this time.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

- TA-DVS - provides up to \$1,200 in assistance to eligible families who are in domestic violence situations to help them find safe housing.
- JOBS Support Services- provides assistance to all JOBS eligible participants with up to \$3,000 within 3-months in order to stabilize housing needs.
- D-SNAP (Disaster-emergency) – provides SNAP assistance during a disaster related period.
- Housing Stabilization Program (HSP) - provides housing assistance to TANF eligible families with an amount of up to \$5,000 within a 4-month period. HSP is facilitated by OHCS. This has limited capacity.

Other above emergency-related program options have been considered; however, the focus of those programs is specific to other purposes that restrict the availability of funds to assist the general low-income family population.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

OHCS, housing and community agencies, and other local partner organizations will be affected in a positive way in collectively serving more families by the DHS contribution to the overall delivery of community based, coordinated housing related services.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

The proposal relies on an overall community collaborative effort with OHCS, housing and community action agencies, and other local partner organizations to collectively serve more families with the DHS contribution to the overall delivery of community based, coordinated housing related services. Additional stakeholders include Aging and People with Disabilities (APD), DHS Child Welfare Programs, and SSP steering committees and advisory groups, all of which will be consulted to enhance overall coordination.

11. WHAT IS YOUR EQUITY ANALYSIS?

Eligibility for services provided by this policy option package will be based on income and intends to benefit all families who qualify for services. Continue with DHS mission to provide services that integrate equity, diversity and inclusion.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Prevent and reduce the homelessness by having affordable, safe and decent housing. Continue working with partner agencies that can support families with services such quick re-housing, clean and safe shelters, transitional housing.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): October 2019

End Date (if applicable): _____

- a. **Based on these answers, is there a fiscal impact?** Yes, this POP requests additional funds.
- b. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.** Responsibilities are within the current scope of work.

☐ DHS office of Self-Sufficiency	☐
☐ DHS Budget and Accounting	☐
☐ Office of Contracts and Procurement	☐
☐ Office of Information Security and Privacy	☐
☐ Office of Multicultural Services	☐

- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
No.
- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

Yes, there is an anticipated increase in client caseload due to the expansion of emergency housing assistance, in particular, to the Pre-TANF program and to the Housing and Stabilization Program (HSP). Services provided to SSP participants and other low-income families who are homeless or at risk for homelessness will be expanded and more services will be offered. The proposed changes will require new or amended contracts to focus on the needs of families experiencing homelessness and those at risk of becoming homeless due to eviction notices.

- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

No.

- f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**

None.

- g. What are the ongoing costs?**

Same proposed level.

- h. What are the potential savings?**

It is anticipated that the investment proposed in this policy option package will result in savings to other programs and systems such as child welfare and emergency shelter programs, but the savings cannot be estimated at this time.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	0	0	0	0	0	0.00
Services & Supplies	0	0	0	0		
Capital Outlay	0	0	0	0		
Special Payments	0	0	0	0		
Other	0	0	0	0		
Total	\$0	\$0	\$0	\$0	0	0.00

DHS - Fiscal Impact Summary by Program Area:

	Program /Division 1	Program /Division 2	Program /Division 3	Program /Division 4	Total DHS
General Fund	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$0	\$0	\$0	\$0	\$0
Total Funds	\$0	\$0	\$0	\$0	0
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

What are the sources of funding and the funding split for each one? 100% GF

Department of Human Services

2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Self Sufficiency Programs
Program Name: Employment Related Day Care (ERDC)
Policy Package Title: Expansion of the ERDC program
Policy Package Number: POP 125
Related Legislation:

Summary
Statement:

The Employment Related Day Care (ERDC) program is not funded sufficiently to support Oregon's low-income families. At the current funding levels, the ERDC program is serving less than 20% of eligible families in Oregon.

This Policy Option Package would enhance ERDC through \$8M increases in bargained rates and \$2.7M in one-time funding for a pilot incentive program for child care providers who can serve families needing evening, night, and weekend child care. Families entering the workforce for the first time, being out of the workforce or after training or retraining, are often offered shift work at entry level. It is very difficult for families to find child care outside of 7 a.m.-7 p.m. and these funds will pilot an incentive for providers to offer care during the evening, night, and weekend hours.

By not sufficiently funding the program the ERDC caseload must be managed by using a reservation list. The reservation list means families cannot access child care when it is critical for them to gain or keep employment, children are then being left home alone, parents are forced to use a patchwork of unstable or unsafe child care or leaving their employment.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package</u> <u>Pricing:</u>		\$10,776,672		\$10,776,672

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

The Employment Related Day Care (ERDC) program is not funded sufficiently to support Oregon's low-income families. Children in low-income households are one of Oregon's most vulnerable populations. At the current funding levels, the ERDC program is serving less than 20% of eligible families in Oregon. The cost of child care is daunting and unaffordable for low-income Oregonians attempting to enter, return to or remain in the workforce. Families needing access to ERDC have few resources and family supports. Barriers to maintaining employment are compounded for those in rural Oregon where there is a lack of employment opportunities and child care deserts, where no formalized care is available. ERDC allows families the freedom to choose where their child receives care rather than relying on an unstable patchwork of care or children being left alone. Unsupervised care is a stark reality for families every day.

The ERDC program offers a career path for individuals to start up new child care businesses with partnerships to provide training, technical assistance and child care referrals. Expansion of the ERDC program will create support for Oregon's child care providers by way of increased financial stability. This will benefit the provider's family, their business and the community.

Approval of this Policy Option Package allows for an expansion of the ERDC program. An expansion will cover child care for more low-income working families. Child care assistance is vital in helping low-income Oregonians continue to work and move out of poverty.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

The ERDC program strengthens Oregon's families by allowing parents to be employees with longer term employment and work history and by supporting career related educational opportunities. Stable, quality child care is vital to parents so they can return to work, remain at work or work and further their education. Increased funding from the Policy Option Package will allow the ERDC program to support more Oregon families with child care costs. Parents who go to work without worrying about their children in care are more likely to maintain stable employment. Continued employment increases the opportunities for parents to move forward to self-sufficiency. The ERDC program supports Oregon's 40-40-20 educational goal for parents seeking to further their career by covering educational hours for eligible working parents.

Added funding to grow the ERDC program will help sustain the livelihood of Oregon's child care provider workforce and supports this necessary industry. Oregon child care providers play an important role in the health and growth, both physically and socially, of children in care.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

This POP is tied directly to Economic Stability. Additional families accessing child care subsidies will help to stabilize low income families in their employment and their path out of poverty.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP? Due to a legislatively capped caseload the program spending has been managed by using a reservation list for several years. The reservation list is turned on and off depending on the caseload levels. The uncertainty of when the program is accessible has left many families unwilling to apply or uncertain about the programs existence. Not funding this Policy Option Package would mean the reservation list will continue to be a reality for families trying to access help paying for child care and the confusion about program availability will continue. When a need for child care arises due to employment, it is needed at that moment. When a

parent is offered a job, but is unable to pay for the cost of child care, they are faced with leaving their child alone, losing their job, or patching together a network of individuals.

HOW ACHIEVED

6. **DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**
No.
7. **WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?** The alternative to sufficiently funding the program is to continue managing the caseload by using a reservation list. The outcome of not meeting a family's need at the time they apply for child care is potential job loss, children left home alone, or patchwork child care. The reservation list causes confusion of when ERDC benefits are accessible.
8. **WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?** The program attempted to manage the caseload by implementing the reservation list and holding monthly selections of reservation list families. The selected families were invited to apply for benefits when space was available. This has limited success. Even when selecting all families from the reservation list, many of these families did not return when selected to ask for help again. Families have been hesitant to try to get help a second time after their initial application for the ERDC program was denied. Some families expressed frustration that the ERDC program was not available when they had child care needs, by the time they were selected to apply their needs had changed or they patched together other less stable forms of care.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

The Early Learning Division (ELD) is the lead agency for the ERDC program. ELD licenses non-exempt child care providers and could see a positive effect from this policy option package as payments to providers on behalf of the families can increase business for licensed child care providers in this imperative line of work.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

11. WHAT IS YOUR EQUITY ANALYSIS? Low-income families are offered the same access to quality child care as other families who have a higher income. In addition, providers are able to open or continue successful child care businesses which will help create more options for families to choose care that fits their child care needs, including cultural and linguistic preferences.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)? Long term outcomes include families accessing help with child care costs at the time they experience the need without having to wait for services based on the caseload cap. As well as families maintaining employment and moving out of poverty while children experience safe and high-quality care. Children who have access to high quality care and those who attend preschool have a higher success rate throughout life. Providers are able to open robust child care businesses that succeed and support their family economically as well as offer high quality care for Oregon's children.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): 7/1/2019

End Date (if applicable): not applicable

- a. **Based on these answers, is there a fiscal impact?** Yes
- b. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.** No

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- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.** No
- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.** The funding would allow 1,042 additional families to access the ERDC program.
- e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.** No, current staffing levels and abilities are sufficient to maintain the additional caseload.
- f. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?** None, adding caseload will not have start-up costs since the program is already in place.
- g. **What are the ongoing costs?** Yes, additional funding will be needed in the next biennium to continue to support the additional caseload.
- h. **What are the potential savings?** This Policy Option Package would allow more families onto the ERDC program to access help with their child care costs. This will offer more families' the ability to accept and maintain employment, creating a potential savings by increasing families' economic stability and moving them toward self-sufficiency. Supporting Oregon's child care providers to accept more eligible subsidy families and creating revenue for a stable business will aide in children

receiving quality care. Receiving quality care can help move children out of potential generational poverty patterns.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	0	0	0	0	0	0.00
Services & Supplies	0	0	0	0		
Capital Outlay	0	0	0	0		
Special Payments	0	\$10,776,672	0	\$10,776,672		
Other	0	0	0	0		
Total	\$0	\$10,776,672	\$0	\$10,776,672	0	0.00

DHS - Fiscal Impact Summary by Program Area:

	Program /Division 1	Program /Division 2	Program /Division 3	Program /Division 4	Total DHS
General Fund	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$0	\$0	\$0	\$0	\$0
Total Funds	\$0	\$0	\$0	\$0	\$0
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

What are the sources of funding and the funding split for each one?

100% OF

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services (DHS)
Program Area Name: Office of Self Sufficiency
Program Name: Temporary Assistance for Needy Families
Policy Package Title: Vocational Training and Education Expansion
Policy Package Number: POP 127
Related Legislation: Not applicable

Summary
Statement:

This POP expands targeted vocational training and education opportunities for families receiving Temporary Assistance for Needy Families (TANF) assistance in rural locations as and provides access to underserved TANF populations statewide. The expansion would include a comprehensive service model with eligible participants enrolling in training programs that match up with in-demand, high wage job openings, such as in the healthcare or information technology areas. Participants receive a scholarship/stipend to help augment Pell grants, with average awards estimated cost at about \$2,976 per participant (\$2,000 of which is a tuition stipend) plus additional support services funding for the expanded participant group; approximately 850 individuals would participate in the program over the course of the biennium, doubling the current capacity. The pilot project will be a joint effort among workforce program partners, the education communities, and the Department of Human Services.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>			\$3,641,542	\$3,641,542

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

The Temporary Assistance for Needy Families program (TANF) provides cash assistance to low-income families with children while they strive to become self-sufficient. The Job Opportunity and Basic Skills Program (JOBS) is Oregon's employment and training program for people receiving TANF cash assistance. The goal of the program is to reduce the number of families living in poverty through employment, training and education, and family stability-related services that address other obstacles to employment. JOBS services include a variety of activities, including job search, work experience, JOBS Plus subsidized employment, support service payments, and high school or GED completion, Life Skills, and limited or standard vocational training.

The high-wage in-demand jobs that can offer TANF families the income and resources to achieve financial independence require skills and credentials that are attained through industry-specific vocational training and education tracks. Access to existing vocational trainings opportunities currently available through workforce programs is limited, highly competitive and do not provide additional supports or comprehensive services that can help a TANF participant succeed. Vocational training services offered through the JOBS program have limited availability and funding to reach rural areas or to assist typically underserved populations.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP provides DHS the ability of the JOBS program to expand vocational training and education services, adding capacity and offering a comprehensive model patterned after the 2015-17 Rogue Educational Achievement (REACH) project in the Medford. Participants receive a scholarship/stipend to help augment Pell grants, with average awards estimated cost at about \$2,976 per participant (\$2,000 of which is a tuition stipend) plus additional support services funding for the expanded participant group; approximately 850 individuals would participate in the program over the course of the biennium, doubling the current capacity. Services include one-on-one coaching throughout the educational learning processes,

networking opportunities, peer-to-peer relationships and study partners, and support service payments for tuition, books, and supplies.

Funded resources will be distributed to communities across the state through a competitive proposal selection process with priority offered to rural areas and locations with underserved populations who have difficulty accessing vocational training and education opportunities through other programs. The services to be provided will be customized to meet community demands, job market and identified employment sectors. They will be delivered through contracted partner agreements and administered by local DHS district offices.

Outcome measures will be identified with data collected to demonstrate the efficacy of the expanded efforts for each community's customized program.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

This POP will help DHS meet the needs of communities by providing vocational training and education opportunities that help participants be more competitive for job prospects and careers that result in the livable wages needed for TANF families to become safe, health and financially stable.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

This POP is anticipated to result in increased job placements and job retention which are existing measures. Additional measures will be developed to identify the data collected that will demonstrate the efficacy of the expanded community-based vocational training and educational opportunities.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

There would be a continued unmet need for low-income TANF families residing in rural areas and other populations who are typically underserved to access vocational skills needed to be competitive for jobs and careers that can offer families economic independence.

HOW ACHIEVED

- 6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**
No.

- 7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?**

Current vocational training and education opportunities are available within the JOBS program; however, the capacity is limited and the comprehensive model is not available in most areas across the state. Access to vocational training from other workforce partner programs are highly competitive and lack the capacity to meet the need.

- 8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?**

See above.

- 9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?**

The following entities could have coordinated access to the comprehensive and expanded vocational training and education opportunities: DHS-Vocational Rehabilitation, Higher Education and Coordinating Commission, Department of Education, Employment Department, Workforce Innovations and Opportunity Act (WIOA) organizations, and other local community service and workforce organizations.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

The following entities will be involved in the coordination and access to the comprehensive and expanded vocational training and education opportunities: DHS-Vocational Rehabilitation, Higher Education and Coordinating Commission, Department of Education, Employment Department, Workforce Innovations and Opportunity Act (WIOA) organizations, and other local community service and workforce organizations. Internal and external steering committees and advisory groups will be consulted.

11. WHAT IS YOUR EQUITY ANALYSIS?

The model supports customized community-based services designed to ensure services are delivered with service equity, equal access, inclusion, and cultural appropriateness.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

The goal of this to reduce the number of families living in poverty through employment, training and education, and family stability-related services that address other obstacles to employment.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): _____ October 1, 2019 _____

End Date (if applicable): _____

- a. **Based on these answers, is there a fiscal impact?** The POP requests additional funding.
- b. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.** No new responsibilities beyond current scope of the work.

- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
No.
- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**
Yes. More TANF families will have access to comprehensive vocational training and education opportunities.
- e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**
No. Services to be provided through contracted partners.
- f. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
None for DHS staff.
- g. **What are the ongoing costs?**
Continued service level
- h. **What are the potential savings?**
As TANF families obtain employment and move onto careers that provide economic independence from assistance programs, there is potentially caseload savings based on families leaving and not returning to TANF. It is difficult to estimate at this time.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal						
Services	0	0	0	0	0	0.00
Services &						
Supplies	0	0	0	0		
Capital						
Outlay	0	0	0	0		
Special						
Payments	0	0	\$3,641,542	\$3,641,542		
Other	0	0	0	0		
Total	\$0	\$0	\$3,641,542	\$3,641,542	0	0.00

DHS - Fiscal Impact
Summary by Program
Area:

	Program /Division 1	Program /Division 2	Program /Division 3	Program /Division 4	Total DHS
General Fund	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0
Federal					
Funds- Ltd	\$0	\$0	\$0	\$0	\$0
Total Funds	\$0	\$0	\$0	\$0	\$0
Positions	0	0	0	0	0
FTE	0.00	0.00	0.00	0.00	0.00

What are the sources of funding and the funding split for each one? 100% FF

Department of Human Services 2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Intellectual & Developmental Disabilities
Program Name: Children's Services
Policy Package Title: Expand Support to Kids with Significant Needs
Policy Package Number: POP 129
Related Legislation:

Summary

Statement:

There are inadequate resources to serve children who experience an intellectual or developmental disability with significant support needs. This has led to a crisis that is widely recognized and is being discussed and considered in several forums. The result is that children with significant, cross-system needs are placed in inappropriate or inadequate settings. This includes children with I/DD under DHS care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital, or highly restrictive environments. Many of these children are living in the family home, with families barely managing to support these extremely high-needs children.

ODDS is proposing to address the lack of resources by a) creating a new foster care service level, "enhanced foster care", that will increase residential capacity by allowing children and youth to step down from more restrictive group home settings (similar to 'proctor care' that ended several years ago), and b) appropriately expanding residential group home capacity, and c) expanding the capacity in the waiver programs that support children with intensive medical needs in their family homes.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	\$8,477,001	\$0	\$17,002,265	\$25,479,266

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

There is a crisis in access to services to children and families, which has resulted in children being placed in inappropriate settings. This includes children under DHS' care who are placed in hotels, and children who have languished in hospital emergency departments, state hospital or other highly restrictive settings. In addition, there are families with children with significant and complex medical challenges who struggle to support their children in-home, but access to CIIS is limited due to current waiver and budgetary caps.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

The POP would fund specific services to children in order to address the crisis in access to services. This includes:

- Implementation of an Enhanced Foster Care model, which would allow for children to be diverted from costly and more restrictive placements, namely children's residential placement. This service would be developed by working with I/DD provider agencies to build capacity to provide this service in the child's and family's community. An OPA3 position will be added to manage the program.
- Expanding the capacity in the Children's Intensive In-home Services' Medically Involved and Medically Fragile programs.
- Expanding the capacity of Children's Residential Services

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

The services in this POP further DHS' mission "to help Oregonians in their own communities achieve wellbeing and independence through opportunities that protect, empower, respect choice and preserve dignity." The children targeted by these services are in inappropriate settings and are at high risk around

basic health and safety needs. They have no options to choose more appropriate settings, are in more restrictive settings, and are placed, or at risk for placement, out of their community in more restrictive placements.

The services proposed in this POP directly address DHS' goals regarding:

- People are safe and living as independently as possible.
 - Children and youth are safe, well and connected to their families, communities and cultural identities.
- Specifically, children in inappropriate settings face serious risk for their safety and health. They are in more restrictive settings, which directly their ability to live as independently as possible. Without these supports, children are at risk to lose connection to their families, communities and cultural identities.

ODDS is in the final stages of completing its Strategic Plan for 2018 – 2023. One of the five primary goals is: PROVIDE FAMILIES THE AMOUNT AND TYPE OF SUPPORTS THEY NEED TO RAISE THEIR CHILDREN AT HOME, OR WHEN NECESSARY, IN ANOTHER FAMILY HOME WITHIN THEIR COMMUNITY. The expansion of capacity in the CIIS medical waiver programs provides families the supports they need to raise their child at home. The Enhanced Foster Care program will allow children who are not able to be supported in the family home to live in, and receive supports from, another family home within their community.

Finally, the Governor's Office recently convened the Children and Youth with Specialized Needs Workgroup to make recommendations regarding funding needs to address the crisis in children placed in inappropriate settings. The workgroup emphasized the need to serve children in the family home, as well as providing specialized foster home settings for youth who are not able to be supported at home. The Children's Intensive In-home Services and Enhanced Foster Care models are directly in accordance with these recommendations.

QUANTIFYING RESULTS

- 4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?**

There are no DHS Performance Measures directly related to this POP. ODDS participates in the National Core Indicators (a national survey which compares outcomes for services to children and families served via the I/DD system). Metrics are compared across states. Examples of metrics which NCI tracks and which are relevant to these initiatives include:

Does the [service] plan include all the services and supports your child needs?

Does your family get the supports and services needed?

- 5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**

Given the sparsity of resources, children will continue to be placed in inappropriate placements, including hotel settings and prolonged stays in hospital emergency departments, and families will place children out of their home when the child could be maintained in-home with appropriate supports, or they may continue to struggle to support some of the most high-needs children (both behaviorally and medically) in our system.

HOW ACHIEVED

- 6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**

No, this does not require a change in statute.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

No alternatives are available to serve these children. All current resources are utilized.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

ODDS' children's unit continues to prioritize access to residential resources based on the children's need, as well as considering appropriateness of current placement. Current resources are not able to meet the demand. The CIIS medically involved waiver is at capacity. There is a waiting list for this program that extends back between 18 months and 2 years.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

Children in need of these services include children under child welfare custody and placed in hotels or diversion programs. Wait times in these settings may be extensive due to lack of resources in the I/DD system. CCO's may be supporting youth in inappropriate settings, such as emergency departments or psychiatric residential treatment settings, and discharge may be delayed for extended periods due to lack of available resources in the I/DD system. The services in this POP will help to alleviate these other systems' struggle to support these children in these settings.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

There have been active discussions over the past several years across child-serving systems (e.g., child welfare, juvenile justice, behavioral health) about the need for additional resources for these children. I/DD's Children's Services Advisory Group (a stakeholder group including systems partners, providers and families of children receiving services) has identified the need for these services, and a subgroup exploring foster care services specifically recommended the development of the enhanced foster care model. The recently convened Children and Youth with Specialized Needs Workgroup identified the need for developing specialized foster home models to support children with high levels of support needs.

11. WHAT IS YOUR EQUITY ANALYSIS?

There is no overrepresentation of minority children in I/DD services, as is reflected in some of the other child serving systems. The children served by the proposed services will reflect the broader population of children serviced by the I/DD system. The POP is intended to create capacity within the system to serve children within their respective communities in a culturally competent and linguistically appropriate way.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Children and families receive the support they need to raise their child in their home. And children who are not able to be supported in their home can be supported in a family home setting within child's community.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): July 1, 2018

End Date (if applicable): N/A

a. **Based on these answers, is there a fiscal impact?** Yes

- b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.**

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- c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**

N/A

- d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

Children's Residential Capacity Growth	12
Children's Enhanced Foster Care	140
Medically Involved Children's Waiver	150
Medically Fragile Children's Waiver	10
TOTAL	178

- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

- Enhanced Foster Care program: OPA3 Position will be added to manage the new program

- The impact of added caseload to Children's Residential & Children's Intensive In-Home services creates a need within the Workload models resulting in 7 Case Managers, 1 Manager, PEMC, 1 Administrative Specialist, and 1 Office Specialist 2.

f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?

Vehicles for added Case Managers.

g. What are the ongoing costs? Caseload and staffing costs

h. What are the potential savings? None

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	561,728	0	559,675	1,121,403	11	7.52
Services & Supplies	161,993	0	161,920	323,913		
Capital Outlay	0	0	0	0		
Special Payments	7,753,280	0	16,280,670	24,033,950		
Other	0	0	0	0		
Total	\$8,477,001	\$0	\$17,002,265	\$25,479,266	11	7.52

DHS - Fiscal Impact Summary by Program Area:

	I/DD Program Budget	ODDS Delivery Budget	ODDS Design Budget	Total DHS
General Fund	\$7,749,683	\$622,732	\$104,586	\$8,477,001
Other Funds	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$16,277,095	\$620,936	\$104,234	\$17,002,265
Total Funds	\$24,026,778	\$1,243,688	\$208,820	\$25,479,266
Positions	0	10	1	11
FTE	0.00	6.64	0.88	7.52

What are the sources of funding and the funding split for each one?

Caseload increases: FMAP-Enhanced with k plan: 32 GF / 68 FF.

Caseload increases that impact Nursing services FMAP: 38 GF / 62 FF.

Caseload impact to Workload model, Children's Residential and Children's Intensive In-Home Supports state staff case management services: Admin: 50 GF / 50 FF.

OPA3 position in Design Budget for Enhanced Foster Care Oversight Admin: 50 GF / 50 FF.

Department of Human Services

2019-21 Policy Package

Agency Name: Department of Human Services
Program Area Name: Office of Child Welfare Programs
Program Name: Foster Care
Policy Package Title: Foster Family Recruit Team
Policy Package Number: POP 131
Related Legislation:

Summary

Statement:

Oregon does not currently have a structure in place to target statewide foster family recruitment and the services and supports necessary to retain good foster family homes. This has resulted in a lack of appropriate placement resources for many children experiencing foster care and was a finding of shortcoming in the most recent federal Child and Family Services Review and the Secretary of State Audit, titled ‘Chronic Management Failures and High Caseloads Jeopardize the Safety of Some of the State’s Most Vulnerable Children.’ The State must address this issue of foster care recruitment and retention as a part of its federally required Program Improvement Plan and in its federal Child and Family Services Plan.

This Policy Option Package requests the positions necessary to develop, implement and sustain a data informed targeted Statewide Foster Care Recruitment and Retention practice model. This model is intended to recruit and retain an abundance of foster families reflecting the cultural, linguistic and other characteristics, including LGBTQ status, of children experiencing foster care to allow for enhanced placement matching and reduce the number of placement changes.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	3,008,924	-	749,993	3,758,917

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

There is a shortage of available, appropriate foster care placement options for children experiencing foster care. We need to decrease foster family burnout due to overloading homes already at capacity, increase foster family retention rates, increase linguistically and culturally congruent placements, increase the number of LGBTQ affirming foster families, and reduce the number of children being temporarily lodged in hotels.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP provides the positions necessary to develop and implement a targeted statewide foster family recruitment and retention practice model. A program manager (PEM-D) will be centrally located and manage a team of Social Service Specialist 2s – one stationed in each of the 16 DHS Districts throughout the State.

Child Welfare already has a strong foundation for this practice model. In 2013 DHS Child Welfare applied for and was awarded a Diligent Recruitment Cooperative Agreement (grant) from the Administration on Children and Families, Children's Bureau for nearly \$2,000,000.00. Oregon named this Diligent Recruitment effort "Growing Resources and Alliances through Collaborative Efforts" (GRACE). The primary goal for GRACE was to develop an Oregon Diligent Recruitment Practice Model in five of the DHS Districts, driven by data with a customer service approach to recruitment and retention of resource families who reflect the culture and other characteristics of the children in foster care, develop and sustain thriving community partnerships, and build on Oregon's infrastructure of supporting early and active permanency planning to positively impact permanency outcomes. This federal grant is coming to an end on September 30, 2018.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

This meets the agency's mission and goals by meeting the cultural and linguistic needs of children experiencing foster care and having more available, appropriate foster care placement options – reducing the need for temporary placements due to a lack of capacity, and the number of moves necessary to find the 'right fit' – reducing trauma and enhancing children's overall well-being. This will also increase the retention of good and culturally-agile foster families, increasing our capacity to care for children with high needs by retaining experienced foster care providers.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Yes, PA.05: (Fed) Placement Stability (moves per 1,000 days). This POP is also tied to the State's federally required Program Improvement Plan as a result of failing the Child and Family Services Review, and to the Secretary of State audit findings.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

Child Welfare will continue to struggle to prioritize this work over the front-end safety assessment work, resulting in a continued lack of resources for many children experiencing foster care, continued language and culture incongruency between youth and their foster care families, and continued disparities in length of stay and number of foster care placements for African American and Native American youth. If we do not improve in this area, we risk the loss of associated federal funding.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.
No.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

Child Welfare understands that the recruitment and retention work is critical in developing a robust and healthy child caring/serving system. However, with staffing levels below what it takes to do the work – as indicated by the workload model – we continue to divert resources to the front-end to assure the safety of children, and inadequately resource this effort.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

Child Welfare has attempted to contract out some of the retention work. This is very expensive and we have only been able to do this on a limited basis. It is critical that we have the staff available statewide to provide support to address local recruitment needs and retention needs of foster families.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

None, except that Tribal children will benefit from the more robust, culturally appropriate placement options when they experience foster care with the State.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None.

11. WHAT IS YOUR EQUITY ANALYSIS?

We do not have enough cultural or linguistically appropriate placement options for children experiencing foster care. These dedicated staff will enable us to develop culturally specific recruitment, retention and training plans to increase our ability to provide equitable services and reduce existing disparities, with the aim of eliminating disproportionality within Oregon's Child Welfare program.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Having an increased number of appropriate and available placement options to improve placement matching, reduce the number of placements and improve the overall well-being of children experiencing foster care. Child Welfare caseworkers would spend less time identifying appropriate placements and more time providing direct services to families.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): 7/1/19

End Date (if applicable): Ongoing

a. Based on these answers, is there a fiscal impact?

Yes.

b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.

☒	DHS Office of Child Welfare Programs	☐
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Responsible for developing a targeted Statewide Foster Care Recruitment and Retention practice model and implementing it statewide.

- c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**
Yes, a statewide program manager (PEM-D) and 16 (SSS-2) recruitment and retention specialists are needed to achieve the desired outcomes. The program manager would be housed in the Central Office at 500 Summer St NE, Salem OR 97301, 1 SSS-2 would be housed in each of the 16 Districts. Specific office locations yet to be determined.
- d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**
Yes, services will be improved to children, families, foster families and relative caregivers. The specific number of families recruited and supported will vary by area and be determined through data analytics.
- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**
1 PEM-D, Permanent, 24 Months
16 SSS-2, Permanent, 24 Months
- f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
Minimal
- g. What are the ongoing costs?**
Minimal

h. What are the potential savings?

The savings are in human capital. Better and more appropriate/equitable services to children, reducing trauma. More time for caseworkers to spend with families, expediting case closure. Better supported foster families, reducing burnout and increasing their capacity to provide care to children. Better outcomes for children and families. Less staff burnout as they are able to provide the services and supports necessary to provide excellent customer service.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	2,350,277	-	587,586	2,937,863	17	17.00
Services & Supplies	658,647	-	162,407	821,054		
Capital Outlay	-	-	-	-		
Special Payments	-	-	-	-		
Other	0	0	0	0		
Total	3,008,924	-	749,993	3,758,917	17	17.00

DHS - Fiscal Impact Summary by Program Area:

	CW/ Delivery	CW/ Design	Program/ Division 3	Program/ Division 4	Total DHS
2019-21 Governor's Budget					
Page - 8					
Department of Human Services					
POP 131					

General Fund	2,800,157	208,767	0	0	3,008,924
Other Funds	-	-	0	0	-
Federal Funds- Ltd	697,971	52,022	0	0	749,993
Total Funds	3,498,128	260,789	0	0	3,758,917
Positions	16	1	0	0	17
FTE	16	1.00	0	0	17

What are the sources of funding and the funding split for each one?

The funding split on positions is 80% GF and 20% FF.

Department of Human Services 2019-21 Policy Package

Agency Name: Oregon Department of Human Services
Program Area Name: Office of Child Welfare Programs

Policy Package Title: Continuing Education for Caregiver Training
Policy Package Number: POP 139
Related Legislation:

Summary
Statement:

Funds will allow for increased training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are available in multiple languages and alternate formats. Trainings must be trauma-informed, linguistically appropriate, culturally responsive, and must support cultural agility. These trainings will be readily available within each District each year.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	1,165,056	-	334,691	1,499,747

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

More focused attention and resources are needed for ongoing and advanced training for caregivers in Oregon. Our understanding of what interventions, support, and training provide the greatest likelihood of long-term success for relative and non-relative caregivers has evolved significantly. Advanced training is needed to specifically address this deeper understanding. Oregon has been in a state of crisis regarding the recruitment of qualified applicants as well as the retention of valued resources in our caregiver community. One of the critical aspects of recruitment and retention involves adequate and accessible training and support to prepare caregivers.

There has been a significant increase of relatives and kin coming forward to care for relative children in care, but there is no specific or relevant training that addresses the unique needs of parenting a family member.

Caregivers, in the context of this project, include general applicants, relatives, child specific providers, adoptive parents, guardians, and tribal providers. Consideration for the needs of each provider type will ensure the training meets the needs of all potential caregivers.

Analysis of CFSR data revealed many Oregon youth experience unstable placements. A core system improvement expected to directly impact children's well-being and improve Oregon's outcomes in this area is the development of a better training infrastructure for foster and adoptive families. An enhanced and more effective training structure will provide foster parents with better tools and knowledge to better care for children. Better and more appropriate care will result in more placement stability, fewer placement moves, and will contribute to achieving timely permanency.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

DHS feels strongly that a dedicated team of trainers who deliver training statewide, under the direction of one manager who can provide periodic observations and quality assurance, is critical in our continued efforts for caregiver recruitment and retention. Funds will allow for dedicated training resources to focus 100% of their time and roles on increased advanced and child specific training for relative and non-relative foster care providers to assure the safety of children in their care. The Department must establish a core set of trainings that are readily available within each District each year. This will include the use of classroom structure training as well as developing or delivering options for online computer-based training delivered by DHS and through foster parent college and/or other relevant and reputable entities. Translation of our curriculum is also needed to meet the diverse needs of our caregiver community. Here are some of the specific recommendations.

Advanced Training Recommendations:

- Advanced training should be clumped by topic and theme and should build on Foundations training.
- Provide advanced training courses regionally and near each district to relative and non-relative providers that is easy to access and provides child care.
- Provide Trainings to be delivered in a variety of venues to meet the adult learning needs of the community that includes options for on line computer-based training, webinars, and in person experiences.
- Enforce expectation that certifiers develop an individual training plan for caregivers based on the needs of the children they are caring for.
- Provide increased and adequate training opportunities that look beyond the number of certified caregivers to also look at geographic area and the amount of community-based training available. Travel to communities that have no community-based training or offer distance delivery opportunities.
- Language translation services. A significant consideration is advanced training content available in other languages. The urgent and primary need identified at this time is Spanish.

In order to support this, we believe this model would require:

4 regionally based trainers (TDS2)

2 centrally based (Salem) training design specialists to design distance technology training (TDS2)

1 Manager to provide oversight (or a percentage of manager's time) PEM C/D

1 AS2 level support team member to address logistics, registration, monitoring, and training materials

Contracts for Subject Matter Experts and specialized training (@ 250 per hour for 6-hour training @ 25 trainings per biennium = \$37,500

Budget for travel of trainers (approx. \$60,000 per year)

Training Materials and Supplies budget (\$50,000 per year)

Venue and Room Rental Fees (\$10,000 per year)

Online training subscriptions/credits for Foster Parents (2,500 Units) @ \$10.00 per unit for 1,000 Units = \$10,000

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

This POP fits into the following goals of DHS:

- Children and youth are safe, well, and connected to their families, communities and cultural identities.
- Culturally specific and responsive services are provided by highly qualified and diverse staff
- DHS is committed to equal access, service excellence, and equity for all Oregonians.

This effort would assist DHS to address immediate training and translations needs in a way that is responsive to our foster care community and what they have been asking for.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

One of the root causes identified in our 2017 CFSR and 2018 PIP was:

- Lack of requested support to overtaxed foster parents has resulted in maltreatment to children

A recent survey regarding advanced and ongoing training needs for caregivers was conducted in 2018 with over 600 caregivers participating, and several training needs and themes were present:

Top themes in order from most frequently named to least:

1. Understanding of the DHS-Child Welfare System
2. Becoming Trauma-Informed
 - taking a child-centered approach
3. Parenting High-Need Children
 - effective behavior management strategies
 - foundational knowledge in the area of child development
 - an understanding of attachment theory, styles, and disorders
4. Working with Birth Families
 - Mental health, addiction and disability issues
5. Accessing Community Resources and Services
6. Self-Awareness, Self-Care and Access to Support
 - Providing supports for caregivers
 - Appropriate boundaries
7. Desirable Personal Characteristics of Caregivers: patience, flexibility, compassion/empathy, team player and good communicator
8. Placement Adequacy and Safety
9. Cultural responsiveness

10. Needs of youth

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

Continued impact on retention and recruitment of foster parents. Loss of valuable critical resources. Significant impacts on our ability to have adequate housing for youth and caregivers to come forward and temporary lodging increases that is not in alignment with the settlement agreement and could create penalties and fines.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.
No.

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?
No.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

A Mobile Certification and Training team was created out of the central office to address the needs of families in Oregon that have come forward to be certified as a foster caregiver in Oregon. This was due to families waiting for long periods of time to begin the onboarding process, because of a lack of resources available to provide training and certification. The team has been helpful, but will not meet the training needs of all caregivers statewide.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

None.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

None.

11. WHAT IS YOUR EQUITY ANALYSIS?

Funding is needed to improve in this area so that training can be offered in other formats that meet all ADA requirements, language services or curriculum available in other languages, trauma informed, and culturally responsive to the diverse needs of caregivers.

In order to increase the number of available placement resource options for children, the state must create a comprehensive Recruitment, Retention and Support plan to better define and achieve the results we are needing. This overall plan may include current actionable items or other statewide initiatives but they must all have a consistent center point of the plan. These efforts must also develop a way in which to serve a more diverse community of children and young people in Oregon, through intensive community engagement, data analysis to evaluate cultural and linguistic congruency of foster care providers and the children in their care, and targeted outreach to and recruitment of underrepresented populations within the foster care provider workforce, including LGBTQ affirming foster care families.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

An enhanced and more effective training structure will provide foster parents with better tools and knowledge to better care for all children. Better and more appropriate care will result in more placement stability and decreased disparities, with fewer placement moves, and will contribute to achieving timely permanency.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): 7/1/2019

End Date (if applicable): ongoing

a. Based on these answers, is there a fiscal impact?

Yes. Translation services for curriculum and classroom delivery will have fiscal impact for DHS. Additional positions will need to be allocated to meet this need. DHS needs to have dedicated training resources to provide training regionally to caregivers across the state. Six Training Specialist positions are requested.

- b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.**

No.

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- c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**

No.

- d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

No.

- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

6 Training & Development Specialist 2 permanent positions for 24 months
1 PEM C or D permanent position for 24 months
1 Administrative Specialist 2 permanent position for 24 months

- f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**

Minimal.

- g. What are the ongoing costs?**

Contracts for Subject Matter Experts and specialized training (@ 250 per hour for 6-hour training @ 25 trainings per biennium = \$37,500

Budget for travel of trainers (approx. \$60,000 per year)

Training Materials and Supplies budget (\$50,000 per year)

Venue and Room Rental Fees (\$10,000 per year)

Online training subscriptions/credits for Foster Parents 1,000 Units @ \$10.00 per unit = \$10,000

- h. What are the potential savings?**

IV-E funding.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	987,159	-	246,791	1,233,950	8	7.04
Services & Supplies	99,797	-	24,000	123,797		
Capital Outlay	-	-	-	-		
Special Payments	78,100.00	-	63,900.00	142,000.00		
Other	0	0	0	0		
Total	<u>1,165,056</u>	-	<u>334,691</u>	<u>1,499,747</u>	8	7.04

DHS - Fiscal Impact Summary by Program Area:

	CW/Design	CW/Program	Program /Division 3	Program /Division 4	Total DHS
General Fund	1,086,956	78,100.00	0	0	\$ 1,165,056
Other Funds	-	-	0	0	\$ -
Federal Funds- Ltd	270,791	63,900.00	0	0	\$ 334,691
Total Funds	1,357,747	142,000	0	0	\$ 1,499,747
Positions	8	0	0	0	8
FTE	7.04	0	0	0	7.04

What are the sources of funding and the funding split for each one?

Staffing is 80% GF and 20% FF. Program funding is 55% GF and 45% FF.

Department of Human Services 2019-21 Policy Package

Agency Name: Child Welfare
Program Area Name: Foster Care & Youth Transitions
Program Name: Independent Living Program
Policy Package Title: Independent Living Program – Service Enhancement
Policy Package Number: POP 142
Related Legislation:

Summary
Statement:

This POP seeks to expand the Independent Living Program (ILP) and youth transition services through a rate increase, new services, and an expanded age range of youth to be served, to improve outcomes for youth in their young adulthood. This will be achieved by:

- Increasing monthly service rates to stabilize current programs and to increase solicitation opportunities for additional programs. The rate is currently too low to attract new potential contractors.
- Expanding services to begin serving 14 – 15-year-olds and 21 – 23-year-olds (currently services are limited to 16 – 20-year-olds).
- Increasing the comprehensiveness, linguistic appropriateness, and cultural agility of services and supports.
- Adding a Young Adult Transitions Navigator to help guide youth through difficult circumstances.
- Developing transitional housing for young adults.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Package Pricing:</u>	8,500,000	-	-	8,500,000

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

The State lacks the funding to fully implement the Chafee Independent Living Program (ILP) services and adequately compensate contracted providers for existing services. Several of the community providers/contractors have informed the Department that the costs associated with offering ILP services are greater than the contracted budget amount provided. Often these organizations are underwriting the true costs of ILP services with private fund-raising or other means within their larger organization, something that is not sustainable. Recently, organizations have decided to stop providing ILP Services due to the low contract amount. Four programs have closed in the last two years. Additional contractors are letting us know that they, too, may close their programs due to insufficient funding. The following factors are impacting the contractors' ability to continue as a service provider at the current rates:

- Community organizations have been underwriting ILP contracts for a long time, and the private donation community is not as stable as it once was in several areas of the state.
- State Minimum wage increases directly impact these programs because most of the frontline staff earn just above the minimum wage and now programs must increase their pay as well.
- Increased program requirements by DHS and program changes in ILP over the past two years with minimal increase in compensation. (Some of this can be mitigated but some of it cannot be changed).
 - Youth Engagement Services – new service and approach to the ILP work.
 - Ongoing re-assessments of youth progress, new service plans, etc.
 - Increased documentation and reporting due to increased contract expectations.
- Decrease in the need for “temporary lodging” by increasing placement and housing options for teens and young adults in foster care.

It should be noted that federal funding has continued to decrease over the last few years as well because it is based on a national methodology of the number of youth in foster care. As the foster care population increases in other states, Oregon gets a smaller share.

2. **WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?**

1. Stability of Community Contracted Providers: Increase the monthly fixed service rate for the cost of providing services to a truer market value for the service. Several providers have been able to demonstrate their costs are closer to \$300 per month for the bundled service; DHS currently provides \$200 per month per youth. Adjust the Youth Engagement Services (YES) payment, which is a fee for service, for the assessment(s) and Transition Plan(s). The Youth Assessment Summary (YAS) and Youth Transition Plan (YTP) are due within 90 days of enrollment with the Contractor and are required to be updated every six months. With the increase in the monthly rate per youth served for Life Skills Training, the Youth Engagement fee can be decreased slightly; from \$225 to \$150.

- a) Bundled Services include weekly skills groups, group activities or outings. In addition, the Contractor is to coordinate one-on-one with the youth and the case management provided by the DHS caseworker monthly.
- b) Increase community contractor staff recruitment and retention with higher salaries.
- c) Adjust Youth Engagement Services rate to account for Life Skills Training service monthly increase.
- d) **Calculations** to provide adequate funding to community service providers:
 - a. ILP Life Skills Services (bundled):
 - i. Current Rate: $\$200/\text{mo.} \times 981 \text{ youth} = \$196,292 \text{ per month} \times 12 = \$2,355,500$
 - ii. New Rate: $\$300 \times 981 \text{ youth} = \$294,438 \text{ per month} \times 12 = \$3,533,250$
 - iii. Difference: $\$1,177,750$ increase needed per year, or $\$2,355,500$ for the biennium
 - b. Youth Engagement Services Calculation:
 - i. Current rates: $\$225 \times 1960 \text{ (1307 youth per year} + 50\% \text{ or 568 updated every 6 months)} = \$441,000$
 - ii. New Rate: $\$150 \times 1960 \text{ youth} = \$294,000$
 - iii. Difference: $-\$147,000$ decrease (savings) per year, or $-\$294,000$ per biennium.

c. Overall Costs:

- i. ILP Life Skills Increase needed for Biennium: \$2,355,500
- ii. Youth Engagement Services for Biennium: -\$294,000
- iii. Amount Requested: \$2,061,500**

2. Quality of Service Array

- a) Serving 14 – 15-year-olds: If the department served 60 percent of the population of 14 – 15-year-olds, DHS would add an additional 552 youth (921 youth X 60%) to the service population annually. Additional funding needed for 552 youth is \$1.98 million annually.
- b) Serving 21 – 23-year-olds: With the Families First Act, the Chafee Grant now allows for former foster youth to be served up to age 23. If the department served 10 percent (equivalent to the current service population of former foster youth ages 16 - 20) of the population of 21—23-year-olds, this would add an additional 41 youth to the service population annually (414 young adults X 10%). Additional funding needed for 41 youth is \$149,040 annually.
- c) **Calculations** to expand service:
 - a. ILP Life Skills Services (Ages 14 - 15):
 - i. New Population Rate: $\$300 \times 552 \text{ youth} = \$165,600 \text{ per month} \times 12 = \$1,987,200$
 - ii. Difference: \$1,987,200 increase needed per year, or \$3,974,400 for the biennium
 - 1. Youth Engagement Services Calculation (14 – 15-year-olds):
 - a. New Population rates: $\$150 \times 828 \text{ (552 youth per year} + 50\% \text{ or 276 updated every 6 months)} = \$124,200$
 - 2. Difference: \$124,200 increase per year, or \$248,400 per biennium.
 - iii. Overall Costs:
 - 1. 14 – 15 ILP Life Skills and Youth Engagement Increase needed for Biennium: \$4,222,800
 - b. ILP Life Skills Services (Ages 21-23):
 - i. New Population Rate: $\$300 \times 41 \text{ youth} = \$12,300 \text{ per month} \times 12 = \$147,600$
 - ii. Difference: \$147,600 increase needed per year, or \$295,200 for the biennium
 - 1. Youth Engagement Services Calculation (21 – 23-year-olds):

a. New Population rates: $\$150 \times 61$ (41 youth per year + 50% or 20 updated every 6 months) = \$9,150

2. Difference: \$9,150 increase per year, or \$18,300 per biennium.

c. Overall Costs:

i. 14 – 15 ILP Life Skills and Youth Engagement Increase needed for Biennium: \$4,222,800

ii. 21 – 23 ILP Life Skills and Youth Engagement Services for Biennium: \$313,500

iii. Amount Requested: \$4,536,300

3. Comprehensiveness of Services. (Support)

a) Young Adult Transitions (YAT) Navigator: Provide an “800” number for young adults (ages 18 – 23) to call when in need of support services. The person(s) staffing the YAT line will be well versed in adult support services and have access to interpreter and translation services when necessary. When possible, the YAT Navigator will provide the young adult with supportive resources, referral, coaching and encouragement. This may include some limited cash assistance for emergency needs not provided by other entities/service providers. YAT Navigator will be available via telephone, text, app and web-based access. The operational structure is still to be considered; private contractor, extension of local ILP program service array, etc.

b) Financial Support: Funds to assist youth with urgent needs (i.e. move-in fees, car repairs, doctor fees/co-pays, utility payments, etc.).

c) **Calculations** to provide adequate navigation support and funding to young adults in transition:

a. Young Adult Transitions (YAT) Navigator (Ages 21 - 23): \$150,000 annually, \$300,000 for the biennium

b. Financial Support: \$50,000 per year, \$100,000 for the biennium

c. Amount Requested: \$400,000

4. Comprehensiveness of Services. (Housing)

a) Housing Subsidies (ages 16 – 20): Increase housing financial support for individual youth based on the cost of living within the area that they live. The department currently provides up to \$795 per month, but in the urban areas this only covers 60-70% of the cost of rent, oftentimes requiring the youth to have

multiple roommates, live in substandard housing, or live outside of their area of support, employment, and services.

- b) Transitional Housing Programs/Independent Resident Facilities (ages 18 – 20): Increase partnerships with housing developers, property management companies and non-profit organizations to develop statewide transitional housing programs for youth and young adults preparing to exit the foster care system. Some of the local examples that are looking for startup and sustainable funding are Molalla House, New Meadows and Polk Street Apartments.
- c) Transition Foster Homes: These homes would be utilized for youth (age 17 – 20) who are either on time to graduate from high school or who have already received their diploma or GED and are not expecting to immediately return home to family. The youth would require a unique opportunity, in a home environment, to develop skills in preparation for self-sufficient living. Extended support through skill building would be provided by the transition foster parent in the form of monitoring and providing skill development training and engagement, tracking and reporting weekly, and actively engaging in transition planning. A consideration for a higher reimbursement rate to the transition foster home due to additional skill development and duties should be strongly considered. Enhanced and ongoing transition foster parent training would be necessary.
- d) **Calculations** to provide adequate housing supports:
 - a. Housing Subsidies:
 - i. Current Rate: \$795/mo. X 60 youth = \$47,700 per month X 12 = \$572,400
 - ii. New Rate: \$900 X 60 youth = \$54,000 per month X 12 = \$648,000
 - iii. Difference: \$75,600 increase needed per year, or \$151,200 for the biennium
 - b. Transitional Housing Programs/Independent Resident Facilities:
 - i. New Costs: \$1,500 per month X 20 youth = \$30,000 X 12 months = 360,000 per year, or \$720,000 per biennium
 - c. Transition Foster Homes:
 - i. Current Rate: \$795/mo. X 15 youth = \$11,925 per month X 12 = \$143,100 (portion is Title IV-E reimbursed)
 - ii. New Rate: \$1,500 X 15 youth = \$22,500 per month X 12 = \$270,000
 - iii. Difference: \$126,900 increase needed per year, or \$253,800 for the biennium
 - d. **Overall Costs:**

- i. Housing Subsidies increase needed for Biennium: \$151,200
- ii. Transitional Housing Program/Independent Resident Facilities for Biennium: \$720,000
- iii. Transition Foster Homes increase for the Biennium: \$253,800
- iv. Amount Requested: \$1,125,000**

Implementation: DHS will be conducting a Five-Year Planning process with community partners and foster youth/young adults for input on the implementation plan. The planning process will include housing options and resources for youth. DHS will work with community partners, youth and DHS staff to identify potential housing partners, developers, and funders. Once a plan is finalized (spring 2019), DHS will draft rules and procedures, and will prepare a Request for Proposals (RFP) to implement the new funding and service provisions. The RFP will be adjusted based on the funding provided, with contracts to be effective October 1, 2019.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

The support requested will assist young adults transitioning out of foster care to live as independently as possible and minimize the need to access the adult welfare system.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

The above requests are tied to the DHS Performance Measures as follows:

- Item 12A: Needs assessment and services to children.
 - o Chafee ILP Key Activity/Intervention 1: Improve youth engagement in the life skills assessment process.
 - o Chafee ILP Key Activity/Intervention 2: Ensure appropriate services are available.
- Item 13: Child involvement in case planning.
 - o Chafee ILP Key Activity/Intervention: Improve youth engagement in the transition planning process.
- Item 16: Education needs of the child.

- o Chafee ILP Key Activity/Intervention: Improve foster youth preparation for high school completion and pre-college/career readiness.
- Item 31: Agency Responsiveness to the Community

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

DHS may not be able to find community partners willing to contract for needed independent living services. Current and former foster youth will not have access to culturally and linguistically appropriate needed life skills and comprehensive transition planning. Former foster youth will have increased need for resources and supports from the adult welfare system or adult corrections system. In order to maintain community providers, the DHS must move to increase the rate of pay to \$300 per youth. With no increase in state funds, the rate increase will result in 325 current and former foster youth (ages 16 through 20) having their ILP life skills training service closed. DHS will not have assistance needed for crafting federally required transition plans with those 325 youths, or any new teens entering foster care, further exacerbating the Department's lack of compliance in this area.

When a young person in DHS custody turns 18, there is currently no robust transitional housing continuum available for them and placement options are limited. A continuum consisting primarily of family foster care and a youth finding their own subsidized apartments showcases a big gap between the two extremes. This gap can, and has, led young adults to leave the system prematurely as there is nothing available to them. Lack of appropriate transitional housing options has also been a contributing factor in the temporary lodging issues. There are currently only approximately 35 designated transitional housing spots for young adults in foster care. Without the appropriate transitional housing options, current and foster youth may continue to exit DHS involvement with no solidified housing plan in place. They would also exit without any real-world experience or skills for maintaining their own residence and therefore be at significant risk of homelessness. A lack of appropriate housing options also leaves DHS young adults susceptible to the utilization of temporary lodging.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.

No. ORS 418.005 provides the Department the authority to develop rules to “establish, extend and strengthen welfare services” and “accept and disburse any and all federal funds made available to the State of Oregon for child welfare services.” The federal Families First Act allows States to serve youth as young as 14 and as old as 23 per updates to the John H. Chafee Foster Care Program for Successful Transition to Adulthood grant (effective February 9, 2018). ORS 418.475 provides the Department authority to “establish or certify independent residence facilities for unmarried persons.”

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

In 2014, due to high demand and limited funding, DHS adjusted the minimum age of youth to be served from 14 to 16 years. This adjustment was made to ensure youth most in need of services received services. This eliminated the wait lists that existed. However, it did not provide the funding needed to meet the service provision costs incurred by community service providers. The elimination of 14- and 15-year-olds from the ILP service population has also resulted in a decline in compliance with state and federal requirements to assist 14- and 15-year-olds craft a comprehensive transition plan.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

The Department has increased the contracted amounts as much as possible given the Federal Grant and State General Funds available per year. The last increase for Independent Life Skills Training was in November 2015, when the rate increased from \$155 per youth to \$200 per youth. This was prior to the minimum wage increases passed into law. Youth Engagement Services were added to the contracts in January 2016 in an effort to incentivize timely completion of life skills assessments and transition planning. This has increased the number of transition plans completed for youth ages 16 and older; however, comprehensive transition plans for youth ages 14 – 15 have significantly declined since the minimum age of contracted life skills services was raised to age 16 (in 2014). Assisting foster youth to craft a transition plan, beginning at age 14,

is a federal requirement. DHS is out of compliance and in need of assistance to meet the federal requirement.

DHS has convened workgroups with both DHS staff and community providers about what foster care should look like once a young person turns 18. A full continuum of transitional housing & placement options has been heavily requested and promoted as necessary to success. DHS has started small projects with three different providers to provide different levels of transitional housing to 23 young persons. DHS has also had conversations with the transitional foster home program through the Oregon Youth Authority and completed a draft program synopsis.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

Allowing younger youth (ages 14 – 15) to access culturally and linguistically appropriate and LGBTQ affirming Independent Living Program (ILP) services enables providers to improve youth engagement. Younger youth are more willing to engage in services. This will allow providers to help teens fill in gaps in basic life skills and be better prepared for the more intensive training needed at ages 16 and older. If Independent Living Program services can be extended to age 23, youth and young adults will have access to a resource for assistance with problem solving and funding to assist with emergency needs, which can often derail a young adult's efforts to be self-sufficient. This should result in less young adults needing to access the adult welfare supports through the Self Sufficiency Program Office (SNAP, TANF, etc.). Post-secondary completion rates would increase, allowing young adults to find a career providing a living wage.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

New Avenues for Youth
Institute for Youth Success
Inn Home for Boys
Neighborhood Economic Development Corporation (NEDCO)

Polk Youth Services
Boys and Girls Aid
Independent Living Program Contractors (17 across the state)
Children First For Oregon/Oregon Foster Youth Connection

11. WHAT IS YOUR EQUITY ANALYSIS?

Funding is needed to stabilize and increase the number of culturally-agile, linguistically appropriate, and LGBTQ affirming Independent Living Programs available to foster youth between the ages of 14 and 23. Increasing the congruency of community providers with populations served and providing a culturally-agile Young Adult Navigator will increase the likelihood that all foster youth in Oregon will experience a successful transition to adulthood.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

Stabilize funding available to assist current and eligible former foster youth with a successful transition to adulthood. Minimize the need of former foster youth to rely on the adult welfare system, lower incarceration rates among former foster youth, increase completion rates for both secondary and postsecondary education, and increase wages for former foster youth.

Minimize the number of young adults in foster care in Temporary Lodging settings. Minimize the number of former foster youth who become homeless following foster care. Minimize the number of young adults in foster care who become coded as “Missing/Runaway” in OR-Kids following their 18th birthday. Minimize the number of individuals in youth and adult homelessness programs whom have foster care history. Create a targeted foster care recruitment and retention structure for uniquely caring for young adults (a population that is constantly mentioned as a challenge to recruit for at the local level). Increase the number of foster homes willing and able to care for young adults in foster care.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): Will vary from July 1, 2019 to October 1, 2019

End Date (if applicable): _____

- a. **Based on these answers, is there a fiscal impact?**

Yes

- b. **Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.**

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- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**

No.

- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

Yes. New service populations: Approximately 60 percent of 14 – 15-year-olds in foster care (921 youth) will receive life skills training services and approximately 10 percent of the former foster youth ages 21 - 23 (41 young adults) will receive life skills training and emergency financial support (if necessary). The Young Adult Transitions (YAT) Navigator 1-800 number is a new service to be available to current and former foster youth. No increase in caseload is anticipated as the model for serving the 21 – 23-year-olds will be considered “after care services,” which will not require a DHS caseworker be assigned the case. The ILP contracts will be adjusted to include “after care services.”

- e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

The community providers will need to increase staffing to accommodate the new populations to be served. Two additional DHS staff, Youth Transition Consultants (PA2) is being requested.

- f. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**

Training will be conducted by existing community provider staff. The DHS Independent Living Program Coordinator and Youth Transition Specialist are able to help train provider staff as needed. The existing Child Welfare training staff is sufficient to train new provider staff on how to use OR-Kids for ILP specific service entry (ILP Unbundler Page). The Child Welfare training unit would require additional funding to support training Transitional Foster Home parents on expectations. The Child Welfare training unit has put forth a request for additional funding (POP #CW-6), and this training would be covered under those funds, if provided. All new programs or contracts will require providers to ensure services are culturally and age appropriate, and supportive of a youth’s sexual orientation and gender identity expression. Contractors will be required to have a plan for accessing interpreter services when necessary. New trainings will be created in collaboration with the Office of Equality and Multicultural Services.

g. What are the ongoing costs?

This POP is priced at \$8.5 million General Fund, and that would be the ongoing funding needed to continue to serve foster youth age 14-23 at a rate the providers require to stay open.

h. What are the potential savings?

There are no estimated savings as part of this POP.

TOTAL FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	338,640	-	-	338,640	2	1.92
Services & Supplies	78,847	-	-	78,847		
Capital Outlay	-	-	-	-		
Special Payments	8,082,513	-	-	8,082,513		
Other	0	0	0	0		
Total	8,500,000	-	-	8,500,000	2	1.92

DHS - Fiscal Impact Summary by Program Area:

	CW Design	CW Program	Program/ Division 3	Program/ Division 4	Total DHS
General Fund	417,487	8,082,513	0	0	\$ 8,500,000
Other Funds	-	0	0	0	\$ -
Federal Funds- Ltd	-	0	0	0	\$ -
Total Funds	417,487	8,082,513	0	0	\$ 8,500,000
Positions	2	0	0	0	2
FTE	1.92	-	-	-	1.92

What are the sources of funding and the funding split for each one?

These at 100% General Funded. Some Federal funds are used in this area, but it is a capped grant.

Department of Human Services 2019-21 Policy Option Package

<u>Agency Name:</u>	Department of Human Services (DHS)
<u>Program Area Name:</u>	DHS Shared Services
<u>Program Name:</u>	Office of Business Information Systems (OBIS)
<u>Policy Option Package Initiative:</u>	N/A
<u>Policy Option Package Title:</u>	Maintenance & Operations of Centralized Abuse Management (CAM) System
<u>Policy Option Package Number:</u>	POP 208
<u>Related Legislation:</u>	N/A
<u>Program Funding Team:</u>	Safer, Healthier Communities

Summary **Statement:**

House Bill 4151 requires the state of Oregon and DHS as its agent, to standardize its processes and technology related to abuse of vulnerable adults.

Oregon's current environment for tracking, reporting, analyzing, and investigating incidents of adult abuse relies on accessing information from nine distinct systems or data sources. Additionally, local offices have created their own one-off mechanisms for supporting the abuse investigation processes, further complicating, and decentralizing information. Existing systems limitations include the inability to search across program populations, inhibiting the ability to track perpetrators and/or victims over time and between populations. This heightens the risk of not capturing all abuse allegations.

This POP requests general funds to implement ongoing maintenance and additional enhancements that will build upon the capabilities of a base system implemented in the 2017-19 biennium, for an integrated solution, which meets HB 4151 criteria and helps

protect vulnerable Oregonians. Not funding this POP will limit Oregon’s ability support the system after Go-Live.

	General Fund	Other Funds	Federal Funds	Total Funds
<u>Policy Option</u> <u>Package Pricing:</u>	3,512,949			3,512,949

1. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP supports multiple DHS programs by funding the Operations and Maintenance of an integrated solution for tracking, reporting and supporting investigations of adult abuse. Program areas include: Aging and People with Disabilities (APD), Developmental Disabilities (DD), and Mental Health (OHA/MH).

Funding will support the Operations and Maintenance of the system, which will realize efficiencies by training to CAM, maintaining a robust change management process, and providing a continuous review and revision of business process and policies.

Activities this POP will fund include:

- Operations and Maintenance costs for the CAM system including all program and support areas (DD, DDI, OHA, APD, OIS, OBIS, OTIS) for the full 2019-2021 biennium
- Software/platform/hosting licensing costs for the full 2019-2021 biennium

2. WHY DOES DHS/OHA PROPOSE THIS POP?

This POP provides the funding necessary to complete Operations and Maintenance to centralized abuse management system post implementation and funds software licensing through the full 2019-21 biennium.

3. HOW DOES THIS FURTHER THE AGENCY’S MISSION OR GOALS? HOW DOES THIS FURTHER THE PROGRAM FUNDING TEAM OUTCOMES OR STRATEGIES?

In 2014, almost 750,000 Oregonians belonged to one of the nine Oregon populations supported by OAAPI and its program partners that receive and process reports of abuse. During that same year OAAPI and its program partners received more than 38,000¹ allegations of abuse of these individuals, resulting in 18,185¹ investigations.

According to the 2014 OAAPI Annual Report dated July 2015, “In 2014, there was a 10% overall increase in the number of investigations conducted (compared to 2013).” During the next 10 years the number of allegations received and screened by OAAPI and its program partners is expected to increase nearly 60%. This assessment increases the projected 50,414 allegations in 2015 to more than 78,500 allegations in 2024, based on current and predicted growth of vulnerable populations. OAAPI is projecting 30,800 investigations by 2024, a nearly 63% increase from the 2015 level of 19,000 investigations. This growth in the number of abuse referrals and investigations, typical of previous years, is one of the reasons that OAAPI was formed, to ensure a coordinated and consistent response to an increasing number of abuse referrals across all vulnerable populations. Abuse can’t be undone. Abuse carries with it lifelong impacts to a person’s life in regard to health, emotional well-being and a person’s ability to benefit from available services.

The need for a stable Centralized Abuse Management System becomes ever more critical as Oregon faces an aging population, a significant annual increase in abuse referrals and an increased need for services across all demographics.

An improved system for abuse data collection, from the time of screening through investigation, case closure and referral, is essential to better protect vulnerable Oregonians and to more accurately and efficiently produce meaningful abuse data and outcomes to the Legislature, DHS leadership and the public. This system must be focused on abuse across programs, not simply added on to the various existing, disconnected program databases.

The full implementation of such a system would directly contribute to the DHS Policy Outcome of “Improving

¹ OAAPI Annual Report 2014 – Published July 2015.

our Human Services Systems” by addressing a long-standing gap in data collection and analysis and leading to a more efficient and effective state response to the reported abuse of vulnerable Oregonians.

Additionally, the implementation of a Centralized Abuse Management System is in alignment with the DHS/OHA Strategic Technology Plan (STP) including progress in pursuit of automating business workflows, decision-making, and business rules while reducing manual, paper-based processes. A Centralized Management System moves the state closer to providing a comprehensive view of a client and makes progress towards the goal of a “360-degree view of a person.” The project will provide workers connectivity to a real-time system to perform their work anytime and anywhere. Through the reduction of data duplications and entry into multiple systems, CAM will make advancements in providing a trusted source for abuse and investigation data. The implementation of a SaaS (software as a service) solution will allow responsiveness to quickly evolving business needs.

4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?

Yes, this POP is directly tied to the following process measures and outcome measures outlined on the DHS Fundamentals Map:

“Protection and Intervention” (OP1) Process Measures:

- % of completed investigations coded “unable to determine” or “inconclusive”
- % of calls assigned for field contact that meet policy timelines
- % of investigation reports completed within policy timelines

“Safety” (O1) Outcome Measures:

- Re-abuse rate
- Abuse rate

As of the fourth quarter of 2015, DHS and OHA were not meeting most of the Adult Abuse Quarterly Business Review (QBR) – Key Performance Metrics (KPMs) for Adult Abuse.

5. DOES THIS POP REQUIRE A CHANGE(S) TO AN EXISTING STATUTE OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.

No, this POP supports HB 4151.

6. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

Oregon considered three alternatives:

1. Maintain the status quo

Under this alternative there would be no additional investment in abuse tracking system automation. Improvements to current processes would be limited to those that arise naturally through the Department's continuous improvement program.

- The department would continue with ineffective, disconnected automated and manual systems that are difficult to oversee and analyze.
- The requirements and recommendations made by HB 4151, SB 1515, and various reports and audits would not be met in the foreseeable future.

2. Implement a Custom Build Solution

Under this alternative the department would design, develop, test and deploy a custom solution built from the ground up for Centralized Abuse Management needs. This alternative would allow a tailor-made solution that would meet all the functional, technical and organization requirements.

- The costs to develop a custom system are substantially higher than procuring the Salesforce CRM, with commensurate risks and a timeline that is more than a year longer to implement compared to implementing a Salesforce solution.

7. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

- Unpaid, licensing costs would deprive the State of its investment in CAM.

- Unstaffed, poor operations and maintenance of the system would curtail the benefits of the system and increase workloads.
- DHS would be out of compliance with HB 4151.

8. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

Other agencies affected by this POP include OAAPI's Program Partners and those with a business need for abuse data or investigation reports, such as:

- Background Check Unit (BCU)
- DHS Abuse Case Management (APD & DD)
- Safety, Oversight and Quality (SOQ)
- The Oregon Health Authority / Mental Health

These agencies would experience a change in how they receive abuse data and reports from OAAPI and from community programs. Agencies access to abuse data would be based on business need and enforced using a role-based security protocol.

9. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

Oregon Adult Abuse Prevention and Investigations (OAAPI), on behalf of the Department of Human Services, Aging and People with Disabilities, Developmental Disabilities, and OHA's Mental Health program and multiple county partners including Multnomah County, champion this POP. All these entities are stakeholders in protecting vulnerable Oregonians and will benefit from full implementation of an integrated tracking and reporting solution for adult abuse.

10. WHAT IS YOUR EQUITY ANALYSIS?

Abuse data systems currently in use do not capture the racial and ethnic identifiers needed for an analysis of service equity in the abuse investigation process. As a result, it is currently impossible to analyze the service equity in the provision of abuse response and investigation. The fully-implemented CAM system will

incorporate such identifiers and allow for in-depth analysis of service equity in the delivery of abuse investigations and protective services.

11. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s):

The implementation for the base system, supporting APD and all support agencies will begin on July 9, 2018. Additional regional deployments will occur during calendar year 2018. An enhanced version of the system will deploy in early 2019 that supports DD and OHA. The system will enter Operations and Maintenance beginning with the 2019-21 biennium.

End Date (if applicable):

Not applicable.

a. Will there be new responsibilities for DHS? Specify which Program Area(s) and describe their new responsibilities.

DHS will add the CAM Operations and Maintenance team to their existing OBIS support organization. We have allocated 3 new FTE for OBIS.

b. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.

The Office of Information Systems (OIS) will supply infrastructure support, service desk support, and Salesforce development support. We have allocated 2 new FTE for OIS.

c. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.

No changes anticipated.

- d. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

New Positions	Months in 19-21 Biennium	Type of Position
OPA-3 (OBIS)	24	Permanent
OPA-3 (OBIS)	24	Permanent
OPA-4 (OBIS)	24	Permanent
ISS6 (OIS)	24	Permanent
ISS3 (OIS)	24	Permanent

- e. **What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?**
No additional start-up costs are anticipated.
- f. **What are the ongoing costs?**
Ongoing costs include licensing fees estimated at approximately at \$781,538 in 2020 and \$828,430 in 2021 and vendor operation and maintenance fees estimated at \$400,000 a year.
- g. **What are the potential savings?**
DHS will have the potential to sunset several systems or portions of systems. This will ultimately yield savings and enable utilization of the technical staff who support those systems to be leveraged in support of the new systems.
- h. **Based on these answers, is there a fiscal impact?**
Yes.

TOTAL FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	\$548,714	0	0	\$548,714	3	2.64
Services & Supplies	2,889,564	0	0	2,889,564		
Special Payments	74,602	0	0	74,602		
Total	\$3,512,949	0	0	\$3,512,949	3	2.64

DHS - Fiscal Impact Summary by Program Area:

	OBIS	Total
General Fund	3,512,949	3,512,949
Other Fund	0	0
Federal Funds- Ltd	\$0	\$0
Total Funds	3,512,949	3,512,949
Positions	3	3
FTE	2.64	2.64

What are the sources of funding and the funding split for each one?

INTENTIONALLY LEFT BLANK

POP DID NOT PASS GB

Oregon Health Authority 2019-21 Policy Package

Agency Name: Department of Human Services and Oregon Health Authority
Program Area Name: Integrated Eligibility Project Office
Program Name: DHS Central Services
Policy Package Title: **Integrated Eligibility / Medicaid Eligibility System Project**
Policy Package Number: 201
Related Legislation: N/A

Summary Statement:

This POP requests resources to support the continuation of the ONE Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project from Medicaid, Shared Services, and DAS Enterprise Technology Services. The ONE system will be a single eligibility determination system for Non-MAGI Medicaid, Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, and Employment Related Day Care programs. These resources would support DHS' business needs and is related to the Legacy System Project DHS is undertaking to ensure functionality not assumed into the Integrated ONE system from legacy systems remains available for DHS business usage.

The corresponding DHS POP would further the testing and implementation period for the Integrated ONE System for the purposes of Eligibility Determination work. DHS plans to pilot the system in Summer 2019 to be followed by a six-month implementation roll-out beginning early in 2020 and statewide roll-out by Summer of 2020. This POP would take advantage of enhanced federal funds across two federal agencies. Without this funding, DHS would not be able to continue its project in a timely manner, resulting in increased General Fund cost, federal audits,

	and modifications to Legacy systems. It also includes funding for Eligibility Transformation work that supports changes to DHS' delivery system.			
	General Fund	Other Funds	Federal Funds	Total Funds
<u>OHA Policy Package Pricing:</u>	\$671,490	\$9,589,123	\$1,638,121	\$11,895,734
<u>DHS Policy Package Pricing:</u>	\$18,320,972	\$39,247,563	\$121,950,843	\$179,519,378

PURPOSE

1. WHY DOES DHS PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

Today, when an individual wants to apply for public benefits in Oregon, they must submit multiple applications to multiple agencies and offices, with different options for submitting the information depending on location or programs being applied for. Our Legacy computer systems do not communicate effectively with each other or in many cases, not at all. While the individual processing time for a single program in a Legacy system may be less today than projected during the initial rollout of an integrated solution, the total amount of time multiple workers must interact with multiple systems to process all these programs coupled with the time applicants need to spend with different agencies on the phone or in person is significant and demonstrates an inefficient level of infrastructure. At the center of our work are the individuals we serve and we believe these changes will allow Oregonians to move towards a true “no-wrong-door” system. An integrated system provides an electronic portal for individual applications, unifies Medicaid programs for greater coordination and accuracy of benefits, creates automation opportunities to improve on data and utilizing metrics in our decision making, and provides future avenues for improved service delivery. Ultimately, an integrated system provides the customer-focused direction that the agency has continued to strive towards and that the Legislature has encouraged us to pursue.

Oregon also has one of the larger Legacy system networks among states that have utilized Deloitte to implement an integrated eligibility system. When discussing implementation options with other states, many only need to modify between 4 and 8 Legacy systems to keep ongoing work and support the Data Conversion to a new system. In Oregon, there are over 33 Legacy systems being modified through this integrative project. While many of these systems are currently stable, the ability to recruit and retain knowledgeable staff who can work in these older programming languages while simultaneously maintaining so many Legacy systems is an ongoing risk for Oregon. The historical risk is currently being mitigated by the consistently overtasked Legacy staff resources of the Office of Information Services and bringing on costly contractors to supplement staffing resources.

Oregon is also at a time where our service delivery model needs to be transformed. According to various studies, over half of all US adults bank online and 79 percent of US adults shop online, an increase from just 22 percent in the year 2000. This online shift has been seen with the federal government creating the Federal Exchange for Healthcare and has become commonplace in private industry. However, Oregon's eligibility process has limited system functionality for individuals in Oregon to apply for benefits online. These benefits again are not coordinated, leaving Oregonians to have to work with multiple divisions, multiple systems, and multiple responses. DHS is leading change through an effort called Eligibility Transformation. The goal is to move Oregon along the Human Services Value Curve, a concept that came out of Harvard's Kennedy Center for Public Management, which defines four levels of business models with the most basic being regulative, then collaborative, integrative, and generative. Each looking to increase in efficiency and effectiveness, which has balancing properties. While DHS has parts of our systems that could be close to all those models, we operate in a regulative model. Eligibility Transformation, hopes to break down barriers and develop models that shift from the regulations and programs and focus on the whole-person and family centric service design. This is a large change for workers and Oregonians moving from a system that processes the person based on one program at a time, to a system that allows Oregonians to apply for benefits in ways that work for them and focuses on their needs.

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

The corresponding DHS POP would provide resources, primarily in the form of federal fund limitation, XI Q-Bond financing proceeds, and position authority) to support the continued work of the DHS ONE IE & ME Project and its transition into maintenance and operations.

DHS has engaged with a system integrator, Deloitte Consulting, in a transfer project to expand the functionality of the OregONEligibility system for MAGI Medicaid, known as the ONE system. DHS seeks to bring the human service financial eligibility determination functionality from Kentucky's Benefind system to Oregon, resulting in a single system within which Oregonians can apply for and receive benefits from DHS for Medical Programs, SNAP, including SEBTC, TANF, and ERDC program areas.

DHS has gone through the Stage Gate process, completed a Fit-Gap analysis in 15-17, and by the end of 17-19 biennium will have completed Design and two Design Addendums, Unit Testing, System Integration Testing, as well as entered into and be near completion of the User Acceptance Testing for the upgraded ONE system. OIS will have completed design, development, and testing of over 33 Legacy systems, with modifications being made to keep functionality for programs and requirements within the system once these programs have been removed. The intent is to be able to sunset 4 Legacy systems at the stable completion of this project. This POP also requests funding for ongoing M&O support for Legacy systems. OIS previously received 21 permanent positions, which have 7 individuals supporting current ONE and 14 focused on IE design and development. The DHS POP requests additional positions to support legacy systems based on the Gartner Assessment, which called out a methodology that identified for every 10,000 hours of modifications to an integrated system the need for 3,000 hours of modifications to legacy systems. To engage with changes and coordinate as well as support ongoing maintenance of these legacy systems, this investment provides the support to allow these activities to continue. The DHS POP is also requesting staff support for JV, a mainframe system that has been modified to include additional functionality that the Office of Financial Services requested to better coordinate financing of programs.

The DHS POP would continue these efforts and provides funding for a 5-month Pilot which slated for the Summer of 2019 in Jackson and Josephine counties. The system would then be rolled out following a waved format, moving geographically across counties per federal requirements. Full implementation would be complete by the Summer of 2020. The DHS and OHA POPs also request funding for ongoing M&O support for business needs. The OHA POP includes additional positions for training of non-eligibility staff to meet legislative and operational needs, staffing for HSD to have oversight and coordination from the Medicaid agency for ongoing builds, and structure for triage and support for the new Virtual Eligibility Center (VEC). The OHA POP also adds funding for implementation support, including Eligibility Transformation work.

3. HOW DOES THIS FURTHER THE AGENCY’S MISSION OR GOALS?

The project would assist Oregonians to achieve well-being and independence by providing timely and efficient eligibility determinations. It would allow a self-service option for Oregonians to apply through the applicant portal at times that are convenient for them, which in turn, would minimize the amount of time needed in DHS field offices to complete the application process. The system would also generate notices in seven languages and five alternate formats, helping to reduce barriers for traditionally underserved populations. Ultimately, this is a project about people. Today, individuals applying for these programs have to provide their information to as many as three different offices. Some interactions can be in person, others must be over the phone or online, and Oregonians must provide the same or similar documentation multiple times while staff input their information into multiple systems that communicate with each other. In our current state, an Oregonian can turn in their information to one office, assuming that it will apply to all programs and unfortunately today, only the specific offices that work in those programs can update or make decisions on the individual’s case. This leads to confusion for Oregonians and potential errors on cases. This project brings the disparate IT systems together, provides previously unavailable opportunities for service delivery improvements and moves the agency closer towards a no-wrong-door approach.

QUANTIFYING RESULTS

- 4. IS THIS POP TIED TO A DHS PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL DHS MEASURE THE SUCCESS OF THIS POP?**

This POP supports clients accessing our services and measurements around outreach and quality of services.

- 5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?**

Failure to fund the DHS and OHA POPs would result in the ONE IE & ME project coming to a halt; and increased General Fund cost to bring it to its eventual completion. Oregonians would be negatively affected, efficiencies would be lost, and potential issues with accuracy and capitation would continue placing Oregonians and our Federal Funding at risk. Ultimately, Oregonians would be forced to apply through multiple avenues, coordination of benefits would bring continued risk to Medicaid, and the opportunities for federal funding and additional support would be greatly diminished.

HOW ACHIEVED

- 6. DOES THIS POP REQUIRE ANY CHANGE(S) TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.**

No.

- 7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?**

No new alternatives were considered as this is an extension of previous investment.

- 8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?**

These policy packages are the continuation of an effort to complete this essential work. Oregon has been engaging with other states, leading national calls on states attempting to do similar work, and partnering with

Office of the State Chief Information Officer (OSCIO), DOJ, and Federal Partners to ensure that we understand the decisions we are making and bringing the best opportunity for success through this package.

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

DHS is impacted because POP enhances their current systems and Eligibility Transformation work.

DAS is impacted because equipment and services at ETS are required to support POP.

DOJ is impacted because DHS system will need to interface with new Child Support system.

OED is impacted because DHS system will have interface with Employment Department.

ODE is impacted because DHS system will interface with system that makes payments to Early Learning Division Child Care Providers.

DOC is impacted as they apply for benefits for individuals moving towards release from an institutional setting.

Area Agencies on Aging (AAA) who process eligibility will transition to this new system.

Tribal and other partners will use the system in accessing benefits.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

DHS.

11. WHAT IS YOUR EQUITY ANALYSIS?

DHS System will be able to support notice generation in seven languages and five alternate formats. It will gather applicants preferred written and spoken language as well as race and ethnicity to help department providers provide culturally competent care. REAL+D questions will be within the application as allowable by Federal regulations. This will provide additional avenues for communicating with various communities and update our out-of-date and often less than culturally appropriate correspondence. An additional question capturing gender identity have been added to the system as well.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

DHS is committed to a bringing about an integrated electronic system and complementary business practices that allow Oregonians to apply online, over the phone, through the mail, or in-person for multiple programs. We anticipate outcomes which will include greater efficiency after the initial implementation and adjustment period as Oregonians will not have to visit multiple locations and staff will not have to enter information into multiple systems for multiple programs. We believe this project will provide for increased accuracy in our benefit determinations as program information, notification of changes, Federal and State interfaces, automation logic and a rules engine will standardize practices across multiple programs. DHS will to be able to determine eligibility for programs cumulatively rather than spread across multiple systems and based upon information that is dependent on where and how it is reported.

Ultimately, this investment allows DHS to scrutinize and improve our delivery model and determine means for better community interactions. DHS's service delivery can evolve in a more contemporary technological setting while maximizing our ability to have meaningful insight into the data as stewards of State funds. This investment will also move the Department's eligibility from Legacy systems, which while currently stable, have had past issues including losing data and authorization errors when being modified. Many of these Legacy systems are 20-30 years old. Simply finding qualified staff to maintain them and build an enterprise architecture, was not something in the original vision or subsequent planning. Hence, the large number of systems that have interactions with this project. This investment will create a modular platform within which the Department can continue to modernize and improve our systems.

STAFFING AND/OR FISCAL IMPACT

13. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): DDI began in 2016

End Date (if applicable): Implementation of DDI ending July 2020, M&O ongoing after that.

a. Based on these answers, is there a fiscal impact?

Yes.

b. Will there be new responsibilities for DHS/OHA? Specify which Program Area(s) and describe their new responsibilities.

☒ Aging & People with Disabilities (APD)	☐
☒ Self-Sufficiency Programs (SSP)	☐
☒ OBIS	☐
☒ OIS	☐
☐	☐

APD (including Type B transfer AAAs) and SSP will be responsible for utilizing the new system in determining eligibility for Medical (mainly Medicaid), SNAP, TANF, and ERDC. This is a change from today where APD/AAA will do eligibility for part of Medicaid and SNAP, SSP does SNAP, TANF, and ERDC in local offices, and SSP now does eligibility for part of Medicaid with the branch (5503) that was transferred from OHA.

OBIS is the Office of Business and Information Supports, this unit will have the Business Analysts and support for the ONE system when it is complete. They will coordinate the business requirements for the system and represent DHS in ownership of the system which will be supported by an M&O vendor and OIS.

OIS will retire 4 systems and start to engage in the ONE system infrastructure, with the intent of learning more about the system and how it interacts with other Legacy systems.

- c. **Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.**

While the system affects the origins of financial and budget information comes from, OIS has the largest shared service impact. Other changes related to facilities and infrastructure are being determined through eligibility transformation. This POP contains any known impacts identified by organizations.

- d. **Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.**

The number of individuals in each caseload is expected to not be significantly adjusted based on these changes. Programmatic changes identified to align with federal policy or the transfer solution, should have minimal impacts.

- e. **Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.**

Yes.

There are several distinct position groups for this project. The following is a table of the positions within each of the groups. The positions are marked with DHS, OHA, and OHA/OIS based on where the funding and authority would be directed for the group's associated work. For DHS there are 29 LD positions, 127 funding only positions (to use for rotations or temps), 21 new permanent positions, and 8 reclassified positions. For OHA there are 4 permanent positions for HSD and 4 LD positions for HSD, 21 new permanent positions for OIS, 20 LD positions for OIS, and 33 funding only positions for OIS.

DHS LD or Funding Only			
Qty	Class Title	Role	# of months
15	Training and Development Spec 2	Implementation and Roll-out training	13
2	Principal Executive Manager G	Business Directors for SSP and APD	18
1	Public Affairs Specialist 3	Communications Specialist	18
17	Operations and Policy Analyst 3	Functional and Policy leads	15
1	Office Manager 2	Manage office operations	24
1	Administrative Specialist 1	Project Support	18
1	Administrative Specialist 2	BD Support	24
51	Human Services Specialist 4	Roll out support and change leads	13
6	Operations and Policy Analyst 3	Legacy Business Analysts	12
5	Operations and Policy Analyst 2	Business and People Readiness Staff	13
1	Principal Executive Manager H	IE Project Director	18
1	Principal Executive Manager E	Business Transition Manager	18
4	Operations and Policy Analyst 2	LD Triage Support	24
1	Executive Support Specialist 2	Executive Leadership Support	18

DHS Permanents (existing-funding only or updating classification)			
Qty	Class Title	Role	# of months
1	Principal Executive Manager E	OBIS and ONE Manager	24
6	Operations and Policy Analyst 3	OBIS BAs for ONE	24
1	Operations and Policy Analyst 4	OBIS BA Lead for ONE	24

OHA/OIS LD or Funding Only			
Qty	Class Title	Role	# of months
3	Info Systems Specialist 6	Development	12
11	Info Systems Specialist 8	Development	12
1	Info Systems Specialist 4	Development	12
4	Administrative Specialist 2	Project Scheduling and Support	2 x 12 2 x 18
1	Project Manager 1	Project Management Support	12
6	Project Manager 2	Project Management	12
6	Project Manager 3	Senior Project Management	3 x 12 3 x 18

OHA/OIS Perm (existing-funding only)			
Qty	Class Title	Role	# of months
13	Info Systems Specialist 8	Development	24
2	Info Systems Specialist 7	Development	24
2	Operations and Policy Analyst 4	Contract and Operational Leads	24

8	Operations and Policy Analyst 1	UAT and Data Integrity	24
1	Administrative Specialist 1	OBIS and ONE support	24
1	Office Specialist 2	ONE support	24
1	Program Analyst 2	UAT Test	24
2	Training and Development Spec 2	ONE Eligibility Training Leads	24
4	Training and Development Spec 1	ONE Eligibility Trainers	24

2	Principal Executive Manager E	Management	24
1	Information Systems Specialist 2	Development	24
1	Information Systems Specialist 6	Development	24

DHS Permanents (New)			
Qty	Class Title	Role	# of months
1	Principal Executive Manager D	UAT Manager	24
4	Operations and Policy Analyst 2	ONE Triage	24
2	Training and Development Spec 2	ONE APD Coordination Leads	24
2	Training and Development Spec 1	ONE APD Community Trainers	24
3	Principal Executive Manager C	VEC Queue Managers	24
4	Human Services Specialist 4	LTC Coordinators and Resource Coordinators	24

OHA (HSD) Perm and Funding Only			
Qty	Class Title	Role	# of months
1	Principal Executive Manager G	Business Directors of OHA (PERM)	24
3	Operations and Policy Analyst 3	Medicaid Eligibility Policy (PERM)	24
4	Operations and Policy Analyst 3	Medicaid Policy	24

DHS Eligibility Transformation (Funding Only or LD)			
Qty	Class Title	Role	# of months
10	Operations and Policy Analyst 3	Process Consultants	14
1	Principal Executive Manager E	ET Change Manager	14
2	Project Manager 3	ET Project Managers	14
18	Operations and Policy Analyst 3	Change Guides	14
1	Public Affairs Specialist 3	ET Communications (LD)	14
1	Administrative Specialist 1	ET Support	14

OHA/OIS Perm (New)			
Qty	Class Title	Role	# of months
1	Principal Executive Manager E	M&O Management	24
8	Information Systems Specialist 8	M&O Development	5 x 12 3 x 24
6	Information Systems Specialist 7	M&O Development	3 x 12 3 x 24
3	Information Systems Specialist 6	M&O Development	1 x 12 2 x 24
2	Administrative Specialist 2	M&O Development	1 x 12 1 x 24

1	Project Manager 2	M&O Development	24

This biennium there are two distinct bodies of work from a position ask, with sub-sections of the work within these areas. The first body of work is finishing Design, Development, and Implementation. This project work for 2019-21 has a couple of months of UAT, then Pilot, Statewide Rollout, and close out of the project. Within this work are positions needed for DHS business, OHA business, and OIS. Then there is the ongoing M&O of the ONE system. This work will involve ongoing testing and support, maintenance and operation builds, access, security, enhancements, and day-to-day operations of the system. This POP has funding for Deloitte to continue to support the system as the M&O vendor, a procurement for ongoing M&O services will be done during this timeframe as well. Within this work are positions needed for DHS and OHA business, as well as OIS, to support Deloitte, the system, and infrastructure within the ONE system and connected to it that is necessary to provide Oregonians with the benefits and services that they are eligible for.

For M&O the below diagram (image1) shows the M&O structure and position authority for the business portion of this work. There are five funding areas that provided or are being requested to create this structure. There are Perm. Positions from 17-19, Perm Positions from 17-19 that we are requesting to reclass based on updated knowledge of the work they need to perform, 19-21 Perm Position request, OHP BA Transfer Positions, and Modernization Positions. The following is an overview of the work and requests by section.

OHA-HSD: OHA is the single-State Medicaid Agency, with responsibility to provide oversight and decision over the Medicaid Programs. As the ONE system goes live, the work that has been happening from OHA since 2015 needs to continue. This has been supported with limited duration positions and funding. This POP makes permanent the positions necessary to meet federal funding expectations of oversight and policy interactions between OHA and DHS, and with regards to supporting the ONE

system from OHA-HSD. These 4 positions are new asks in 2019-21 based on knowledge of the design at this time.

DHS-APD: APD has historically performed financial eligibility for non-MAGI and SNAP within local APD and AAA offices. After statewide rollout, they will perform eligibility for all programs within the ONE system. The training associated with that work will be done by SSP, based on DHS internal agreements. However, APD will still need to train county and community partners on areas around financial eligibility and system access for long-term care and Older American Act programs. This is essential training, that doesn't exist today, but is foundational to acceptance and ongoing support for a system and programs that cover the State. The initial scope for the ONE system did not include long-term care (LTC) and asset verification. To avoid additional delays, business processes were put into place to coordinate LTC benefits with county developmental disability programs, county mental health programs, and APD long-term care. There are positions being added to this POP to allow us to comply with federal regulations and meet this need. There are also positions associated with resource coordination and the work to coordinate asset verification for the stand-alone system that APD is having to implement. This standalone system was required since 2008 and must be implemented by the end of 2018. Coordination across the systems require manual intervention until at least 2023 when Oregon may be able to create an interface to integrate the processes. These 8 positions are new asks in 2019-21 based on current knowledge of the design.

DHS-SSP: SSP has historically performed financial eligibility for SNAP, TANF, and ERDC programs within SSP offices. In 2017-19 OHA transferred OHP processing for MAGI eligibility to DHS and within SSP. When Statewide rollout is complete SSP offices will perform financial eligibility for all programs within scope. SSP will lead training, coordinating with policy and operations from OHA and APD, for eligibility workers. Six positions focused on training were funded in the 17-19 POP. DHS will also be standing up a Virtual Eligibility Center (VEC) as part of the implementation of this work. The VEC will connect all the processing centers within SSP and staff working on MAGI eligibility today. This model is creating jobs in rural areas and allows Oregon to

position ourselves for a transformation on how we provide eligibility and services to Oregonians. This POP requests 3 positions in 2019-21 to manage the statewide queue and resourcing of the statewide VEC. This is based on industry best practices and work required to ensure that priority work happens and continue to move business towards the same-day, next-day model.

DHS-OBIS: The Office of Business Information Supports (OBIS) is the organizational area that is responsible for the business support of systems that cross multiple divisions. This area also is responsible for utilizing modernization positions for the ongoing support of modernization activities. The structure in image1 shows each of the funding areas and where the positions for ongoing M&O support as well as modernization funding are going. DHS has 14 modernization positions, 12 positions from the 17-19 POP, 8 positions that we are requesting to reclass from the original classification in the 17-19 POP to align with where the workload need materialized. 4 new positions in the 2019-21 POP based on current analysis and missed items from the 2017-19 POP, and finally, 4 positions that were moved from SSP as it relates to work that came from OHA for the OHP processing center positions.

Beyond this, to better delineate the work, we are including image 2. Image2 shows the same OBIS breakout but separates the work into three bucketed areas. First, there is ONE Testing and Operational Support. This has the staff that are permanently supporting UAT, Data correction, and Triage. This has a permanent lead from Modernization that supports UAT work for shared areas and modernization activities. Next, there is ONE Business Analysts. These are the BAs who will permanently support the ONE system, update business requirements, and work on future enhancements and M&O builds. Finally, there are the modernization positions. There is the Director position, and then there are the modernization BAs. These BAs are assigned to projects where the Department is working to modernize our systems. Currently they are supporting the work of projects such as IE, PTC, AVS, CAM, DD modernization, and other efforts. With MMIS modularization, completing PTC, the need for updating and modernizing our family coaching and case management systems, and updating licensing databases, there is an ongoing need for these positions to support the

cross divisional work of ensuring that we have systems that are up-to-date and meeting the ever-changing landscape and requirements associated with IT.

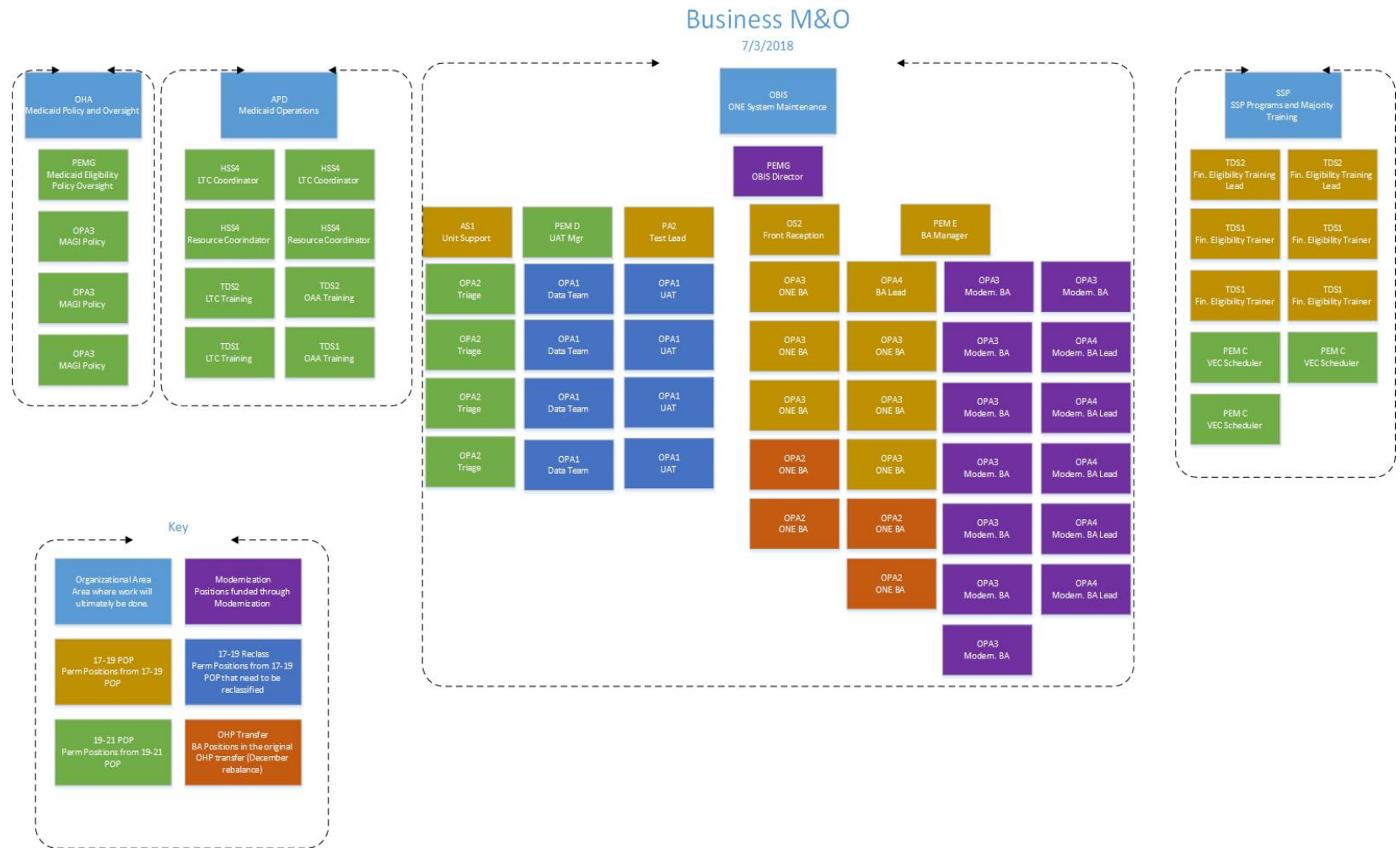


Image1

f. What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?

There are additional infrastructure costs such as building rent and server costs, these are developed and included in the cost projections for this POP.

g. What are the ongoing costs?

There are ongoing costs associated with the maintenance and operations of the system, which are included in the cost projections.

h. What are the potential savings?

None.

TOTAL DHS FISCAL IMPACT FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Positions</u>	<u>FTE</u>
Personal Services	\$2,056,865	\$4,116,202	\$9,895,218	\$16,068,285	33	25.26
Services & Supplies	10,961,912	34,163,448	111,506,719	156,632,079		
Special Payments	0	292,913	548,906	841,819		
Other	0	0	0	0		
Total	\$13,018,777	\$38,572,563	\$121,950,843	\$173,542,183	33	25.26

Fiscal Impact Summary by Program Area:

	DHS	OHA OIS	OHA HSD	Total IE/ME
General Fund	\$13,018,777	\$0	\$671,490	\$19,924,560
Other Funds	\$39,852,563	\$9,589,123	\$0	\$49,441,686
Federal Funds- Ltd	\$121,950,843	\$0	\$1,638,121	\$123,588,964
Total Funds	\$173,542,183	\$9,589,123	\$2,309,611	\$192,955,210
Positions	33	41	4	78
FTE	25.26	27.00	4.00	56.26

i. What are the sources of funding and the funding split for each one?

There are federal funds and state funds. Federal funds come from CMS and FNS. Federal funding makes up 86 percent of funding through December 31, 2018 and then 74 percent of federal funding January 2019 through the end of DDI. These costs are cost allocated and part of the annual submission of advanced planning documentation. During DDI most of state funds are bonds (both taxable and non-taxable), with general funds for non-bondable activities. In M&O state funds become general fund based.

DEPARTMENT OF HUMAN SERVICES

2019-21 Policy Package

Agency Name: DHS
Program Area Name: DHS Office of Business Information Services
Program Name: DHS Central Services
Policy Package Title: Medicaid Modularity
Policy Package Number: POP 202
Related Legislation: N/A

Summary Statement:

The Centers for Medicare and Medicaid Services (CMS) requires all states to plan for and implement modular solutions supporting Medicaid using a competitive process. CMS' is seeking to support states in shifting away from reliance on a single solution provider and establish renewable, componentized solutions for long-term support of Medicaid.

Oregon's current Medicaid Management Information System (MMIS) was implemented in 2008. The contract for the support of the MMIS with the current solution provider (DXC) ends in February 2022.

This POP, and its companion OHA POP, requests continuation of state funding to secure 90% federal financial participation funds to: define Oregon's Medicaid Service Delivery strategic plan; assess other state's modularization approaches; identify options for modular solutions; understand CMS certification requirements and begin procurement activities to secure modular solution components and services to support implementation. Not funding this POP may result in the loss of 90% federal funding for planning activities in alignment with CMS requirements

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	General Fund	Other Funds	Federal Funds	Total Funds
Policy Package Pricing:	<u>\$277,922</u>		<u>\$276,444</u>	<u>\$554,366</u>

PURPOSE

1. WHY DOES OHA PROPOSE THIS POP (WHAT ISSUE ARE YOU TRYING TO FIX/SOLVE)?

Current Oregon MMIS is a monolithic system implemented in 2008. CMS has indicated that eligibility for continued federal funding is dependent on compliance with CMS mandates and evidence that states are committed to a thorough planning effort supporting a modular future state. The goal of the proposed program is to support DHS and OHA in crucial planning activities to achieve compliance with CMS requirements and improve interoperability and sustainability of the technology solutions supporting Medicaid service delivery. OIS will support initiation and planning activities and procure a Strategic Advisor (SA) that will be tasked with updating MITA State Self-Assessment (SS-A), development of the strategic modernization roadmap eventually leading to the creation of an architectural blueprint, Concept of Operations and procurement activities to solicit for and acquire services of IV&V, Quality Assurance (QA) and System Integrator (SI) vendors in the Modularization effort.

The role of the Strategic Advisor will cover assistance with planning efforts at three levels:

- An executive level trusted advisor helping leadership define Oregon's Medicaid Service Delivery Strategy
- A program level guide to help define functional requirements, capture operational business needs, define and refine business processes, and optimize workflow
- An industry expert to bring industry best practices, other state's approaches and lessons learned with recommendations and guidance to help Oregon identify the best solution acquisition strategy and approach
- Update Oregon's Medicaid Information Technology Architecture (MITA) plan in accordance with CMS requirements
- Incorporate CMS certification requirements into Medicaid solution alternative requirements to ensure compliance with certification criteria

- Define an overall technical architecture that ensures modular components will work together to support Medicaid business operations
- An acquisition approach, roadmap and detailed plan recommending the optimal sequence for procuring and implementing components to achieve modularity for Oregon
- Develop a Request for Proposal to solicit modular solutions meeting Oregon requirements, and a Request for Proposal to solicit System Integrator services to support implementation of modular components
- Quality Assurance throughout the planning and implementation lifecycle to help manage project risk through the review of project related processes and deliverables

2. WHAT WOULD THIS POLICY OPTION PACKAGE (POP) DO AND HOW WOULD IT BE IMPLEMENTED?

This POP provides the funding match necessary to secure 90% enhanced federal funding from CMS to support the essential strategic planning, creation of the roadmaps and ultimately implementation of system changes supporting Oregon's Medicaid service delivery.

The level of rigor associated with planning is required to ensure Oregon's roadmap meets CMS requirements, supports continued stability of the mission-critical current MMIS solution during the journey to the future state, and supports health care transformation for the State of Oregon. Subsequent implementation efforts will also require future biennia POP funding to continue eligibility for 90% enhanced CMS funding.

It is essential that OHA and DHS begin planning efforts now as the current contract with the existing MMIS solution provider will expire by 2022. Oregon needs to have a solid plan for its future Medicaid solution set to sustain CMS enhanced funding support for the on-going maintenance and operations and enhanced funding support for modular component implementation.

3. HOW DOES THIS FURTHER THE AGENCY'S MISSION OR GOALS?

Oregon made numerous enhancements to its MMIS since its original implementation in 2008. These changes impact 1,800 state users, 17,000 provider users, and over 1 million Oregonians receiving healthcare services. Despite various improvements, large sections of Medicaid enterprise system are from legacy technologies. In order to continue supporting its business mission, OHA needs to transform its business operations and modernize its IT ecosystem to align to rapid changes in healthcare delivery system. Based on Federal regulations, OHA completed its first MITA SS-A a few years ago to review existing capabilities and determine future needs. In the early stages of the MITA SS-A, it was determined that even the current

MMIS installed in 2008 is unlikely to meet future business needs of OHA and needs to be updated with modular functionality to eliminate redundancy, duplication of effort and waste of IT assets.

QUANTIFYING RESULTS

4. IS THIS POP TIED TO AN OHA PERFORMANCE MEASURE? IF YES, IDENTIFY THE PERFORMANCE MEASURE. IF NO, HOW WILL OHA MEASURE THE SUCCESS OF THIS POP?

This Companion POP also ties to KMP #31, OHA's triple aim measure.

5. WHAT WOULD BE THE ADVERSE EFFECTS OF NOT FUNDING THIS POP?

- Lost opportunity to develop a modern, sustainable and scalable solution environment supporting Medicaid for Oregon.
- Lost opportunity to leverage CMS enhanced 90% funding for future replacement of existing aging Medicaid supporting technology. In five more years, the current MMIS solution will be 13 years old and will be past end of life. The typical cost to replace MMIS systems is in the \$110-150 million range. Without enhanced funding, the general fund share of a replacement would be \$55 – 75 million, compared to \$11 – 15 million.
- Lost opportunity to negotiate competitive maintenance and operations vendor support as a result of increased competition. The current contract with HPE for maintenance and operations increases by 2% annually. Potential significant financial impact due to loss of CMS enhanced funding support for maintenance and operations. The current annual maintenance and operations cost is approximately \$20 million per year. CMS funds 75% or approximately \$15 million. If Oregon lost CMS enhanced funding, the federal funding level will drop from 75% to 50%. This will increase Oregon's need for GF for annual maintenance and operations from \$5 million to \$10 million per year.
- Potential significant financial impact due to loss of CMS enhanced funding support for system change requests and for major enhancement projects. System change requests average \$10 million annually. Major enhancement projects range between \$5-20 million. CMS currently pays 75% of the cost of system change requests and 90% of the cost of major enhancements. If Oregon lost CMS enhanced funding, the federal funding level will drop to 50%. This will increase Oregon's typical annual general fund change request and enhancement projects cost from under \$4 million to over \$11 million.

HOW ACHIEVED

6. DOES THIS POP REQUIRE ANY CHANGES TO EXISTING STATUTE(S) OR REQUIRE A NEW STATUTE? IF YES, IDENTIFY THE STATUTE AND THE LEGISLATIVE CONCEPT.

No

7. WHAT ALTERNATIVES WERE CONSIDERED AND WHAT WERE THE REASONS FOR REJECTING THEM?

Oregon could consider two alternatives:

1. Do nothing – continue to extend the existing support contract with DXC.
 - The current MMIS was implemented in 2008 and existing M&O contract will expire in 2022, so Oregon needs to execute a modularization plan by that time.
 - Oregon needs to demonstrate a commitment to plan and execute a renewed Medicaid solution environment in compliance with CMS mandates to avoid significant negative financial consequences for the State, including enhanced federal funding for enhancements of the system & potential doubling of the general funds for current M&O expenditures OHA and DHS have several Medicaid sub-systems that are not currently integrated with the core MMIS¹. Maintaining the current state will leave Oregon with siloed Medicaid systems and miss a unique opportunity to update and streamline Medicaid Enterprise System.
2. Develop and issue a procurement RFP *without* the support and planning efforts outlined above
 - Oregon could choose adopting the planning approach of another state, leveraging its planning outcomes and RFPs to procure new modular solutions. While this approach might lead to some inconsequential financial savings, choosing that approach may result in a lack of a cohesive roadmap and executable plan to meet Oregon's unique needs and increase potential program risk. In addition, solutions used by another state either may require substantial

¹ Includes Customer Employed Provider (CEP), Express Payment and Reporting (eXPRS), Relational Statewide Accounting & Reporting System (RStars) and Oregon Automated Computer Capture Storage System (Oregon Access).

customization to address Oregon specific requirements and may require significant business process and operational workflow reengineering.

8. WHAT ACTIONS HAVE OCCURRED TO RESOLVE THE ISSUE PRIOR TO REQUESTING A POLICY PACKAGE?

9. WHAT OTHER AGENCIES (STATE, TRIBAL AND/OR LOCAL GOVERNMENT) WOULD BE AFFECTED BY THIS POP? HOW WOULD THEY BE AFFECTED?

This POP will have a positive impact on CCOs as modular solutions will be better suited for the support of the capitation model versus a fee-for-service model that the original system was built for. There will be system enhancements for Tribal providers who use the system to submit claims to OHA for payment.

10. WHAT OTHER AGENCIES, PROGRAMS or STAKEHOLDERS ARE COLLABORATING ON THIS POP?

Stakeholders involved in this effort include Oregon Health Authority, Department of Human Services, Coordinated Care Organizations, Tribal Providers and Oregon State Hospital. These entities are current users of the existing MMIS and will benefit tremendously from modularization of the Medicaid solution environment. This POP requests position authority for DHS/OHA to have focused subject matter experts and business leadership with the capacity to fully engage in the essential long-term efforts around modernizing systems and services supporting the Oregon Health Authority and Department of Human Services. Specifically, it is proposed that DHS/OHA hire three additional positions *each* (one PEMF and two OPA4) for a *combined total of six* to support modularity modernization effort. PEMF positions will work with executive leaders and subject matter experts within various business areas and manage analysts. These positions will require a solid understanding of Medicaid, eligibility rules and any other business areas impacted by MMIS. OPA4 positions will provide critical subject matter expertise required for the analysis of the current processes, business requirement definition and identification of improvement opportunities to enable creation of modular systems to meet future business and systems requirements.

Additional Staffing Need in MMIS Unit (ask to make 2 OPA2 LD permanent):

- o SOS Audit Compliance – resources are needed for ongoing work related to Secretary of State audit findings. The solution to these findings, especially surrounding improper payment mitigation, is to have sufficient resources to carry forth the plans that will provide a solution for the issues that have arisen in the past. Development and monitoring of processes around the testing of claims edits and audits in the MMIS will require the “hands on” work for additional full

time FTE. The SOS office expects the MMIS Business Support Unit to have plans and processes in place and dedicated FTE to carry forth those plans and to report out to the SOS office.

- o Current and Future Change Request/Change Order Inventory – the current change request and change order work with the MMIS continues to require full time FTE to test all changes and change orders in the MMIS. This is an inventory that will not diminish anytime soon. With the implementation of the Integrated Eligibility and ONE projects, this work will continue to grow well into 2022.
- o MMIS Modularity & Modernization – the Center for Medicaid and Medicare Services (CMS) is requiring that all current Medicaid Management Information Systems move to a modularity model. This will be a massive undertaking. OIS recently hired a project manager to begin this work for Oregon. Very soon, the MMIS Business Support Unit will be involved in this work. Our current limited duration FTE will not be sufficient to carry forth that work in addition to the other projects bringing demands to the MMIS BSU.
- o Integrated Eligibility Project – recently two large change requests were added to our inventory that will allow MMIS and IE to exchange data when integrated eligibility is finally fully functional. There is a lot of work to be done between now and then and additional full time FTE is required to carry this workload.
- o ONE Project – currently we receive a number of change orders and change requests for MMIS that come to us from the ONE project. These are crucial changes to the MMIS in order for eligibility to properly populate the MMIS. Additional full time FTE will be required to keep this work on schedule.
- o Data Analysis – we daily receive requests to provide Medicaid data to our partners and stakeholders and we do not currently have the FTE resource to help provide this data. The permanency of the current LD FTE will allow us to help provide that data going forward. With the move toward the OHA Performance System, metrics will be part of our requirement as well as providing data analysis to the HSD Leadership.

11. WHAT IS YOUR EQUITY ANALYSIS?

OHA/DHS are open to engaging all interested stakeholders in planning for the modularity planning effort including the OHA Office of Equity and Inclusion and the DHS Office of Multicultural Services.

12. WHAT ARE THE LONG-TERM DESIRED OUTCOMES (LONGER THAN THE UPCOMING BIENNIUM)?

CMS Final rule “Federal Funding for Medicaid Eligibility Determination and Enrollment Activities” provided for a temporary enhancement to the federal financial participation (FFP) rate to support the design, development, and installation (DDI) and maintenance and operations (M&O) of Medicaid Eligibility and Enrollment (E&E) systems that are streamlined and interoperable with other systems and that provide a consumer-friendly experience. The broadened definition was also refined to support an enterprise approach where individual processes, modules, sub-systems, and systems are interoperable and work together seamlessly to support a unified Medicaid enterprise.

The Medicaid Enterprise includes: (1) An E&E system used to process Medicaid enrollment applications, as well as change in circumstance updates and renewals. The E&E system might be implemented as the core of an integrated eligibility system that also supports eligibility for other human services programs; and (2) An MMIS used to process claims for Medicaid payment from providers of medical care and services furnished to beneficiaries under the medical assistance program, including review of managed care encounter data, and to perform other functions necessary for economic and efficient operations, management, monitoring, and administration of the Medicaid program. To receive enhanced federal matching funding for development, maintenance and operations, the Medicaid E&E systems and the MMIS must meet all applicable standards and conditions, including modularity, along with associated provisions such as the role of independent verification and validation (IV&V).

Oregon is in the process of replacing its E&E system using a modern SOA technology framework. In addition, Oregon made numerous enhancements to its MMIS that was originally implemented in 2008. Despite various improvements, large portions of the Medicaid enterprise system are still based on legacy technologies. In order to continue supporting its business mission, OHA needs to transform its business operations and modernize its IT ecosystem to align to rapidly evolving changes in the healthcare delivery system. OHA completed its first MITA SS-A a few years ago to review existing capabilities and determine future needs. In the early stages of the MITA SS-A, it was determined that even the current MMIS (installed in 2008) is unlikely to meet future business needs of OHA and must be updated with modular functionality to streamline IT operations and eliminate unnecessary duplication of effort.

13. IS THIS PP BEING REQUESTED BECAUSE OF AN INTERNAL DHS/OHA AUDIT, OREGON SECRETARY OF STATE AUDIT, OR FEDERAL AUDIT? IF SO, PLEASE PROVIDE FURTHER INFORMATION.

STAFFING AND/OR FISCAL IMPACT

14. WHAT ASSUMPTIONS AFFECT THE PRICING OF THIS POP?

Implementation Date(s): This is planning phase only and implantation is to be determined.

End Date (if applicable): _____

- a. Based on the following answers, is there a fiscal impact? Yes
- b. Will there be new responsibilities for OHA/DHS? Specify which Program Area(s) and describe their new responsibilities.

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- c. Will there be new Shared Services impacts sufficient to require additional funding? Specify which office(s) (i.e., facilities, computer services, etc.) and describe how it will be affected.
No
- d. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.
No
- e. Will it take new staff or will existing positions be modified? For each classification, list the number of positions and the number of months the positions will work in each biennium. Specify if the positions are permanent, limited duration or temporary.
Yes

This DHS POP will request 3 permanent full-time positions in DHS, 1 PEMF and 2 OPA4's.

The OHA companion POP requests 5 permanent full-time positions in OHA, 1 PEMF, 2 OPA4's and 2 OPA2's.

What are the start-up costs, such as new or significant modifications to computer systems, new materials, outreach and training?

- f. What are the ongoing costs?
- g. What are the potential savings?

TOTAL FOR THIS PACKAGE

<u>Category</u>	<u>GF</u>	<u>OF</u>	<u>FF</u>	<u>TF</u>	<u>Position</u>	<u>FTE</u>
Personal Services	346,452	0	346,452	692,904	3	3.00
Services & Supplies	59,457	0	58,017	117,474		
Capital Outlay	0	0	0	0		
Special Payments	0	0	0	0		
Other	0	0	0	0		
Total	\$405,909	\$0	\$404,469	\$810,378	3	3.00

DHS - Fiscal Impact Summary by Program Area:

	DHS	Program Area 2	Program Area 3	Program Area 4	Total
General Fund	\$405,909	\$0	\$0	\$0	\$405,909
Other Fund	\$0	\$0	\$0	\$0	\$0
Federal Funds- Ltd	\$404,469	\$0	\$0	\$0	\$404,469
Total Funds	\$810,378	\$0	\$0	\$0	\$810,378
Positions	3	0	0	0	3
FTE	3.00	0.00	0.00	0.00	3.00

h. what are the sources of funding and the funding split for each one?

This POP requests 3 permanent positions for DHS only, to work in partnership with OIS. Due to delays in 2017-19 planning efforts less than \$1,000,000 approved TF (under \$100,000 GF) from the 2017-19 POP will be expended by the start of 2019-21. CMS will fund 90% of positions and consulting during planning/implementation and 75% for on-going maintenance.

Department of Human Services AFFIRMATIVE ACTION REPORT

This report summarizes the progress the Oregon Department of Human Services (DHS) has made in accomplishing its affirmative action goals for the 2017 - 2019 biennium and identifies DHS's goals for 2019 - 2021.

July 1, 2017, to June 30, 2019

Accomplishments toward Affirmative Action Goals

DHS has continued its efforts to improve workplace diversity. Over the past few years, increased outreach, creative recruitment strategies, and training have resulted in gains in the percentage of people of color in the department's workforce. The department continues to experience a low number of employees self-disclosing disabilities and we continue to work on possible solutions to capture that information.

The agency will continue to build upon our successes to achieve a more culturally competent work force, create culturally appropriate and effective programs and service delivery systems, develop quality improvement strategies with a focus on diversity and create welcoming environments for our diverse client base and staff. The DHS Affirmative Action Plan is a key component of the department's ongoing diversity development efforts. These efforts serve to enhance the diversity of our work force, provide equal employment opportunities, provide guidelines for organizational change, and increase participation by diverse constituencies in agency operations. Our diverse culturally competent work force assists the department to better understand and respond to clients' and customers' needs.

DHS EEO-4 Job Group Utilization¹

The following chart reflects the DHS work force as of June 30, 2018⁴. Each protected class shows the FTE based on parity figures and the DHS actual FTE. Parity is defined as a condition achieved in an organization when the protected class composition of its work force is equal to that in the relevant available labor force. The Governor's Equity Office establishes parity goals. Numbers in red show underrepresented FTE in each EEO category.

EEO-4 category	Women		People of color		People with disabilities		Veterans ²	
	Parity ³ FTE	DHS FTE	Parity ³ FTE	DHS FTE	Parity ³ FTE	DHS FTE	Parity ³ FTE	DHS FTE
A. Officials and Administrators	306	506	98	104	44	27	51	31
B. Professionals	2116	2922	535	678	229	143	264	133
C. Technicians	12	18	2	2	1	2	2	1
D. Protective Service Workers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
E. Paraprofessionals	1414	1836	238	684	146	99	168	64
F. Administrative Support	883	1094	122	231	75	68	87	36
G. Skilled Craft	1	2	1	0	1	0	1	0
H. Service Maintenance Workers	5	0	1	1	1	0	1	1

¹ DHS does not employ people under the D. Protective Service Workers EEO job category.

² The Office of Federal Contract Compliance Programs sets a benchmark to be used:
<https://www.dol.gov/ofccp/regs/compliance/AnnualVEVRAABenchmarkEffectiveDates.htm>.

³ & ⁴ Parity FTE and Actual FTE figures come from Department of Administrative Services, as of June 30, 2018

Progress made or lost since the previous biennium

The primary goal for DHS during the 2017 – 2019 biennium was the following:

“Achieve an increase in the recruitment, promotion and retention of individuals with disabilities and employees of color in all job categories.”

The data presented above as the EEO-4 job category utilization demonstrates that DHS has met or exceeded parity in most job categories for employees that identify as people of color. DHS has historically met or exceeded parity for women in almost all job categories. DHS does not have good representation in all job categories for employees that identify as people with disabilities. The agency has in the past conducted an agency wide request for updated disability self-identification and may need to do this each biennium. In addition, an employee resource group for employees or allies for employees with disabilities was created last biennium, but continues to advocate for employees with disabilities, which may have helped with retention efforts. More work needs to be done to meet parity regarding veterans. If veterans self-disclose during the recruitment process but not on the new hire paperwork, the numbers can be mis-represented. With the implementation of Workday in 2019, some of this disparity may be corrected for veteran’s data.

We usually look at workforce representation numbers for people of color, but it is sometimes interesting to look at the four individual groups in the DAS data, African American, Hispanic, Asian and Native American. Reviewing the report indicated the following:

1. Officials and Administrators EEO Category includes Hispanic (54), then Asian (23), African American (20) and Native American (7). There is a larger underutilization of FTE for African Americans with parity FTE being 33.

2. Professionals EEO Category was made up of 116 FTE African American, 398 FTE Hispanic, 115 FTE for Asian and 49 FTE American Indian. The FTE for Hispanics was greater than the parity FTE (150) and the most underrepresented group was African Americans with 116 FTE and a Parity FTE of 163.
3. Technicians have such small numbers (total number of FTE is only 10) with 1 FTE for African American and 1 FTE for Hispanic that it is difficult to get meaningful information within the four diversity groups.
4. Paraprofessionals had an underutilization of FTE identifying as Native American. There are 31 FTE, compared to the parity FTE of 36. The other groups exceeded their parity FTE.
5. Administrative Support also had an underutilization of FTE identifying as Native American. There are 17 FTE, compared to the parity FTE of 23. The other groups exceeded their parity FTE.
6. Skills Craft and Service Maintenance Workers have such small numbers (total number of FTE for both is only 21) with 1 FTE for African American, that it is difficult to get meaningful information within the four diversity groups.

While not required by the state, we have included utilization rates for self-identified veterans. Analysis of the data indicates there is an underutilization of veterans in all the job categories except for Service Maintenance Workers. We will continue to work to improve our recruitment, retention and promotion rates for veterans.

July 1, 2019, to June 30, 2021

Goals, strategies and timelines for DHS Affirmative Action Plan

The DHS vision “safety, health and independence for all Oregonians” is why we continue to pursue goals that help us increase our representation of people of color, people with disabilities, veterans, and women within the DHS workforce.

With constantly changing economic conditions, DHS must develop new and creative ways to attract, retain and develop talent, and create a more inclusive environment. The new goals and strategies described below will continue the efforts made in the past.

Goals

- Review and improve our recruitment process to make sure we have a fair and equitable process for everyone, to increase the diversity of our workforce, especially for people of color, people with disabilities and veterans in positions salary range 24 and above, to reflect the populations we serve.
- Cultivate a culture that encourages collaboration, creativity, and flexibility to enable individuals to contribute to their full potential and further the efforts of attracting new employees and retaining current employees.
- Develop strategies to expand recruiting outreach efforts with diverse community-based organizations to increase the diversity of our workforce, especially for people of color, people with disabilities and veterans.

Overall, the emphasis for the Department of Human Services will be to achieve an increase in the retention of employees with disabilities in all job categories and retain employees of color and veterans in underutilized job categories.

Department of Human Services Audit Response Report

1. DHS and OHA: Statewide Single Audit Including Selected Financial Accounts and Federal Awards for the Year Ended June 30, 2015, audit #2016-09 (dated April 2016)

- Recommend department management ensure that adequate documentation is retained to demonstrate controls are operating as intended to ensure that expenditures are paid at proper rates.

The Office of Financial Services has developed a “System Update Tracking Sheet” as documentation when federal funding split codes rate changes are updated or modified in systems. The tracking sheet was implemented with the federal rate changes effective October 1, 2015.

- Recommend department management consider the financial statement impact resulting from adjustments or entries made in underlying coding to ensure amounts are properly reported.

To ensure the agency receives the accrual transaction information timely; the Statewide Financial Reporting unit has updated its accrual procedure to include instructions to request the accrual information before July 1 with the year-end task list, and then to check back for this information no later than August 1. To ensure the accrual review will include an analysis of the financial impact, a section has been added to accrual procedures to include review at the comptroller and rollup GAAP object level.

- Recommend department management review OR-Kids transaction processing and make system modifications as appropriate to ensure proper financial reporting of program expenditures. We also recommend department management review prior year and current year transactions and reimburse the federal agency for grant expenditures claimed inappropriately.

A report has been developed to identify adjustments that impacted a state grant rather than the federal grant and is in the final validation stage. Once the report is validated, the report will be used going forward to accurately report federal expenditures. The report will first be used for the reporting period ending September 30, 2018. Questioned costs in the amount of \$107,200 were adjusted on CB-496 for quarter ending March 31, 2018.

A change request for a system fix has been written. However, the date for the system fix is not yet determined.

- Recommend department management implement system changes to OR-Kids to prevent transactions from reimbursing outside the period of performance. Recommend management make appropriate corrections and adjustments to the accounting records to prevent the department from requesting federal reimbursement for expenditures incurred outside the period of performance.

A report has been developed that will allow DHS to analyze increasing and decreasing adjustments, isolating increasing adjustments that fall outside the period of performance. DHS is no longer netting increases and decreases beginning with the filing of the June 30, 2018 CB-496 report.

Additionally, resources are currently working on reviewing all activity back to September 30, 2011 to evaluate if any federal funds were improperly claimed beyond the two-year limit. Any necessary repayment from this analysis will be reported on the December 31, 2018 CB-496 report.

- Recommend department management ensure all required documentation is completed, reviewed, and maintained and ensure client eligibility is terminated timely, as well as clarify and document whether the home study must be signed by the supervisor for a provider to be certified. Also, recommend that department management reimburse the federal agency for costs paid related to the ineligible child and provider.

The significant design change to OR-Kids provider module was implemented in OR-Kids on March 1, 2017. The OR-Kids provider module was changed to require that the home study and all background (safety) checks be completed with an approval date prior to the foster care home becoming fully certified. Any new foster care homes full certifications must have these new pages completed, and upon any renewal or demographic update on current foster care homes the system will require the new pages be completed. The title IV-E specialist is required to review the provider record in OR-Kids to ensure home meets certification requirements prior to determining a child eligible for title IV-E foster care maintenance.

- Recommend department management ensure its methodology for allocating administrative costs to the Title IV-E Foster Care program is documented and adequately supported and ensure that coding is correct and up-to-date in the accounting system. We also recommend department management reimburse the federal agency for unallowable costs.

In June 2016, the department changed the funding structure for all Adoptions Unit contracts to be consistent. All the contracts now report to the Child Welfare design cost allocation funding structure. Adjustments to federal expenditures were made in February 2016 to address match rates and in March 2016 to address the \$508 in questioned costs. In June 2017, adjustments to the funding methodology were made for the period July 1, 2013 through June 30, 2016.

- Recommend department management ensure payments are reviewed and approved properly to ensure appropriate payments to providers. Also, recommend department management reimburse the federal agency for unallowable costs.

The OR-Kids team reviewed the transactions for the manual placement correction in the finding and identified a systemic issue. This issue was addressed with a system update in January 2017.

The adjustment of \$28 was completed and was reported on CB-496 for Quarter ending March 31, 2018.

Federal Policy, Planning and Resources (FPPR) and OR-Kids changed the transportation services and sent a transmittal to the field that effective July 1, 2018, the OR-Kids system would calculate the mileage reimbursement based on the current mileage reimbursement rate. Unfortunately, OR-Kids cannot accept a three-decimal reimbursement amount and rounding up would cause over claiming and rounding down would create an under payment, therefore the change was rescinded. FPPR will be working with field operations and OR-Kids to develop a mechanism to ensure proper processing until an OR-Kids fix can be implemented.

- Recommend department management document the methodology used to review maintenance payment rates for continuing appropriateness, including a specific, time-limited schedule for review.

The department filed a new Oregon Administrative Rule which was officially adopted on July 5, 2017. The new rule states that the department shall review the established foster care payment rates every two years (odd years) in conjunction with the department budget preparation processes for Governor's Recommended Budget. The purpose of this review is to consider the rates the state is providing in comparison to USDA Cost of Raising a Child or similar reports.

- Recommend department management ensure all required documentation is completed, reviewed, and maintained. Also recommended is that department management reimburse the federal agency for costs paid to the ineligible provider.

The department was required to complete our Program Improvement Plan (PIP). The final report was submitted July 22, 2016. The PIP is the result of a Federal Title IV-E Foster Care review in July 2014, in which Oregon was found not to be in substantial compliance with Title IV-E Foster Care regulations. The majority of the PIP is regarding how to improve the documentation of background check information and implementing a quality assurance process for monitoring certification.

The department submitted a significant design change to the OR-Kids provider module that requires all background checks have an approval date prior to the foster care home becoming fully certified. Another part of the design is an enhancement to the Foster Care Certification check list in which the OR-Kids functionality on this page will support rule and policy, which will help drive appropriate certification practice. As part of the PIP, the department developed a training plan to ensure successful implementation of the changes in OR-Kids and the certification rules.

The OR-Kids changes were deployed at the end of 2016. In order to be in compliance with the Title IV-E and close Child Welfare's Title IV-E Program Improvement Plan, DHS Child Welfare implemented an interim plan to ensure background checks are completed and approved prior to claiming Title IV-E foster care maintenance. Effective June 15, 2016 the background check approvals must be scanned and uploaded to OR-Kids. The Title IV-E eligibility specialist will review the background check approval documentation and will not determine a child eligible for Title IV-E prior to the approval dates. An Action Transmittal was sent out to the field on June 15, 2016 with detailed processes the field and other agencies must follow until the OR-Kids modifications are implemented. The Title IV-E specialists received a training (via a conference call) in which the Action Transmittal was reviewed on June 16, 2016.

The questioned cost was adjusted on March 17, 2017 and the CB-496 report for 2017 Quarter 2 reflected these adjustments.

- Recommend department management continue to correct known "applicable child" eligibility data issues in OR-Kids to ensure data used to estimate the savings in state expenditures is complete and accurate.

Federal Policy, Planning and Resources (FPPR) and the OR-Kids Business unit completed an analysis of why new cases continue to show up with this error. The OR-Kids Business analyst found a bug in OR-Kids that was clearing the boxes that indicated why the child was eligible for Title IV-E Adoptions Assistance. A bug fix was implemented in January 2018. The OR-Kids Business team has run one subsequent report and it

appears the bug fix implemented in January has worked and no new cases are being created. FPPR must complete a manual analysis and correct all the cases effected by the bug.

- Recommend department management strengthen controls to ensure documentation supporting a provider's eligibility determination is retained. For current providers with missing documentation, recommend the department verify they are eligible to provide services.

The department has completed the database checks on the eleven providers mentioned in the finding. The department also verified the eligibility of the five providers identified with missing provider enrollment agreements. The department has taken the necessary steps to revalidate or close the associated provider numbers. Three of these providers have current provider agreements and are eligible to provide services. Two other providers are no longer providing services. Adjustments have been made in the accounting system to return the federal funds for these two providers for the enrollment period.

The Provider Relations Unit has participated in multiple education and outreach sessions addressing the provider enrollment validation process including program manager meetings, licenser trainings, and ODDS plan of care conference calls reminding local staff and managers of the need to retain the provider eligibility documentation within their provider files.

- Recommend department and authority management strengthen controls to ensure sufficient documentation is maintained to demonstrate compliance with federal requirements and the client liability is calculated accurately.

Aging and People with Disabilities (APD) has obtained missing applications from all clients except those that were determined to be deceased. For those individuals, APD followed up with the Estate Recovery Unit to ensure that they were aware of the clients' passing and were filing an estate claim if appropriate. APD has continued to remind managers and staff of the importance of maintaining complete files through

meetings and “In the Loop” newsletter articles. For the clients who experienced eligibility-coding errors, the state has returned the federal funds. All corrective actions are complete.

- Recommend management strengthen controls to ensure only allowable costs are paid for at appropriate federal funding participation rates.

The Office of Financial Services has a process to cross check the documentation provided by program staff to ensure the appropriate transfer has been completed. The agency also has a process to automate this transfer within the MMIS system. A coding matrix was developed to allow users to select the correct coding for the allowable expenditures.

For noted transaction errors, corrective action was developed and is in operation at this time. A new agreement has been negotiated. The payments are recovered, and the federal share associated with the payment has been returned to the federal government.

- We recommend management develop a security plan that addresses all federally required components, develop and implement a formalized risk analysis program, and ensure system security reviews are conducted timely for all applicable systems involved in the administration of the Medicaid program.

The Information Security & Privacy Office (ISPO) has embarked on a multi-tiered process that will result in an information security plan for the Department of Human Services (DHS) and the Oregon Health Authority (OHA). In alignment with the state’s Enterprise Security Office, ISPO is using the Center for Internet Security’s (CIS) Top 20 Critical Security Controls as our roadmap to identify and mitigate risks and compliance findings.

We are using Tenable Nessus to perform vulnerability assessments of our enterprise to identify vulnerabilities and develop an asset inventory. The vulnerability management process, including regularly scheduled scanning and patching, has been implemented. The asset inventory will inform the information security plan.

We have developed our information security risk assessment policy and process and have initiated an aggressive risk assessment schedule. Seven risk assessments have been accomplished in 2017 and more are scheduled. Like the vulnerability assessments, the risks (vulnerabilities and threats) and gaps identified from these assessments will inform the information security plan.

These are the CIS Critical Security Controls prerequisites for accomplishing an information security plan. ISPO recruited a Senior Information Security Advisor in May 2017 and have assigned the information security plan to him to complete no later than December 2017.

The Information Security and Privacy Office (ISPO) is continuing to develop a plan to implement a framework for conducting the required security assessments on the Automatic Data Processing (ADP) systems which support the Medicaid program in Oregon. Vulnerability assessment scans of the MMIS system software are now performed monthly or whenever major changes are made to the system.

A Vulnerability Management policy has been developed, approved and was published in September 2017. In support of this policy, ISPO already began scanning in excess of 15,000 devices utilizing the states vulnerability assessment solution, Tenable Security Center (TSC). ISPO is concurrently working with OSCIO to determine how TSC will access and scans the remaining Medicaid systems residing on the mainframe.

The Information Security & Privacy Office (ISPO) is in the process of developing a risk analysis process that will establish the roles and responsibilities of the different parties for contracting all required types of independent assessments, as required by Federal Regulations.

Revisions to parent policy DHS/OHA 090-006 Risk Assessment to be submitted for review to Office of Information Services (OIS) Policy, Standards and Processes (PSP) Committee by September 1, 2017.

Revisions to widen the scope to encompass all security assessments required by 45 CFR 95.621 (iii) Periodic risk analyses and (3) ADP System Security Reviews. Policy revisions and process will be based on CMS Risk Management Handbook (RMH) Chapter 12: Security and Privacy Planning, Version 1.0, January 31, 2017; Appendix E. ARS Standards – Planning (PL); Control PL-01.

The ISPO Risk Assessment Analyst is a member of a chartered advisory group within the Enterprise Security Office which acts in an advisory capacity to the ESO Risk Program Committee. In the course of that work, tools are under development to ensure that risk mitigation plans are established with state agencies. These tools will be leveraged to develop the “Risk Triage” process, to establish and implement a plan of action “Develop a Plan of Action (POA)” (see Attachment A). The Risk Triage process will be a sub-process of the DRAFT ISPO Independent Security Risk Assessment (ISRA) Process and will be submitted to the PSP Committee by September 1, 2017 with the policy revisions and parent process. The ISPO Risk Assessment Analyst meets monthly with OIS ISPO Audit Coordinator to coordinate risk mitigation efforts throughout DHS/OHA.

The OR-Kids system underwent an independent security risk assessment from March 2017 to May 2017. Tests included:

- Information Security Web Application Penetration Test*
- Application and Server Infrastructure Penetration Test*
- Internal Technical Test (workstations)*
- NIST Cybersecurity Framework Assessment*
- OWASP Secure Coding Practices Assessment*

The final report was received at the end of June. Agreement has been reached between ISPO and the Director of Development Disability Services to commence with an independent security risk assessment of the eXPRS system in third quarter of 2017.

- Recommend management develop a plan based on current resources to ensure the timely completion of provider health and safety standard surveys for nursing facilities.

Oregon has a long history of meeting the Centers for Medicare and Medicaid Services (CMS) performance standards related to surveying facilities in fewer than 15.9 months. The Nursing Facility Licensing Unit is dedicated to bringing our CMS performance standard back into compliance and we anticipate reaching compliance in early 2016.

Implementation of the CMS Quality Indicator Survey (QIS) process also contributed to our failure to meet the CMS performance standards. In addition to the general difficulties inherent in a new process and system, it increased our required survey team size (particularly for small facilities) for a period, increased training requirements, and lengthened total survey time during the implementation period.

Over the past few years, we have implemented several continuous improvement activities that have resulted in efficiency gains to the survey process, in turn reducing the amount of time it takes to survey facilities. Those efficiencies have resulted in a significant reduction in new surveyor training time. We have made efforts to minimize survey-related travel and made reductions in report writing time. We have implemented an electronic document workflow process, streamlined our report review process to facilitate a faster turnaround time between surveys, and provided provider training on how they can prepare for and assist with the survey process. Since January 2013 we have hired 19 new surveyors. However, we have had 16 surveyors leave in the same time due to retirements, promotional opportunities, competition with private industry related to salary, and surveyors not demonstrating skills needed to make it through trial service.

As of August 15, 2015, all surveys conducted were less than 15.9 months and will continue to be less than 15.9 months going forward.

- Recommend department management ensure a client's monthly copay is correctly calculated and a client's application, income and special needs rate documentation is maintained. Additionally, department management should develop a process to identify when the copay is not being met when multiple providers are used.

A business change request was submitted on April 25, 2016 relating to audit finding on the co-pay not met report and multiple providers. An "Uncollected Copay Report" is currently on hold due to the One/Integrated Eligibility project. To ensure the successful delivery and implementation of this new system, prior work being conducted by programmers in the Legacy system has been suspended. The report will be re-evaluated once the ONE/IE system has been successfully rolled out in 2020.

Tools were developed and shared with field staff during the year in efforts to improve co-pay calculations and documentation. An Employment Related Day Care (ERDC) mini-training was held in June 2018 to address such topics as ERDC copays and ERDC coding. On June 15, 2018, Child Care Policy reissued a transmittal to department staff as a reminder to reinforce the importance of increased accuracy in the ERDC program.

Quality Assurance also in collaboration with the policy team published another edition of an "Accuracy in Action" newsletter focusing on ERDC budgeting and child care hours. This issue which was sent to field staff on March 15, 2018, included information referring to verifying income and hours, ERDC hours, marginal income, two parent working families, child support and ERDC, prospective eligibility and budgeting and transitioning TANF to ERDC.

- Recommend department management strengthen controls to ensure adherence to department policy and procedure regarding documentation of participation and projection of hours of participation, and to ensure data entered into the automated data processing system is accurate and complete.

TANF, Quality Control and Quality Assurance are now conducting monthly JOBS Audits. The audits help TANF to address concerns as they arise. The reviews include verification of hours, updated attendance and document location. The Work Verification email continues to be sent monthly along with newsletter reminders for field staff.

- Recommend department management ensure the report accurately reflects the activity of the reporting period.

DHS is in the process of conducting a major system change from prior Legacy systems to the new ONE/Integrated Eligibility system. To ensure the successful delivery and implementation of this new system, prior work being conducted by programmers in the Legacy system has been suspended. The report will be re-evaluated once the ONE/IE system has been successfully rolled out in 2020.

- Recommend the department comply with the directive from DHHS and work with DHHS to resolve the different interpretations of the federal requirements for the TANF program.

The department is still awaiting further guidance and clarification from ACF to fully implement all changes.

- Recommend management ensure staff receive training regarding the proper coding for expenditures and allow ability of expenditures. Additionally, management should ensure documentation is maintained to support expenditures paid. Further, for the specific items identified, management should correct the coding errors and ensure the expenditures are billed to the appropriate program and/or source of funds.

Agency management understands the importance of ensuring staff are trained on proper account coding, documentation, and allowable cost principles. Management worked with the Office of Financial Services to develop tools to assist staff in choosing the proper codes and develop additional quality assurance processes to review for unallowable costs. The identified transactions have been corrected as of August 2016.

- Recommend management update the cost allocation plans for the department and authority to reflect current practices and ensure future changes are communicated timely.

The agency has continued to submit annual cost allocation plan updates and interim updates when there are major changes to allocation methodologies. Due to changes in the organizational structure of OHA, our update of the OHA PACAP was delayed until July 2016. The current biennium cost allocation plan was submitted for review in July 2016 and is awaiting a response from the federal DHHS Cost Allocation Services CAS, formerly DCA.

A formal change log was created in March of 2017 to ensure all updates are included in each subsequent submission. The most recent cost allocation plan was submitted on June 30, 2017.

- Recommend department management implement a process to verify that branch offices implement the training and follow the established procedures for securing EBT cards.

In 2015, DHS developed a Financial Desk Training for Aging and People with Disabilities (APD) and Self Sufficiency Program (SSP) staff, whose duties involve financial business process and field managers. The Financial Desk Training includes a section on the established procedures for Electronic Benefit Transfer (EBT) card security. The Field Business Procedures Manual and the Business Review Tools are used as a basis for the training curriculum. Office leadership communicated the importance of securing EBT cards and following the policy outlined in the Field Business Procedures Manual for monthly inventory.

The Department has continued to offer the Financial Desk training for staff during the current year. In addition, the material for those trainings is available to staff as an online resource at:

<https://inside.dhsoha.state.or.us/dhs/self-sufficiency-training-unit/4457-training-courses-financial-training.html>

2. DHS: To Better Achieve its Mission, Vision and Goals, DHS Must Increase Efforts to Address Employees' Concerns, audit # 2016-24 (dated October 2016)

- Recommend DHS management develop and implement a plan to address the seven areas needing improvement: tools and resources, compensation, hiring practices, recognition, professional development, stress and workload, and communication. We recommend DHS management administer a work environment survey at least annually that includes the factors we identified that influence engagement. We recommend management use the future survey results to revise the plan, as needed.

DHS will prioritize recommended actions based on those which are most "in our control" and those which will achieve the greatest positive impact on DHS culture. DHS plans to continue to utilize the workforce related measures in the DHS management system that overlap with the Work Environment Survey (Employee Engagement, Performance Feedback, and Diversity) and determine in what ways the "unique elements" of the Work Environment Survey may augment our established processes.

3. DHS and OHA: Statewide Single Audit Including Selected Financial Accounts and Federal Awards for the Year Ended June 30, 2016, audit #2017-08 (dated March 2017)

- Recommend management review the coding that points transactions to rebates and recoveries and other revenues to ensure proper classification of these transactions.

The agency has updated its year-end close procedure to ensure the Rebate & Recovery revenue is appropriately coded for proper classification. The close procedure now includes a review of Other Revenue account transactions.

- Recommend department management ensure the proper application of established accrual methodologies and that accrual efforts are not resulting in duplicate expenditures or revenues.

The agency updated its close procedures to include additional reviews to avoid duplication of estimated accrual amounts.

- Recommend department management establish controls to ensure program activity is eliminated from the internal service fund for financial reporting purposes.

The agency has updated the year-end close procedures to ensure that only shared service funding will be contained in the D23 fund 3470. The new D23 fund 3478 has been set up for the start of the new biennium. Going forward, the only activity in D23 fund 3470 will be shared service activity.

- Recommend department management correct the payroll system coding for identified employees and reimburse the federal agency for unallowable costs.

Federal Policy, Planning and Resources (FPPR) and the Office of Financial Services (OFS) corrected the payroll system coding to reimburse federal dollars for the employees that were being reported as direct-funded by Title IV-E in error. A manual adjustment was completed in SFMA on June 21, 2017 for a total shift of approximately \$1 million Title IV-E funds to general funds.

FPPR and OFS developed a methodology to monitor employee payroll to ensure accurate funding reimbursement. The Office of Child Welfare Program hired a Program Analyst specific for tracking Child Welfare positions and the funding. This position will be significant for the methodology being developed.

The Office of Child Welfare Programs Position Management Coordinator and Cost Allocation administrative assistant has created a new labor cost code specifically for Title IV-E specialists. The Position Management Coordinator will provide a report quarterly to FPPR to review to ensure only IV-E specialists are using the new labor cost code. The new labor cost code will also eliminate the need for the Cost Allocation administrative assistance from having to manually exclude the Title IV-E specialists from

the Random Moment Time Study. The quarterly report provided to FPPR will include all employees that are direct charged to Title IV-E (i.e., OR-Kids trainers and IV-E waiver LIFE positions).

- Recommend department management review OR-Kids transaction processing and make system modifications as appropriate to ensure proper financial reporting of program expenditures. We also recommend department management review prior year and current year transactions and reimburse the federal agency for grant expenditures claimed inappropriately.

A report has been developed to identify adjustments that impacted a state grant rather than the federal grant and is in the final validation stage. Once the report is validated, the report will be used going forward to accurately report federal expenditures. The report will first be used for the reporting period ending September 30, 2018. In addition, questioned costs of \$103,130 were adjusted on the CB-496 report for June 30, 2018.

A change request for a system fix has been written. However, the date for the system fix is not yet determined.

- Recommend department management ensure all required documentation is completed timely, reviewed, and maintained and ensure eligibility is determined appropriately. We also recommend department management reimburse the federal agency for costs paid related to the ineligible providers.

Federal Policy, Planning and Resources (FPPR) completed all the following corrections:

- *Questioned costs of \$10,700 resulted in actual costs adjusted on July 7, 2017 of \$15,117.54. The final adjustment was reported on Qtr. 4 FFY2017 CB 496.*
- *Questioned costs of \$1,500 resulted in actual costs adjusted on August 4, 2017 of \$950.58. The final adjustment was reported on Qtr. 4 FFY2017 CB496.*

- o Questioned costs \$1,900 resulted in actual costs adjusted on July 20, 2017 of \$5,234.89. The final adjustment was report on Qtr. 4 FFY 2017 CB496.

FPFR and the Foster Care Unit have completed the one-page reference guide. The final transmittal was sent to the field on June 4, 2018.

- Recommend department management ensure its methodology for allocating administrative costs to the Title IV-E Foster Care program is documented and adequately supported.

In June 2016, the department changed the funding structure for all Adoptions Unit contracts including Foster Care administrative services to be consistent. All the contracts now report to the Child Welfare design cost allocation funding structure. In June 2017, total adjustments of \$25,648.82 were made to the funding methodology for the period June 1, 2013 through June 30, 2016.

- Recommend department management document the methodology used to review maintenance payment rates for continuing appropriateness, including a specific, time-limited schedule for review.

The department filed a new Oregon Administrative Rule (413-090-005) in June 30, 2017, which was officially adopted on July 5, 2017.

“The department shall review the established foster care payment rates every two years in conjunction with the department budget preparation processes for submission of the Agency Request Budget to the Governor. The purpose of this review is to consider the rates the state is providing in comparison to the USDA Cost of Raising a Child or similar reports”.

- Recommend department management ensure a client’s monthly copay is correctly calculated, hours are correctly calculated, income support is retained, and a client’s special needs rate documentation is

maintained. We also recommend department management reimburse the federal agency for unallowable costs.

A business change request was submitted on April 25, 2016 relating to audit finding on the co-pay not met report and multiple providers. An “Uncollected Copay Report” is currently on hold due to the One/Integrated Eligibility project. To ensure the successful delivery and implementation of this new system, prior work being conducted by programmers in the Legacy system has been suspended. The report will be re-evaluated once the ONE/IE system has been successfully rolled out in 2020.

Tools were developed and shared with field staff during the year in efforts to improve co-pay calculations and documentation. An Employment Related Day Care (ERDC) mini-training was held in June 2018 to address such topics as ERDC copays and ERDC coding. On June 15, 2018, Child Care Policy reissued a transmittal to department staff as a reminder to reinforce the importance of increased accuracy in the ERDC program.

Quality Assurance also in collaboration with the policy team published another edition of an “Accuracy in Action” newsletter focusing on ERDC budgeting and child care hours. This issue which was sent to field staff on March 15, 2018, included information referring to verifying income and hours, ERDC hours, marginal income, two parent working families, child support and ERDC, prospective eligibility and budgeting and transitioning TANF to ERDC.

- Recommend management strengthen controls to verify applications exist upon client eligibility redeterminations, perform eligibility redeterminations timely, identify any other clients that may have been impacted due to the override of system controls, and reimburse the program for unallowable costs.

On March 21, 2017, federal funds in the amount of \$1,329 that the department was unable to locate to support the costs charged to Medicaid, were returned. The department's Aging and People with Disabilities Office discussed with managers and staff the policies, appropriate documentation, and retention of

applications needed to determine eligibility for our program. These reminders were included in the March 2017 "In the Loop" newsletter article and will be included as agenda items in future quarterly meetings. The department has returned the federal funds for the client whose determination was not completed timely.

In addition, beginning in January 2016 and concluding August 31, 2017, OHA has worked to process redeterminations for the entire MAGI population and for those individuals who were part of an ACA-related deferred renewal population.

- Recommend department management strengthen its controls over the reviews of monthly employee cell phone invoices.

In March of 2017, The Office of Information Services (OIS) Collaborative Communications generated a communication to all coordinators to remind them of their responsibility to review/acknowledge the monthly billing data and that their acknowledgement is recorded and audited.

Further, OIS Collaborative Communications has developed a process and automated email notification system to alert the coordinator(s) and the manager if the monthly review is not completed timely. The first distribution of this message was sent out automatically beginning on June 28, 2017 to all MCD Coordinators that have unacknowledged billing records. This notice will continue monthly.

- Recommend department management correct the identified cases in the child welfare system and reimburse the federal agency for costs paid on behalf of the ineligible children.

The department has corrected the eligibility of the two cases identified in the audit, which resulted in a total adjustment of \$32,830 for one child and \$33,637 for the sibling. The adjustment resulted in a title IV-E federal reimbursement of \$44,107 in May 2017. This adjustment was reported on the 3rd quarter 496 report.

- Recommend department management ensure all required documentation is completed timely, reviewed, and maintained. We also recommend department management reimburse the federal agency for costs paid related to the ineligible provider.

The child abuse and neglect registry checks were completed and uploaded to OR-Kids on May 15, 2017 and the adjustment of title IV-E federal reimbursement was completed in March of 2018.

- Recommend department management continue to correct known applicable child eligibility data issues in OR-Kids to ensure data used to estimate the savings in state expenditures is complete and accurate.

Federal Policy, Planning and Resources (FPPR) and the OR-Kids Business unit completed an analysis of why new cases continue to show up with this error. The OR-Kids Business analyst found a bug in OR-Kids that was clearing the boxes that indicated why the child was eligible for Title IV-E Adoptions Assistance. A bug fix was implemented in January 2018 and the OR-Kids Business team ran one subsequent report and it appears the bug fix implemented in January worked and no new cases are being created. FPPR completed a manual analysis and corrected all the cases effected by the bug which were reported on quarter 4 (CB 496).

- Recommend management develop a formal tracking mechanism to ensure all changes to the plans are tracked for the inclusion in future updates communicated to the federal oversight agency. We also recommend management strengthen controls to ensure the cost allocation process follows the plans submitted for approval and interim changes, and all costs entering the cost pools are reviewed for allowability.

The agency currently submits the cost allocation plans on an annual basis to the federal DHHS Cost Allocation Services (CAS), formerly DCA. A formal change log was created in March of 2017 to ensure all updates are included in each subsequent submission. The most recent cost allocation plan was submitted on June 30, 2017.

4. DHS: Consumer-Employed Provider Program Needs Immediate Action to Ensure In-Home Care Consumers Receive Required Care and Services, audit #2017-23 (dated October 2017)

- Train case managers to recognize when consumers need additional assistance in completing employer responsibilities.

The Department will convene a workgroup in the coming months to develop training to:

- o Develop criteria to standardize assessment of individuals who are not completing their employer responsibilities;*
- o Identify individuals who are not, or who may be at risk of not, completing their employer responsibilities; and*
- o Identify interventions for consumers who are not completing their employer responsibilities.*

Once completed, the Aging and People with Disabilities Program (APD) will require the training for all case managers. We will also implement this requirement into our "Case Manager Essentials Training."

- Develop and implement procedures for taking action when consumers are no longer able or willing to perform necessary employer duties.

OAR 411-030-0040 (8) already contains the requirements and remedies for consumers who cannot perform necessary employer duties.

In addition to the training referenced above, APD will strengthen standard protocols and procedures for case managers. APD sent out an Action Request reminding our field structure of this responsibility on December 28, 2017.

- Monitor consumer care to ensure direct and indirect contacts are occurring according to the Center for Medicare and Medicaid Services requirements and Oregon Administrative Rules.

APD's Medicaid Long Term Services and Supports Unit is regularly monitoring this requirement via reports. APD agrees that we can always work toward 100 percent compliance. We follow up with local offices that have an unacceptable level of non-compliance and require action plans for increasing compliance. As an example, in the aggregate our data shows contacts reviewed against the frequency documented in the service plan to determine if appropriate case manager contact was made based on the frequency listed in the plan. For the past 6 months, we have ranged between 94-96 percent compliant. This is the information that will go to CMS around our federal assurances.

- Utilize APD's current risk assessment tool to identify clients most at risk for fraud, neglect, and abuse.

APD has been requiring case managers to do this consistently since July 2012. Case managers are expected to perform enhanced follow-up on these clients. We will be developing a tracking system to monitor compliance.

- Track compliance with risk-based monitoring in accordance with current APD policies.

Because of the additional risk associated with these consumers, we are going to build new tracking reports that will facilitate enhanced monitoring of this population. This will require system changes, which is the cause of the timeline being pushed to September 30, 2018.

- In coordination with the Oregon Home Care Commission and SEIU, establish minimum homecare worker training requirements and develop refresher courses for topics covered in orientation.

In response to requirements contained in SB774 (2015), APD commissioned a "Workforce Development Strategic Plan." The contractor, Thomas P. Miller & Associates, worked with a wide variety of stakeholders and state staff in the development of this plan.

We intend to work with SEIU, the OHCC, and the legislature to establish minimum training requirements and refresher courses in alignment with the strategic plan.

- In coordination with the Oregon Home Care Commission and SEIU, implement a new model for managing the Homecare Worker program that lessens the workload of APD staff working in the CEP program.

APD recognizes that the continued management of more than 20,000 unique home care workers each month is not sustainable. This is especially true in light of the demographics and consumer preferences that will consistently grow this workforce. We believe there are better, more efficient ways to monitor this workforce and are committed to long-term efforts to overhaul it.

APD will be initiating broad stakeholder meetings (in collaboration with SEIU and the OHCC) and conducting legislative discussions on alternate models for managing and supporting this workforce on behalf of consumers.

This is a large undertaking that potentially results in a complete transformation of how this program is administered by both APD and the Office of Developmental Disability Services at DHS.

- Establish a skills assessment for homecare workers to assure that they have the skills, knowledge, and abilities to provide consumer care.

In response to requirements contained in SB774 (2015), APD commissioned a "Workforce Development Strategic Plan." The Contractor, Thomas P. Miller & Associates, worked with a wide variety of stakeholders and state staff in the development of this plan. The very first recommendation from the plan follows:

- *Pre-employment testing will provide the OHCC with benchmarking data for the quality of the workforce upon entry, allow for better guidance on professional development, and inform others who may refer individuals to the OHCC as potential candidates for the occupation.*
- *An assessment will need to be developed or adapted from an existing one developed elsewhere. SEIU and the OHCC should jointly develop and evaluate the testing tool. Once developed and approved, the initial year or two should be used for benchmarking and professional development guidance. In later years, the assessment should be evaluated as a potential screening tool.*

We intend to implement this action in accordance with the above plan. The anticipated completion date is December 31, 2019.

- *Take steps to ensure that case managers have the time to perform all necessary person-centered planning activities, including reassign financial eligibility determinations for medical programs and SNAP to other staff.*

APD had already begun a process to reassign financial eligibility determinations for Medicaid programs and SNAP to other staff. Additionally, we are separating the responsibility for service assessment and eligibility from ongoing case management in order to promote efficiency, effectiveness, and program integrity.

This work is being governed by the Balancing Case Manager Responsibilities Steering Committee. The pilot is scheduled to begin in January 2018. The results of that pilot will drive the final decisions on program design.

- *Work with the Legislature to ensure case managers are staffed at the level funded.*

The Department regularly presents workload reports to the Legislature and the Legislative Fiscal Office. These reports identify "gaps" where staffing levels are insufficient to complete all required work. APD and

other invested stakeholders often advocate for adequate staffing and funding. Ultimately, difficult funding decisions need to be made by the Legislature in consideration of all the priorities they face on a statewide basis.

- Track and use data to improve the CEP program and inform decision making, including:
 - o CEP abuse and neglect data separately from other settings,
 - o CEP consumer direct and indirect monitoring frequency separately from all other care settings, and
 - o CEP consumers who are considered high risk and whether they are getting the required risk-based monitoring

In 2016, APD initiated a process to procure a new adult protective services system referred to as the Centralized Abuse Management (CAM) system. The CAM system is scheduled to be active in mid-2018 in that we will have better APS data across all systems.

We have analyzed the costs/benefits of modifying our methods for monitoring direct and indirect monitoring. Ultimately, while there are some potential benefits, we have decided not to pursue this recommendation at this time. The purpose of the tracking report is to monitor compliance with critical federal regulations. The existing reports accomplish that requirement effectively. Additionally, we maintain the option to order ad-hoc reports to track this if determined necessary.

Because of the additional risk associated with these consumers, we are going to build new tracking reports that will facilitate enhanced monitoring of the high-risk population which will require system changes.

5. DHS: Foster Care in Oregon: Chronic Management Failures and High Caseload Jeopardize the Safety of Some of the State's Most Vulnerable Children, audit #2018-05 (dated January 2018)

- Review and address the four foundational recommendations outlined in the Public Knowledge report:

- o Improve the DHS culture
- o Focus the whole DHS Agency and Child Welfare on Safety
- o Adopt data-driven decision making; and
- o Increase staffing resources for Child Protective Services and other DHS entities.

a. Improve the DHS Culture

We are making positive movement toward changing the DHS culture. My first step was hiring a new Child Welfare Director, Marilyn Jones, in October 2017. Under Marilyn's leadership, Child Welfare has established the following:

New Vision, Mission and Action Statements

Vision: Every child and family have a safe and positive environment in which to live and develop.

Mission: Every child and family are empowered to live independent, safe and healthy lives.

Action: Promote exceptional and equitable service by embracing opportunity for growth and providing innovative resources and support to our staff.

A Clearly Defined Action Plan

Many of the efforts underway through the Unified Child and Youth Safety Implementation Plan, The Child and Family Services Review/Program Improvement Plan, The Governor's Foster Care Commission and the Three Branch Initiative, have been pulled together in one clear Child Welfare Action Plan, which describes how DHS is aligning the child safety system's vision, mission and goals with the project work.

The Action Plan identifies the 'Keys to Success' as Data-Informed Decisions, Valued Professional Discretion, Implementation with a Focus on Service to Children and Families, and Leadership Commitment to Positive Personal Development.

The Statewide Goals are Child/Family Safety and Well-Being, System Alignment, Service Intervention Effectiveness and Community Engagement; and key elements of the Action Plan include:

- o Children are safe and healthy in their own families and communities.*
- o The child and family serving system is "right-sized" and operates effectively, efficiently, and uses data and research to inform decision-making.*
- o A competent, engaged, supported and valued workforce further strengthens DHS as a caring and supportive organization.*
- o DHS employs a connected and collective community-based approach to ensure children and families receive the best services.*

Statewide Community Forums

Marilyn and I are visiting areas throughout the state during the months of January, February and March 2018. During these visits, we are engaging with stakeholders about what can be done better in Child Welfare. Stakeholders include local Child Welfare staff, foster/adoptive parents, youth who have experienced foster care, attorneys, elected officials, CASAs, Tribal representatives, law enforcement, service providers, educators, and interested community members.

Employee Suggestions

We are asking staff to engage and work together to improve the Child Welfare system. An email address was recently established for staff to submit ideas for follow up by agency leadership.

Process Mapping

We are currently working to develop a mapping process that will help describe the work we do, how we do it, and how we know we are doing it well. This will help everyone in the program clearly see how they contribute to the overall work of Child Welfare and will help inform the program's quality assurance efforts.

b. Focus the Whole DHS Agency and Child Welfare on Safety

In the fall of 2016, following the release of the Final Assessment & Review Report for the Child Safety in Substitute Care Independent Review from Public Knowledge, Nathan Rix, Director of Executive Projects, and his team of six project managers, were hired by the DHS Director's Office to help assure DHS is focused on safety. The Executive Projects Team developed the Unified Child and Youth Safety Implementation Plan focused on the safety of children across DHS divisions. The Plan can be found at:

<http://wwwv.oregon.gov/DHS/ABOUTDHS/Child-Safety-Plan/Pages/index.aspx>.

The Unified Child and Youth Safety Implementation Plan aims to achieve five strategic goals:

- 1) Ensure swift, safe and comprehensive response to reports of child abuse and neglect.*
- 2) Build trust between DHS, certified families, licensed child caring agency providers, and those receiving DHS services.*
- 3) Ensure child and youth needs are considered when delivering services, especially substitute care placement decisions.*
- 4) Cultivate a youth-centered, safety-first culture within DHS.*
- 5) Retain, train, develop and recruit certified families and licensed child caring agency providers that meet or exceed the applicable standards for substitute care providers.*

The Plan is advised and directed by a community-based steering team. The steering team prioritized ten projects to make safety-focused system improvements across the department. All ten projects focus on responsibility for child and youth safety, and over 100 community members are involved in these projects.

Each of the projects is listed below as Tasks A-J, and we have also provided a link to more information about each specific project. <http://www.oregon.gov/DHS/ABOUTDHS/Child-Safety-Plan/Pages/projects.aspx>

Task A. Enhancing Community Engagement

Task B. Recruitment and Retention of Child Welfare Caseworkers

Task C. Supervisor Training

Task D. Fidelity to the Oregon Safety Model (OSM): Quality Review, Accountability, and Training

Task E. Continuum of Care

Task F. Coordinated Child Safety-Centered Response to Abuse

Task G. Centralize Hotline Operations

Task H. Aligning Policy, Procedure and Best Practice for Caseworkers and Supervisors

Task I. Certification Safety and Well-Being Review Standardization (formerly Foster Home Reviews)

Task J. Foster Parent Recruitment, Retention Support and Training

c. Adopt Data-Driven Decision Making

In the fall of 2017, we created the Office of Reporting, Research, Analytics, and Implementation (ORRAI) under the leadership of Dr. Paul Bellatty. This office will use the work from reporting and research to

inform decision making and improve outcomes while ensuring the support of the field to improve outcomes for children and families.

d. Increase Staffing Resources for Child Protective Services and Other DHS Entities

The department's workload modeling has been recently moved under ORRAI. Our Office of Child Welfare Programs commits to working closely with this team to develop a workload model that accurately reflects the tasks and time required to do the work. We will present our findings to the Legislature and will seek their consideration in aligning resources and staffing with workload.

The anticipated completion date for all activities is July 1, 2019.

- Cultivate a culture of transparency, responsibility, respectful communication, and professionalism using an array of leadership tools and measurable through an independent work environment survey.

Child Welfare Director, Marilyn Jones, will use an array of tools to build high-functioning Child Welfare leadership teams. Casey Family Program consultants are working closely with her to build a team who understand that high-functioning leaders make stronger decisions together to create a successful organization. These teams will understand the need for transparency, strong and open communication, and offering high levels of support while asking for high levels of accountability. This work has already begun with the listening tours across the state to identify areas of improvement. ORRAI is helping to establish baseline data and creating the optimal measuring tools for success. In addition, beginning this year, 16 hours of professional development training will be provided to district and program managers to continue building a high-functioning leadership team. The anticipated completion date is January 1, 2019 and ongoing.

- Review the structure and organization of key child welfare programs to identify and understand long-standing issues and system weaknesses; set policy and communicate expectations to ensure appropriate implementation of changes; and ensure that changes are not simply reorganizations or movement of employees but help management to address root problems.

Stabilizing Leadership Changes Made

- *Child Welfare Director Jones started on October 9, 2017. This provided stability for Child Welfare.*
- *Stabilized the district structure by filling vacant district manager positions across the state. We established a quality assurance function to help streamline Child Welfare QA efforts and align existing/future improvement plans into one focused plan moving forward. This position is also responsible for managing the federally required Program Improvement Plan, Child and Family Services Plan, and the Annual Progress and Service Reports.*
- *Rebuilt the field support structure to help better bridge the gap between central and field staff that was left with the elimination of 'Field Operations' in late spring of 2016. This will ensure communication of expectations to ensure appropriate implementation of changes.*
- *In addition, Tim Sinatra has been hired as Director of Transformational Change to complete an assessment of the field and central office structures of all DHS programs to assure that our structures support the best service delivery model to meet our clients' needs. Final recommendations will be reviewed in May 2018 and will help inform additional improvements.*

Structural Changes Currently Underway

- *A mobile Certification and Training Team is being developed. The supervisor has been hired, and we are in the process of hiring five certification and training specialists to provide*

assistance wherever there is a backlog throughout the state. This will help stabilize the foster care program by assuring that foster care certification and training are completed timely.

- o Centralization of referrals for behavioral rehabilitation services. This central team will be responsible for securing appropriate placements for children and youth with high needs and assuring timely discharge. This will reduce workload for caseworkers during times of crisis. This work will be centralized effective May 1, 2018.*
- o Centralization of federal program eligibility determinations (Title IV-E, TANF and Title XIX). Eligibility determinations must be completed on every child that enters foster care to maximize federal reimbursement to the state. This process currently occurs at the branch level throughout Oregon. By centralizing eligibility determinations, we expect to improve accuracy and gain efficiencies. The centralization has already begun, and positions are being brought to Central Office through attrition to minimize impact to staff currently working in the Child Welfare field offices.*
- o Centralized screening for child abuse and neglect reports. There are currently 15 child abuse hotlines throughout the state. They will be centralized to assure that all reports of abuse and neglect receive the same level of response and are screened the same way. This project will begin phasing the 15 hotlines into one centralized location in December 2018.*

The anticipated completion date for all activities is January 1, 2019.

- To advocate more effectively for program and staffing needs to the Legislature, use clear and accurate data to support budget requests and show the effects of under budgeting on program stability.*

DHS Child Welfare will work with the Office of Reporting, Research, Analytics and Implementation (ORRAI) to establish an effective workload model and actively apply it to better understand staffing needs.

This, along with the information gained through the Child Welfare Research Priorities, will be used to develop a data-informed request to the Legislature for adequate program staffing and funding. The anticipated completion date is January 1, 2019.

- Implement a thorough and ongoing evaluation process for agency programs and initiatives, including the following actions:
 - a. Consider overhauling or replacing the OR-Kids case management system and continue to apply lessons learned from this and other projects to future information systems projects;
 - b. Review the Oregon Safety Model to ensure that staff fully understand and can apply key concepts and more effectively safeguard child safety;
 - c. Assess the true impact of the move to centralized screening on statewide staffing resources and the consistency of the screening function; and
 - d. Assess the two-track investigative model used by CPS and OAPPI to ensure all identified gaps are addressed and consistency of response to reports of child abuse and neglect.

a. Consider overhauling or replacing the OR-Kids case management system.

Recently, federal rules changed child welfare data systems from statewide automated child welfare information systems (SACWIS) to comprehensive child welfare information systems (CCWIS). Under the new CCWIS rules, states are required to share their system 'code' with other states. We feel strongly that waiting to review other state's CCWIS systems, seeing how successful they are and benefiting from their lessons learned, will inform Oregon's decision on whether to overhaul or replace OR-Kids.

Our OR-Kids business analyst team will work closely with the Department's Office of Information Systems (OIS) technical team to establish a shared team that includes OR-Kids business analysts, OIS technicians, and field end users to prioritize changes that will improve the end-user experience with OR-Kids. This team will conduct branch visits and interviews with end users to help guide decisions to make OR-Kids more user friendly and to help improve data quality.

Continue to apply lessons learned from this and other projects to future information systems projects.

Over the past three years, OIS has had a focus on improving processes for delivering IT projects. Changes made have incorporated lessons learned from previous projects, including the implementation of Child Welfare's statewide automated child welfare information system, OR-Kids.

b. Review the Oregon Safety Model to ensure that staff fully understand and can apply key concepts and more effectively safeguard child safety.

We have made significant efforts over the past year to provide child safety consultant support in all 16 districts to improve practice and fidelity to Oregon's Safety Model (OSM). The Child Safety Program is leading efforts to complete OSM Model fidelity reviews in all 16 districts with a goal of full completion by December 2018. Approximately fifty-percent of the state has already received the first-level review and is in line for the six-month follow-up review to measure progress.

- The Child Safety Program works in collaboration with each district to develop branch level action plans following each fidelity review to identify goals and areas needing heightened focus. These plans are monitored and adjusted as needed by the Child Safety Program coordinators.*
- Child safety consultants currently provide ongoing case reviews, training and coaching in all 16 districts. In addition, the consultants hold monthly debriefing meetings with district leadership to discuss data elements, practice concerns, and goals.*
- A quality assurance manager has been hired to assist in streamlining Child Welfare's QA efforts, including those of the Child Safety Program.*

- *Newly redesigned caseworker training started for all new caseworkers in September 2017. The practice model is incorporated throughout the training courses and new caseworkers are required to complete computer-based training on the Oregon Safety Model as a prerequisite to entering their new worker Essential Elements training co-hort.*

c. Assess the true impact of the move to centralized screening on statewide staffing resources and the consistency of the screening function.

The centralized screening project team is currently assessing the impact of centralizing screening functions on statewide staffing resources and the consistency of the screening function as part of the staged implementation plan. A subcommittee kick-off meeting was held January 17, 2018, with approximately 75 staff and community partners from across the state attending, to help plan for issues related to: workforce; continuity of operations; quality assurance and continuous quality improvement; communication and community engagement; rules and procedures; training and coaching; and technology. In addition, Action for Child Protection and Casey Family Programs are providing consultation and support. The research reviewed thus far, and discussions with several other states, indicates that centralizing screening positively affects consistency in screening decisions.

d. Assess the two-track investigative model used by CPS and OAPPI to ensure all identified gaps are addressed and consistency of response to reports of child abuse and neglect.

We agree that safety assessments should center on the child and the child's setting. We are reviewing how best to do this. Programs within the department that are involved in the oversight of licensed child caring agencies (CCA's) have each undergone significant leadership and personnel changes since this audit was completed. New leadership in these program areas used the internal audit findings to guide process improvement efforts, including but not limited to, establishing regular opportunities to share child safety information, increasing oversight requirements in Oregon administrative rules and procedures, and aligning rules and procedures between different child abuse investigatory units within the department. Department leadership has directed the Office of Adult Abuse Prevention and Investigations (OAAPI) to provide

documentation that all previously identified gaps have been addressed by December 31, 2018. The Child Safety Program and OAAPI have increased communication efforts and partnership to ensure consistency of response to reports of child abuse and neglect. In addition, a monthly Licensing and Safety Review meeting takes place and includes representatives from every division in the department, to escalate concerns related to licensed CCA's. The anticipated completion date for all activities is January 1, 2019.

- Establish safe mechanisms for staff to provide input, and develop a transparent process for reporting concerns, tracking them, and ensuring top management takes action to resolve them.

We recently established (CW-Staff.Suggestions@dhsosha.state.or.us) for staff to submit ideas for follow-up by agency leadership. A tracking mechanism will be established to assure appropriate action is taken on all input received. Field Services staff is monitoring and responding to suggestions for improvements.

In addition, the Executive Projects Office established an email box for staff and community partners to submit ideas to improve child safety: child.safety@state.or.us. The team has been collecting staff and community ideas for DHS child safety system improvement since Spring 2017.

A Child Welfare (CW) staff engagement survey has been developed by ORRAI and will be deployed quarterly, starting July 1, 2018, to staff who have been employed with Child Welfare for three years or less. The survey will also be sent annually to all CW staff employed with the agency for three years or more. Data gathered will be used to analyze points in time for new caseworkers to determine areas in need of support.

- Develop and implement a statewide strategic plan to increase foster care capacity that includes using data analytics and tracking to target the recruitment of foster care placements for every district in the state. The strategy should include targeted recruitment of specific types of placements (career foster parents, therapeutic foster beds and culturally appropriate placements).

We acknowledge the need to develop a statewide strategic plan to increase family foster care capacity and agree that a statewide strategic plan is necessary to improve the recruitment, retention, and support of foster families caring for children in Oregon. DHS Child Welfare worked closely with the Administration for Children and Families throughout the summer and fall of 2017 to include strategies in the Program Improvement Plan to address these very issues. A proposal outlining those needs was submitted to the Child Welfare Director by March 31, 2018.

As the statewide strategic plan is developed, it will incorporate the statewide plan for expansion of the “Every Child” model. In addition, the Oregon Foster Family Recruitment Retention and Support Diligent Recruitment planning tool (developed through the GRACE project) will be utilized to create recruitment and retention plans at the statewide level.

The statewide strategic plan, which will be complete by June 30, 2018, will be informed by strong data analytics. We will strategically place staff with the knowledge, skills and abilities to bring families forward and review various other states’ strategies as part of this planning.

The anticipated completion date is June 30, 2019.

- Collect and use data to improve the foster care system, including:
 - a. the availability of foster home and the true capacity of available beds in the system;
 - b. the rate of foster parent turnover and the number of foster parents trained per year; and
 - c. a statewide dashboard to compare district performance on key metrics.

a. Collect and use data to improve the foster care system, including the availability of foster home beds and the true capacity of the system.

We are continuously making efforts to right-size the capacity of care to help assure safety, wellbeing and permanency for children/youth experiencing foster care. Data analytics is an essential tool in the effective utilization and development of foster care and other substitute care resources. The department gathers a tremendous amount of data through its information systems but has not had an effective way to assure the accuracy of data entered or had access to timely and effective analysis of the data. Timely, accurate, and appropriately analyzed data is critical to making good data-informed decisions. The newly formed Office of Reporting, Research, Analytics, and Implementation (ORRAI) will play a critical role in our ability to use data to improve the foster care system.

ORRAI is working on the development of data-informed tools including capacity and service matching. The placement of children/youth in Oregon has been primarily dictated by bed availability, with limited recognition of a child's specific needs and/or foster parent capabilities. Knowing the number and type of placements needed (foster care, kinship care, treatment/proctor foster care, behavioral rehabilitation services psychiatric residential treatment services, sub-acute, etc.), and which child/youth should be placed into what type of setting, will help improve outcomes for children and families.

The placement capacity research will estimate the number and type of placements needed to optimally serve children's needs through a two-step process. First, an ideal service level will be determined using a random sample of children/youth, then statistical analysis will be used to identify the best outcomes of similar individuals placed in various service levels. The differences in these two results will refine estimates of what capacity is needed to create an optimal continuum of care.

Through a Federal grant opportunity, DES Child Welfare created the GRACE (Growing Resources and Alliances through Collaborative Efforts) project in Oregon. This program developed a Diligent Recruitment Practice Model informed by data and using a customer service approach to recruit and retain resource/foster families who reflect the culture and characteristics of the children in foster care and to

develop and sustain thriving community partnerships. We are currently evaluating how to sustain the positive impacts of GRACE as the grant funding ends in the fall 2018.

b. Collect and use data to improve the foster care system, including the rate of foster parent turnover and the number of foster parents trained per year.

The department will conduct a review of the historic turnover rate of foster parents in Oregon, along with a scan of literature and national surveys to assist in creating a baseline turnover rate for foster parents in Oregon. This review and the results will help inform the Statewide Strategic Plan for Recruitment, Retention and Support at the district level.

The department will address the need to track foster parent training. By the end of April 2018, the Foster Care and Youth Transitions program area will add a foster care coordinator focused solely on caregiver training for both foster parents and relative caregivers and will have a caregiver training strategic plan developed by October 2018.

c. Collect and use data to improve the foster care system, including statewide dashboard to compare district performance on key metrics.

ORRAI is currently using geographic information systems technology to create mapping statewide that will provide data about how many children are in care by county/community, including demographic information, and how many current foster homes are certified by county/community, identifying which are kith/kin and which are general applicants. This information will inform the statewide strategic plan and help track performance across districts.

The anticipated completion date for all activities is October 31, 2018.

- Remove unnecessary barriers that impede timely recruitment of foster families. Track certification of career foster parents from inquiry through certification, and keep foster parents engaged during the entire process to increase the likelihood of certification.

We will work to remove unnecessary barriers that impede timely recruitment and to improve the retention of good foster families. Utilization of data analytics is one necessary element to help identify the specific barriers.

DHS Child Welfare has identified the need for a workload model analysis to be completed for all staff identified as Foster Care Certification workers. This is one area that has not received a thorough workload analysis in the past, and with the number of significant changes over the past 5-7 years, a workload analysis is necessary.

The foster care program began using a Structured Analysis Family Evaluation (SAFE) approach to completing home studies as a critical piece of the certification process of foster families. While this tool has been identified as very thorough and helpful, it is also time consuming and was not considered in the existing workload model. We will consider this as we develop our new workload model.

The department will initiate a relative caregiver review utilizing national standards, literature and other states' models to learn how other states work with and/or certify relatives who care for children being served by Child Welfare in those states. This review included recommendations to the Child Welfare Director by May 31, 2018 for consideration regarding modifying and continuing the current model or movement toward a new model.

DHS Child Welfare developed a Mobile Certification and Training Team to test a model that will allow more flexibility of staff to meet the needs of potential foster families within communities throughout the state. This team is not dedicated to any one county but will be deployed according to need. This is a small team—

three foster home certifiers and two trainers to test the intervention. This team is projected to be up and running by March 2018. The anticipated completion date for all activities was May 2018.

- Build a robust support system to retain career foster parents and reduce placement instability. This should include a foster care payment that fully covers the cost of caring for a foster child options for respite care providers and encouraging foster families to use respite care, and ongoing training and support to foster parents so they can continue to meet the challenges of fostering.

During the last legislative session, the Legislature authorized increased reimbursement rates for family foster care effective January 1, 2018.

The Legislature also set aside \$750,000 for Foster Parent Supports. The department worked with the Legislative Fiscal Office during the fall of 2017 to prepare the legislative request which was submitted on January 12, 2018. This plan includes developing the following programs to support foster parents:

- *Respite Care — Approximately 65% of the funding (\$487,500) will be used to provide two conservative models of respite care for foster parents—a 'general respite' model and a 'child specific' model;*
- *Mentoring — Approximately 20% of the funding (\$150,000) will be used to develop mentoring programs to help support new foster parents; and*
- *Immediate Needs — Approximately 15% of the funding (\$112,500) will be used flexibly to meet the immediate needs of foster parents (i.e., purchasing a crib, car seat, etc.) so they are able to more immediately care for a child or sibling group.*

In addition, we have prioritized providing a child care stipend to offset the cost of child care for working foster parents. This will be achieved by reinvesting general funds 'saved' through the Federal Adoption and Safe Families Act of 2008 (Public Law 110-351). This law changed Title IV-E adoption assistance eligibility

requirements to allow federal funds to be claimed where they couldn't be before. In return, the state is required to reinvest the 'savings' into Child Welfare services not currently offered (i.e., supplement not supplant existing services). A letter was submitted on January 12, 2018, to the Interim Joint Ways and Means Committee requesting permission to implement a Child Care Stipend Program that would allow a \$375 per child/per month stipend to be provided to working foster parents who care for children 0 through 5 years of age.

Both requests — for the foster parent supports and the child care stipend — require action by the Legislature during the February session before we can move forward. Program development for foster parent supports will begin approximately 30 days following legislative approval, and the Child Care Stipend Program is ready to begin within 60 days of legislative approval.

A sustainability proposal supported by data showing the successful work conducted through the GRACE project was submitted to the Child Welfare director by March 30, 2018. This sustainability proposal will identify staffing resources necessary to help increase recruitment, retention, and support of caregivers through a customer service, data-informed approach. The GRACE project is currently supported by a federal grant, set to expire in the fall, and is only available in five districts throughout the state. More information can be found at: http://www.nrcdr.org/diligent-recruitment/dr-grantees/story?k=dr_grace

- *Create and maintain a culture of respectful communication between foster parents and DHS caseworkers and allow staff time for caseworkers to build relationships with foster parents. Use foster parent satisfaction and exit surveys to measure the quality of the program over time to understand and address foster parents' concerns.*

The audit has identified significant staffing needs for Child Welfare caseworkers. Addressing the staffing needs is essential to providing capacity for workers to engage in more quality time with children and foster parents. This will allow caseworkers to build necessary relationships. Meanwhile, the new leadership in

Child Welfare is communicating a set of expectations for respectful communications and interactions. Anticipation completion date is December 31, 2018.

- Design a robust internal policy to reduce the risks of hoteling children by providing district caseworkers and office staff with clear protocols and operational support.

DHS worked with the Service Employees International Union (SEIU) to develop the Oregon DHS Statewide Protocol for Children in Need of Placement. In addition to the development of this protocol, a supplemental training was developed and posted on iLearn, the state's on-line employee education system. All Child Welfare employees providing supervision of a child in a hotel setting were required to read this protocol and take the online training, prior to August 1, 2017. Thereafter, all new Child Welfare employees providing supervision of children in a hotel must read the protocol and complete the training prior to supervising a child.

- Commit to building foster placement capacity across the whole system for children with a range of behavioral, health-related, and cultural needs.

Audit Recommendations have identified the need for a statewide strategic plan to increase foster care capacity. This will help address one area of need in a continuum of care. Developing a comprehensive continuum of care model in Oregon will require a public/private solution-based approach. DHS Child Welfare cannot create the solution alone.

In July 2017, DHS Child Welfare made a significant investment to expand capacity in the DHS Behavioral Rehabilitation Services system (BRS). This investment is projected to yield an increase of 90 BRS Shelter/Basic Residential/Intensive Residential placements and an additional 150 BRS treatment foster care placements in the 17-19 biennium.

To help address the gaps in other child-serving systems and assist in the development of a true continuum of care model, the DHS Unified Child and Youth Safety Implementation Plan —Continuum of Care Project was created.

Continuum of Care Project Status and Updates

Task E, Continuum of Care creates a service array and placement structure based on the individual needs of the child/youth, aligns policies and procedures across state agencies, and improves state agency coordination and service delivery. OHA Director Allen and I (DHS Director Pakseresht) gave this group a joint mandate to work cooperatively and to propose solutions directly to them. This service array will be developed by the end of December 2018.

DHS and OHA are co-sponsoring a youth system improvement effort.

A small group of subject matter experts from both agencies, including representatives from Child Welfare, I/DD and OHA's children's mental health system, worked on a proposal for the directors to review.

DHS commits to continuing to work with its partners to develop a sustainable, full continuum of care that begins with the availability of comprehensive supports to help children remain in their own homes whenever possible. With an effective continuum of care model, many of the children currently requiring care by DHS Child Welfare would instead receive care and support within their communities with or without DIIS Child Welfare involvement.

In January 2018, Child Welfare Director Jones called together a team, including representatives from OHA, Coordinated Care Organizations, and DHS, to discuss developing a strong continuum of care for Oregon's children. Several partners have committed to work with us to address providing comprehensive services for behavioral, medical and cultural needs of our children.

The anticipated completion date for all activities is July 1, 2019.

- Develop a strategy for ending the practice of placing children in hotels.

Most often, children placed temporarily in hotel settings are not there due to a lack of family foster homes, but rather due to a lack of appropriate services and supports that should be available through other child-serving systems. DHS is addressing this recommendation directly by focusing on what we can be doing differently in the short term and partnering with system partners for long-term solutions. This is a child-serving systems problem that will only be resolved through the development of a true continuum of care that can meet the needs of children requiring high-level services to address extreme mental health or I/DD issues. Please refer to the information provided above, under Audit Recommendation 13, for a description of the efforts of DHS Child Welfare in helping to develop a true continuum of care for Oregon's children. The anticipated completion date is July 1, 2019.

- Understand and clearly communicate child welfare field staffing needs to the legislature.

DIJS' Office of Child Welfare Programs is working closely with the Office of Reporting, Research, Analytics and Implementation (ORRAI) team to develop a workload model that accurately reflects the work associated with practicing the Oregon Safety Model to fidelity and building strong relationships with children and families to improve outcomes. Please see the responses included in Audit Recommendation 1.c., 1.d, and 4. This information will be collected and used to present the 2019 Legislature with a well-informed request to increase staffing to what the workload model indicates is needed to do the work properly, with manageable caseloads, and necessary Central Office supports. The anticipated completion date is January 1, 2019.

- Review, revise, and update the current workload model to reflect recent policy and procedure changes and field staffing needs.

Our Office of Child Welfare Programs is working closely with the ORRAI team to develop a workload model that accurately reflects the work associated with practicing the Oregon Safety Model to fidelity and building strong relationships with children and families to improve outcomes.

- Work with the legislature to increase child welfare field staffing according to the revised workload model and reduce the number of field positions held vacant to balance the budget, to reduce child welfare caseloads to manageable levels.

DHS Child Welfare commits to being transparent and having open communication with the Legislature about the need to be fully staffed to improve outcomes for Oregon's children and families, and to ask for relief from the legislatively required position vacancy hold. The anticipated completion date is July 1, 2019.

- Monitor caseworker caseloads, district staffing allocations, and the impact of turnover, overtime use, lack of experience, and FMLA use on caseloads to support equitable staffing allocations across the state.

Caseload and workload will be measured by the ORRIA. District staffing allocations will be determined using caseload and workload information in conjunction with the number of positions allocated by the Legislature, and will take into consideration turnover, overtime needs, lack of experienced staff and FMLA.

We have a number of initiatives aimed at improving the quality and quantity of training to increase the knowledge, skills, and abilities of the Child Welfare workforce.

- Develop and implement strategies to reduce and mitigate workload stress factors, reduce staff turnover, and reduce the use of paid and unpaid overtime by child welfare field staff.

Appropriate staffing levels will assist the department in mitigating and reducing workload stress factors, reduce staff turnover, and the use of overtime. We commit to working with the Legislature to reach the level of staffing required to do the work.

A true continuum of care is necessary to meet children's needs and reduce the need for overtime to provide the direct supervision of children and youth. The department is taking steps to help develop a true continuum of care for children across child serving systems.

Placing youth in optimal settings increases the probability of success in placement, which directly impacts workload and overtime. To accomplish this, research will estimate the number of service-level beds needed to optimally serve the substitute care population through a two-step process. An ideal service level will be identified using a random sample of children/youth, then statistical analysis will be used to identify the best outcomes of individuals with similar attributes in various service levels. The differences between the two results will refine the estimates of what capacity is needed to create an optimal continuum of care.

The Legislature provided the department with 50 positions to assist with the retention and support of front-line staff. These positions have been allocated and are currently being onboarded throughout the state. The anticipated completion date for all activities is July 1, 2019.

- Take the following actions to improve caseworker staffing and training:
 - a. Work with DAS to review the Social Service Specialist 1 classification and consider separating casework positions into separate classes;
 - b. Consider developing a career ladder for skilled caseworkers, supervisors, and support staff; and
 - c. Continue to develop and review training and professional development of casework staff and supervisors in conjunction with community partners.
- a. Work with DAS to review the Social Service Specialist 1 classification and consider separating casework positions into separate classes.***

DHS commits to working with DAS to review the Social Service Specialist 1 classification and will consider separating casework positions into separate classifications.

b. Consider developing a career ladder for skilled caseworkers, supervisors, and support staff.

DHS commits to considering developing a career ladder for skilled caseworkers, supervisors and support staff and taking an associated request to the Legislature if appropriate.

c. Continue to develop and review training and professional development of casework staff and supervisors in conjunction with community partners.

The department currently uses employee development plans, allows people to shadow positions across divisions, and allows for job rotations to give employees the opportunity to try different jobs. In addition, we have a number of initiatives aimed at improving the quality and quantity of training to increase the knowledge, skills, and abilities of Child Welfare workforce.

The anticipated completion date for all activities is January 1, 2019.

- Ensure adequate facility space and technological support throughout the state to absorb needed child welfare staffing increases and support quality casework.

The Office of Child Welfare Programs commits to working closely with the Office of Information Systems (OIS) and Facilities to assure adequate facility space and technological support to support quality casework. This is contingent upon receiving additional staffing allocation from the Legislature. Anticipated completion date is January 1, 2019 and ongoing.

- Work with the department of Justice and the Legislature to improve caseworker access to legal representation and legal case management support.

The Legislature prioritized statewide legal representation for Child Welfare caseworkers, and DHS was awarded \$6.9 million in its budget for this purpose. An associated budget note (in HB 5006) requires the of

Justice (DOJ), DHS, Oregon Judicial Department (OJD) and the Oregon State Office of Public Defense Services (OPDS) to work together to ensure system efficiencies and effectiveness, and requires reports to the Legislature on progress, with the first report due October 2018.

In addition, HB 3470 extended the sunset for caseworkers appearing in court without representation to June 30, 2020.

As a result, DHS and DOJ have been working together over the past several months to develop a statewide, phased roll-out plan for legal representation of Child Welfare caseworkers in each county. Phase 1, which included legal representation by DOJ in 15 counties, was completed January 1, 2018. Phase 2, which includes hiring additional attorneys by DOJ, communications with staff and stakeholders, and legal representation by DOJ in 12 additional counties, was completed July 1, 2018; and Phase 3 which includes legal representation by DOJ in the remaining nine counties, is scheduled to be completed by the end of June 2019.

In addition to the above-mentioned legislation, HB 2500 passed during the 2017 session mandating updated legal representation training for caseworkers every four years regarding their legal role in juvenile cases. DHS Child Welfare is currently planning with DOJ regarding the ongoing training they will provide as part of their 'technical legal assistance and contact' with Child Welfare staff. We are also working together to assure that legal representation training in the new worker training, and a more advanced five-day legal training, stay in alignment with the legal representation phase-in schedule. The anticipated completion date for all activities is June 30, 2020.

- *Consider implementing casework teams for responding to potentially dangerous calls and managing unusually complex or difficult cases.*

We agree that this is best practice and having casework teams would be ideal. Currently, supervisors support their caseworkers by going out on calls, caseworkers partnering with law enforcement, and in some

cases two caseworkers going out together. The department commits to considering what it would take to implement casework teams across all disciplines. Additional staffing will be required to implement this recommendation. The anticipated completion date is July 1, 2019.

- Ensure that the central and district offices are in regular communication with field offices throughout the state and provide the necessary support and resources to field offices when requested.

In addition to the efforts outlined above, effective January 2018, we rebuilt the field support structure to help better bridge the gap between central and field staff that was left with the elimination of 'Field Operations' in late Spring of 2016. This will ensure communication of expectations to ensure appropriate implementation of changes. The anticipated completion date is June 2018 and ongoing.

6. DHS and OHA: Statewide Single Audit Including Selected Financial Accounts and Federal Awards for the Year Ended June 30, 2017, audit #2018-11 (dated April 2018)

- Recommend management ensure the transaction review process includes examination of proper coding and accounting periods.

The agency updated their transaction review procedures with additional process steps to ensure that coding is correct and that transactions are posted to the correct fiscal year. These additional processes include reviewing the account balances after entries are posted to ensure the transaction had the correct effect, ensuring pass-through accounts are zero at the object level and not just at the fund level, and specifically noting when payroll transactions occur in two different fiscal years. The agency will continue to refine year-end procedures to ensure they are complete, reducing coding issues and errors.

- Recommend department management continue to pursue system changes to OR-Kids to prevent transactions from reimbursing outside the period of performance. In the meantime, the department should develop a

process to better identify transactions that are appropriate to net and transactions that should not be netted to ensure adjustments are reported appropriately.

A report has been developed that will allow DHS to analyze increasing and decreasing adjustments, isolating increasing adjustments that fall outside the period of performance. DHS is no longer netting increases and decreases beginning with the filing of the June 30, 2018 CB-496 report. Additionally, resources are currently working on reviewing all activity back to September 30, 2011 to evaluate if any federal funds were improperly claimed beyond the two-year limit. Any necessary repayment from this analysis will be reported on the December 31, 2018 CB-496 report.

- Recommend department management ensure adequate contract monitoring processes are in place to provide assurance that the department is receiving the services provided for in these waiver-based contracts. We also recommend department management seek clarification regarding allocation of equal monthly payments among clients served and verify that startup costs, camp services, and pre-paid flexible funds are appropriate waiver expenditures.

In December 2017, the Child Welfare Program authored a Contract Consistency Proposal as the basis for a project currently underway with the support of the Office of Continuous Improvement. The goal of the project is to develop consistent understanding and application of contract-related rules and language and put into place practices to address and eliminate issues raised by both this audit finding and findings in a 2018 internal audit report related to DHS Child Welfare contract administration. Work accomplished so far includes the development of standard recommended language for inclusion in contracts regarding acceptance criteria/reporting requirements and invoicing/payment terms, to increase consistency and ensure that services invoiced have been received. One expected outcome of the project will address oversight and coordination of contracts with providers that serve multiple districts, to ensure consistent rates and terms across the state. Completion of the Contract Consistency Project is anticipated by December 31, 2018.

The agency will obtain clarification from Children's Bureau on any limitations for states to create flexible payment methodology for services allowable under Title IV-E or Title IV-B. This clarification is expected by December 31, 2018.

- Recommend department management ensure all required documentation is completed timely, reviewed, and maintained, and that eligibility is determined appropriately. We also recommend department management reimburse the federal agency for costs paid related to ineligible providers.

A correcting adjustment was entered ORKIDS on March 28, 2018 to change the status to ineligible for the time September 2016 – March 2017. This was reported on the 2018 Quarter 2 (January 1, 2018 –March 31, 2018) CB-496 report on the following lines:

- o *Decreasing Line 44 (Phase 16): \$198*
- o *Decreasing Line 45 (Phase 17): \$2,224*

A correcting adjustment was entered ORKIDS on April 25, 2018 to change the status of children residing in the home to ineligible from March 14, 2016 – April 26, 2016. This was reported on the 2018 Quarter 3 (April 1, 2018–June 30, 2018) CB-496 report on the following line:

- o *Decreasing Line 1 (Phase 16): \$1,065*

The agency is on track to create the exception reports by October 31, 2018.

- Recommend department management review OR-Kids transaction processing and make system modifications as appropriate to ensure proper financial reporting of program expenditures. We also recommend department management review prior year and current year transactions and reimburse the federal agency for grant expenditures claimed inappropriately.

A report has been developed to identify adjustments that impacted a state grant rather than the federal grant and is in the final validation stage. Once the report is validated, the report will be used going forward to accurately report federal expenditures. The report will first be used for the reporting period ending September 30, 2018.

Adjustments for previous quarters reported incorrectly will be reported on the federal report for the period ending December 31, 2018. The disallowance of \$103,130 was repaid to the federal agency, reported on 6/30/18 CB-496 report.

A change request for a system fix has been written. However, the date for the system fix is not yet determined.

- Recommend management strengthen controls to verify applications exist during client eligibility redeterminations, perform timely eligibility redeterminations and verification of client resources, close benefits for clients no longer eligible, and ensure eligible clients are enrolled in both Medicare and Medicaid. We also recommend management correct all identified issues and reimburse the federal agency for unallowable costs.

In response to the individual who was enrolled in a correctional facility, the agency has reviewed the identified issue and has taken partial action. Eligibility and related payments have been reversed from the MMIS system. Procedures and system updates are still being reviewed and implemented and the return of unallowable costs is being confirmed. The anticipated completion date is December 31, 2019.

- Recommend management strengthen controls to ensure documentation supporting a provider's eligibility determination is retained. For current providers with missing documentation, we recommend the department verify they are eligible to provide services and obtain the necessary documentation.

The Office of Developmental Disability Services (ODDS) has begun the process of amending the contract with PPL, the Fiscal Intermediary, to validate the I9's prior to paying providers. We anticipate the completion of this amendment by December 31, 2018. In addition, questioned cost of \$5,573 has been reimbursed as of September 30, 2018.

The management of the Oregon Health Authority (OHA) Provider Support Services conducted specific database check training for enrollment staff between December 2017 and February 2018. The state will provide additional database check training beginning July 2018 as part of a second enrollment quality improvement plan and continues to pull quarterly, a missing database check report, to ensure all missing database checks are completed.

For the one provider that was the responsibility of the Aging and People with Disabilities program (APD), the Department obtained a current completed I-9 form and confirmed the provider's eligibility; therefore, there are no questionable costs remaining for the APD program.

- Recommend department management ensure a client's monthly copay is correctly calculated and applications are retained. We also recommend department management reimburse the federal agency for unallowable costs.

DHS completed the reimbursement to the federal agency for the known questioned costs of \$1,939 on June 21, 2018.

A business change request was submitted on April 25, 2016 relating to audit finding on the co-pay not met report and multiple providers. An "Uncollected Copay Report" is currently on hold due to the One/Integrated Eligibility project. To ensure the successful delivery and implementation of this new system, prior work being conducted by programmers in the Legacy system has been suspended. The report will be re-evaluated once the ONE/IE system has been successfully rolled out in 2020.

Tools were developed and shared with field staff during the year in efforts to improve co-pay calculations and documentation. An Employment Related Day Care (ERDC) mini-training was held in June 2018 to address such topics as ERDC copays and ERDC coding. On June 15, 2018, Child Care Policy reissued a transmittal to department staff as a reminder to reinforce the importance of increased accuracy in the ERDC program.

Quality Assurance also in collaboration with the policy team published another edition of an “Accuracy in Action” newsletter focusing on ERDC budgeting and child care hours. This issue which was sent to field staff on March 15, 2018, included information referring to verifying income and hours, ERDC hours, marginal income, two parent working families, child support and ERDC, prospective eligibility and budgeting and transitioning TANF to ERDC.

- Recommend department management strengthen its controls to ensure appropriate expenditures are charged to the federal program and that timely reviews of client payments, monthly employee timesheets, and cell phone invoices are performed.

The timeframe requirements for issuing Authorization for Purchase (AFP’s) was reviewed with Branch Management Staff and Leadership in May 2018 and the specific cases identified by the audit were individually reviewed. Both identified discrepancies that had been identified in the IEP. Business audits of the field will be conducted in all branches on an ongoing basis (these started in August of 2017), reviewing both issues and requiring corrective action plans and follow-up reviews to ensure the issues are addressed. The review of future audits will determine if this discrepancy continues.

The client payment identified in the finding was for medical records and is an acceptable practice to issue the payment after the records and appropriate invoice is received. This discrepancy was discussed at May Leadership and will be addressed again at the August Leadership Meeting.

The unsigned timesheets were due to personnel coverage issues at the time and was brought up with Branch Leadership Staff at the May Leadership meeting. A new timekeeping process – Workday- is about to be implemented and a new review process will be initiated. We will wait until the new process is in place to train all responsible staff on the new time keeping system and review process.

The Cell Phone Bill review has been with Business Integrity Consultants, and the systems access issue that initiated the problem has been rectified.

- Recommend department management submit accurate RSA-2 reports and strengthen its controls over RSA-2 reports to ensure the reports are properly prepared, adequately supported, and properly reviewed.

The Grant Accounting unit in the Office of Financial Services has adopted a new methodology for reporting hours and dollars based on payroll actuals. This was approved by the federal oversight agency, Rehabilitation Services Administration (RSA, in July 2017. Additionally, the query used for the report has been adjusted to exclude the second payroll run for the prior fiscal year and include the second payroll run for the current fiscal year (example: 10/16/15 to 10/15/16). Grant Accounting will retain the data queries used to construct the report and review these with the Business Operations Manager for Vocational Rehabilitation prior to submission.

The Grant Unit revised the FFY2016 RSA 2 report in June 2017. The RSA 2 report was corrected June 2017, and new payroll reporting methodology implemented in July 2017.

- Recommend department management strengthen controls to ensure all procurement procedures are followed, including the verification of suspension and debarment for all contracts, and maintain supporting evidence for procedures performed. We further recommend department management create and implement review procedures over its new CSTAT system to ensure controls over procurement procedures are operating effectively.

The Office of Contracts and Procurement (OC&P) has developed and implemented new electronic standards that require OC&P support to conduct the checks and make the initial entry in CSTAT and then the contract specialist is required to check the information for accuracy. In addition, the OC&P Compliance Manager has completed a review of 2037 contract files and will continue to review a sampling of the contracts moving forward.

- Recommend management resolve the inconsistencies between the planned funding sources communicated to the Contracts and Procurement Unit and the actual funding sources used to make contract payments.

The Department contract had the correct funding source when it was submitted to the Office of Contracts and Procurement (OC&P) on the original request form. Subsequently, there was an invoice miscoded by Adult and People with Disabilities (APD) program staff. APD will emphasize to their staff the need to verify that coding matches the correct funding stream prior to submitting an invoice for payment.

The authority contract was originally requested utilizing General Funds. Six months after the request, OHA Public Health Division (PHD) found a federal funding source to apply toward the contract. Upon changing funding sources, PHD should have submitted a request to OC&P to amend the contract to include the new funding source. In the future when programs need to change funding sources, a contract amendment request to identify the new funding source is required to allow OC&P to add pertinent information such as CFDA numbers and appropriate terms and conditions to the contract. OC&P has contacted the PHD contract administrator to alert them to this requirement for future requests. In addition, OC&P included language in the June contract administration update under the “Did You Know” section to remind all contract administrators if the funding changes, an amendment will need to be requested.

Federal Audits
Current Status of DHS Audits
12/15/18

Ongoing Audits	Scope
PERM FFY 2017	Cycle activities began in August 2016. The Data Processing Reviewers are reviewing the entire sample of 1700 claims for both FFS and MC. Receiving possible expectations for review and possible appeal. Anticipate report December 2018.
GAO Study of Medicaid HCBS 2018	Five state GAO study regarding access to Medicaid Home and Community Based Care (HCBC). Will focus on how states design their Medicaid HCBS benefits. Will involve both DHS-APD and DD, and OHA. Initial interview held 1/31/2018. Additional information provided 2/15/2018.
CMS Oregon Asset Verification Program (AVP) State Plan Amendment	CMS is requesting information to ensure Oregon is in compliance with requirements of Section 1940 for the Social Security Act, related to implementation of an Asset Verification Program (AVP). DHS and OHA provided initial response in November 2017 and submitted an updated plan to CMS by February 9, 2018. Oregon has committed to implementing an asset verification system by December 31, 2018.
ORR-RMA and RMS Program Compliance Review 2018	The Office of Refugee Resettlement (ORR) will be monitoring the Refugee Medical Assistance (RMA) and Refugee Medical Screening (RMS) programs. The primary purpose of this site visit is to ensure compliance with federal regulations and ORR policies and to enhance the working relationship between ORR and the Oregon Department of Human Services. The review was conducted June 4 through June 6, 2018 and the exit conference was held on June 11, 2018. Final report is expected by December 2018.

Ongoing Audits	Scope
CMS Medicaid Program Integrity 2018	This is a review of OHA and DHS Medicaid Program Integrity efforts, focusing on Managed Care. CMS conducted its on-site review from May 22-24, 2018 and OHA and the CMS review team are ensuring all documents requested during the on-site are submitted. The exit conference is currently being scheduled. A draft report is expected in late September or early October 2018. Once the draft report is issued, OHA will have 30 days to respond to the report. Final report is expected by February 2019.
HHS Office of Civil Rights Child Welfare Compliance Review 2018	The US Department of Health and Human Service (HHS), Office for Civil Rights (OCR) is responsible for ensuring nondiscriminatory provision of services in programs and activities that receive federal financial assistance from HHS. OCR is conducting a periodic civil right review of entities receiving funding from HHS.
FNS SNAP SAME 2018	FNS SNAP State Agency Management Evaluation entails a Recipient Integrity Review and Management Evaluation Review for 2018. Entrance was held on March 19, and exit was held on March 23, 2018. We received the report on May 22, 2018 and we have 60 days to respond. The SNAP policy unit submitted their response to the Agency on July 11, 2018.
CMS HCBS ICF/IDD Support Services Waiver Review (375.R03)	Determine that Oregon meets the assurances for the Home and Community-Based ICF/IDD Support Services Waiver. The Waiver is effective from July 1, 2014 through June 30, 2019 and serves over 7,000 beneficiaries. Evidence regarding the assurances provided to CMS on 9/29/2017. Received response back from CMS mid January 2018. Provided responses to CMS' draft report April 11, 2018. No final report has been issued.
Non-Criminal Justice Information Technology Security Audit (DHS)	The FBI will be performing a Criminal Justice Information Services (CJIS) Information Technology Security Audit of DHS Background Check Unit and Child Protective Services as time permits. The audit scope of information systems will include WebLEDS, CRIMS, OR-Kids, Active directory and MS Exchange (Email). Audit is scheduled for June 26, 2018.
FNS Management Evaluation Review 2018	The purpose of the review is to assess the State agency's (SA) compliance with federal regulations, instructions, and policies pertaining to WIC; provide technical assistance; and promote a collaborative partnership with the State agency WIC Program. The ME review activity will also identify operational areas that may be strengthened and areas of achievement and innovation.

DHS Program Eligibility Requirements 2017									
	Child Welfare (CW)	Intellectual and/or Developmental Disabilities (I/DD)*	Aging and People with Disabilities - Medicare Savings Programs (APD)	Long-Term Care (LTC - within APD)	Adult Protective Services (APS)	Vocational Rehab Services (VR)	Employment Related Day Care (ERDC)	Temporary Assistance for Needy Families (TANF)	Supplemental Nutrition Assistance Program (SNAP)
Age	0-18, 18 - 21st birthday if in Foster Care prior to age 18.	All Ages	Any age with Medicare	65 or older or disabled N/A- (ACA Expansion Population)	65 or older or disabled	16 and older (can be down to age 14 if appropriate)	Children 0 - 12 years. Children with documented special needs are served through the age of 17.	Serves families with children up to age 17 and through age 18 if the child is in secondary school or an equivalent program full time.	All ages. Certain groups must apply together if in same household including: those who purchase and prepare together, spouses, adults who have children in common, children under the age of 22 living with parents, and children under 18 who are under parental control within household.
Disability	N/A	Age 0-7: 1) standardized testing verifying significant impairment; or 2) medical stmt w/diagnosis of neurological condition that will likely cause significant impairment in two or more areas of adaptive behavior. <u>School-age children and adults</u> : Significant impairment in adaptive behavior caused by: 1) intellectual disability present prior to age 18 (IQ 75 or below); or a neurological condition, prior to age 22 and expected to last indefinitely, that originates in and directly affects the brain. <u>All age groups</u> : impairment cannot be primarily related to an excluded condition, including, but not limited to, a mental or emotional disorder, sensory impairment, substance abuse, personality disorder, learning disability or attention deficit hyperactivity disorder.	N/A	SSA determination of blindness or disability	SSA determination of blindness or disability	Must have a physical or mental impairment that constitutes a substantial impediment to work that requires vocational rehabilitation services to obtain, maintain, regain and advance in employment. The presumption is that employment is the applicants objective.	Higher child care reimbursement rates may be available for children with documented special needs.	N/A	SSA determination of blindness or disability. Disability exempts ABAWDs from having to meet work requirements, makes students of higher education SNAP eligible, qualifies household for medical deductions and removes shelter cap on cases.
Citizenship	N/A	Must be a citizen or meet non-citizen requirements.	Must be a citizen or meet non-citizen status requirements.	Must be a citizen or meet non-citizen status requirements.	N/A	Must meet I-9 Federal Requirements to work in the United States.	Must be a citizen or meet non-citizen requirements.	Must be a citizen, qualified non-citizen, or other specific unqualified non-citizen.	Must be a citizen or meet non-citizen requirements.
Residency	N/A	Must be a resident of Oregon. For applicants under 18, legal guardian must be resident of Oregon.	Must be resident of Oregon	Must be a resident of Oregon	N/A	Must meet I-9 Federal Requirements to work in the United States.	Must be a resident of Oregon.	N/A	Must be resident of Oregon
Income	N/A	<u>In-home waiver services</u> : Oregon Supplemental Income Program – Medical (OSIPM) income limits; generally, the countable income limit is 300% of the full SSI standard for a single individual. <u>In-home k-plan services</u> : OHP MAGI-based income methodologies are used; up to 133% FPL. <u>Case mgmt only</u> : N/A.	\$981 - \$1325	\$733 - \$2,199	N/A	N/A	Current income must be no more than 185% of the federal poverty level	Income must meet income and payment standards. Income limits vary by family size, but in general current income must be no more than 37% of the federal poverty level for initial certifications for a family of three. To meet ongoing, the same family must be no more than 60% of the federal poverty level.	Most households must have gross income below 185% of the federal poverty level to be eligible for SNAP. Services are based upon income received in past 30 days.
Asset/Resource Limits	N/A	OSIPM: \$2000 (1-person need group) - \$3,000 (2-person need group).	N/A	\$2,000 - \$3,000 (categorical) N/A- (ACA Expansion Population)	N/A	N/A	Cannot exceed \$1,000,000.	Applicant resource limit \$2,500. Recipient's resource limit \$10,000. Allows a motor vehicle exclusion up to \$10,000.	There is a \$25,000 liquid asset test for households to meet categorical eligibility. All households that do not meet categorical eligibility must meet a \$2250 resource limit unless an elderly or disabled member is in the household—then the resource limit is \$3250.

	Child Welfare (CW)	Intellectual and/or Developmental Disabilities (I/DD)*	Aging and People with Disabilities - Medicare Savings Programs (APD)	Long-Term Care (LTC - within APD)	Adult Protective Services (APS)	Vocational Rehab Services (VR)	Employment Related Day Care (ERDC)	Temporary Assistance for Needy Families (TANF)	Supplemental Nutrition Assistance Program (SNAP)
Other	N/A	Needs assessment and authorized individual support plan.	N/A	Must meet service priority levels from 1 - 13: Individuals with the most impairments are assessed at a higher priority level. For example, individuals at level 1 have a higher level of need than an individual at level 13.	N/A	Youth age 14 can be eligible for VR services while participating in Transition activities coordinated by school districts.	N/A	Family must include one child or pregnant individual. Child only case must be under the age of 18 or under the age of 19 and in secondary school or equivalent program full time.	Able-Bodied Adults Without Dependents (ABAWDs) are adults ages 18-49 who don't have children in the home and must meet work requirements to be eligible for SNAP in non-waived counties, unless they meet an exemption. Qualified non-citizens are only eligible when additional criteria is met or when a special status such as Refugee or Trafficking is applicable.

***Intellectual/Developmental Disabilities**
In order to access DHS I/DD Services, individuals must meet *one* of the assessment/diagnosis requirements. For all other programs, *all* requirements must be met.

Office of Facilities Management

DHS Major Projects Summary			
		2019-2021 BIENNIUM	
Priority	Project	Budget Request 01/02/19	Closing Buildings
1	Klamath Falls Multi-Service	\$2,500,000	509 Commercial St 710 Klamath Ave 222 7th St 714 Main St
2	Gresham - CW & SSP	\$2,500,000	355 NW Division, Gresham
3	South Salem SSP	\$650,000	1185 SE 22nd St, Salem
4	Lane County-Eugene West Side	TBD	No Closures
5	Baker City	TBD	No Closures
6	Clackamas County - Estacada	TBD	No Closures
7	La Pine (SSP, APD & VR)	TBD	No Closures
8	Wilsonville (APD, SOQ)	TBD	9140 SW Pioneer St., Wilsonville
9	Brookings (CW, SSP, VR, APD)	TBD	97980 Shopping Ctr, Brookings 586 5th St, Brookings
10	Roseburg Relocation-VR	TBD	2020 NW Newcastle
11	24, 28 West 6th, Medford (VR, APD)	TBD	New Space or Expansion
	Totals:	\$ 5,650,000	

Department of Human Services

Gender Equity Report

Updated Fall 2018

The Department of Human Services (DHS) submits this report as required by ORS 417.270 (HB 3576 Equal Access to Appropriate Services for Girls and Boys) to report on our progress and plans in achieving equal access to appropriate services for males and females under age 18.

The Department of Human Services supports equitable services for females and males under 18 years of age.

Budgetary information supporting this program is provided below:

2017 Counts by Program Area and Gender

Program Area	Male Children	Female Children	Total Children
Safety (Child Abuse/Neglect)	5,501	5,576	11,077
Well Being (Foster Care)	6,018	5,627	11,645
Permanency (Adoptions/Guardianship)	551	569	1,120
Child Welfare Average	12,070	11,772	23,842

17-19 Legislatively Approved Budget

Program Area	% Males	% Female	Total Budget	Male	Female
Safety (Child Abuse/Neglect)	49.7%	50.3%	\$ 67,212,011	\$ 33,378,466.42	\$ 33,833,544.58
Well Being (Foster Care)	51.7%	48.3%	\$ 336,833,235	\$ 174,071,482.03	\$ 162,761,752.97
Permanency (Adoptions/Guardianship)	49.2%	50.8%	\$ 168,990,636	\$ 83,137,357.53	\$ 85,853,278.47
Child Welfare Average	50.6%	49.4%	\$ 573,035,882	\$ 290,099,114.83	\$ 282,936,767.17

Source: 2017 Child Welfare Data Book and 2017-2019 Legislatively Approved Budget

Over the last biennium, Programs worked to implement the policy by taking the following steps:

- Office of Contracts and Procurement (OC&P) Gender equity within DHS Contracts, including, when applicable, DHS requests for proposals:
 - Requests include services to children and youth, with specific guidance surrounding gender specific expectations. Program staff requests continue to include language regarding gender specific service expectations.
 - Proposers are asked to describe their strategies to implement culturally appropriate and gender specific services.
 - RFP template includes language, “Services provided under any Contract awarded as a result of this RFP shall consider equal access for both males and females under 18 years of age. ‘Equal access’ means access to appropriate facilities, services and treatment, to comply with ORS 417.270.”
 - DHS contracts include the condition that: Contractors must provide services to DHS clients without regard to race, religion, national origin, sex, age, marital status, sexual orientation or disability (as defined under the Americans with Disabilities Act). Contracted services must reasonably accommodate the cultural, language and other special needs of clients.
- Working with DOJ to clarify the scope of application and legal implications in the standard language under “Special Provisions” in our contract templates. The standard language in DHS personal services contracts has been updated to read: “Contractor shall provide equal access to covered services for both males and females under 18 years of age, including access to appropriate facilities, services, and treatment, to achieve the policy in ORS 417.270.” (OC&P)
- Providing training to new contracts’ staff and updating the rest of the staff on contracts and solicitations into which Gender Specific Services provisions were incorporated. (OC&P)
- Child Welfare (CW) is requiring a description of diversity competency in how the organization program services will be sensitive, responsive and appropriate with gender specific services.
- Including language in RFP/Contract standards for new In-home Safety and Reunification Services. Examples of complete excerpts are:
 - “Specific cultural adaptation should be described in proposals for services. Proposers will be expected

to describe a model for working with minority cultural groups disproportionately represented in the child welfare populations described in 5.4 District Requirements.”

- o “Cultural Competence: is the process by which individuals and systems respond respectfully and effectively to people of all cultures, languages, classes, races, ethnic backgrounds, disabilities, religions, genders, sexual orientation and other characteristics in a manner that recognizes, affirms, and values the worth of individuals, families, and communities, and protects and preserves the dignity of each. Operationally defined, it is the integration and transformation of knowledge about individuals and groups of people into specific standards, policies, practices and attitudes used in appropriate cultural settings to increase the quality of services, thereby producing better outcomes. (Child Welfare Procedural Manual)”
- o “Gender Specific Services: Refers to treatments, interventions, educational programs and approaches that comprehensively address the unique needs, strengths and risk factors of each gender and fosters positive gender identity development.” (CW) Redesigning services and program standards with a Family Based Services Workgroup with the participation of child welfare staff, current contractors, Citizen Review Board representatives and other District participants. (CW)
- Continuing to review and provide feedback to contracted Behavioral Rehabilitation Services (BRS) shelter or residential treatment programs regarding their ability to provide services that are gender specific. (CW)
- Continuing to raise awareness with staff and providers through meetings to discuss and understand what gender specific services mean. (CW)
- Tracking current male/female ratios in all licensed child facilities and encouraging providers to participate in the Licensed Child Placing Agencies program review for assessment and monitoring. (CW)
- Program participation in the National Youth in Transition Database tracking program. (CW)
- Child Welfare continues to be engaged with the Coalition of Advocates for Equal Access for Girls by;
 - o Having a DHS staff member attend the monthly Coalition meeting for education and information;
 - o Refer staff, community programs and inquiries to explore the website for Coalition of Advocates for Equal Access for Girls <http://equalaccessforgirls.org>

Child Permanency Program

In compliance with ORS 417.270, the Child Permanency Program in the Office of Child Welfare Programs includes in all service contracts the requirement that the Contractor shall provide equal access to covered services for both males and females under 18 years of age, including access to appropriate facilities, services and treatment. In addition, all contracts include a nondiscrimination clause that states the Contractor must provide services to DHS clients without regard to race, religion, national origin, sex, age, marital status, sexual orientation, or disability. The Child Permanency Program has on occasion denied a contract based on the inability of the Contractor to agree to these terms.

In addition, program staff is committed to providing gender equitable services and has especially concentrated on how to support LGBTQ youth in foster care or who are entering adoption or guardianship by identifying and addressing their specific needs with a prospective family. Furthermore, the Child Permanency Program embraces placement of children with prospective adoptive parents regardless of sexual orientation.

Consultants within the Office of Child Welfare Programs have continued to present training for certification, adoption, and permanency workers around the state regarding issues relevant to LGBTQ children in care. One of the consultants has received training by the Human Rights Campaign on systems working with LGBTQ children and adults as our clients.

The array of website permanency recruitment programs (*Oregon Adoption Resource Exchange –OARE; Northwest Adoption Resource Exchange –NWAE; and AdoptUSKids*) used to help recruit prospective adoptive and guardianship families for children in care are contracted through the private contractor Northwest Resource Associates (NWRA). All NWRA programs have repeatedly earned the rigorous Seal of Recognition through the Human Rights Commission – *All Children All Families* initiative for their past, continued and ongoing LGBTQ cultural competency and training, both as an employer who employs a diversity of staff as well as a provider of programs serving both children and families. All NWRA programs have a documented policy and practice of Non-Discrimination & Non-Harassment, inclusive of diverse backgrounds.

Post Adoption Services

In compliance with ORS 417.270, the Post Adoption Services Program provides equitable services and supports for both male and female children and youth. Monthly subsidies and medical coverage are provided on behalf of the children to their adoptive parents and guardians. The purpose is to promote the achievement of permanency for special needs children and the ongoing stability of the children in their adoptive and guardian homes.

The monthly subsidies are individualized and based on the unique needs and expenses of the child and family. Needs and expenses related to gender specific services and supports would be considered when determining the amount of monthly subsidy provided a family.

Additional support services are provided through a private contractor. The services include consultation, referral, and training provided by adoption and guardianship professionals. The current vendor is the Oregon Post Adoption Resource Center (ORPARC). ORPARC employs specialized staff who are knowledgeable of the myriad of mental health, educational, therapeutic, and other support services throughout Oregon that could support the individualized needs of children adopted or in guardianships. ORPARC employees consult in depth with families and professionals to provide advocacy and guidance, and to make referrals to services to promote family functioning and prevent dissolution of the adoption and guardianships. As a program of Northwest Resource Associates (NWRA), ORPARC has repeatedly earned the rigorous Seal of Recognition through the Human Rights Commission – *All Children All Families* initiative for its past, continued and ongoing LGBTQ cultural competency and training, both as an employer who employs a diversity of staff as well as a provider of programs serving children and families. All NWRA programs have a documented policy and practice of Non-Discrimination & Non-Harassment, inclusive of diverse backgrounds.

By contract, ORPARC is required to provide equitable access to serve both males and females under age 18, including access to appropriate facilities, services, and treatment. ORPARC is also required to abide by a non-discrimination clause regarding race, religion, national origin, sex, age, marital status, sexual orientation, or disability, and must provide reasonable accommodations to meet the cultural, language, and other special needs of clients. Available on the ORPARC website is a web resource list of LGBTQ Parenting Resources divided into the following areas of service: Parent Resources, Parent Support Groups, Civil & Human Rights Organizations, and

Resources for LGBTQ Youth or Children of LGBTQ Parents. ORPARC also facilitates an Online Parent Support Group specific to LGBTQ state Adoptive/Guardianship Parents through a private Facebook group.

ORPARC also operates a lending library which offers a wealth of literature and resource packets, free of charge, to adoptive parents, guardians, and other professionals serving special needs adopted and guardian children. The materials cover a breadth of topics, and include books specific to gender specific development and identity formation of children and youth. The goal being to ensure children of all genders have informed adults parenting and providing them support to meet their unique needs. ORPARC also maintains a LGBTQ specific library resource list, including materials on adoption, education & scholarships, health & wellness, mental health & therapy, legal concerns, retirement & elderly concerns, and support groups.

In addition, ORPARC professionals deliver training, and collaborate with other agencies to offer training opportunities to families and professionals to aid in the ongoing support and development of children and youth, including some trainings in Spanish. The trainings they have offered regarding child development, attachment, collaborative problem solving, openness, life story work, social media, sensory issues, bullying and transracial adoption are relevant to parents and professionals supporting children and youth of all genders. ORPARC also regularly features LGBTQ related resources, events and opportunities in a quarterly newsletter “The Journey”, and/or posted on the community calendar. ORPARC also highlights at least one, if not more, LGBTQ adoptive families (of the seven total families featured) during the annual Adoptive Family Portrait Project, conducted in partnership with Voice for Adoption. On ORPARC’s website in the Our Stories section, numerous LGBTQ family stories are featured.

DHS LGBTQ Statewide Collaborative Team

Over the past year, the following trainings were conducted by the DHS LGBTQ Statewide Collaborative team. The objectives from this training were:

- Gain a basic understanding of sexual orientation, gender identity and gender expression
- Gain an appreciation of the risk factors faced by sexual and gender minority youth
- Learn how to better support sexual and gender minority youth

Additional topics were covered and discussed based on the needs and requests from the specific audience.

Training initially entitled Caring for Sexual Minority Youth, and then changed to Caring for Sexual and Gender Minority Youth, for caregivers has been scheduled ten times since its inception late in 2010; including two sessions provided via Net Link. The last request for this topic was in 2016. Three of the scheduled sessions were cancelled due to low/no enrollment; the seven that occurred were attended by 62 participants, 14 of those in the Net Link sessions.

Three Net Link sessions covering the same topic, but directed toward staff, have been provided. Those three sessions were attended by 162 participants.

Classroom Training: Positively Impacting Child and Youth Well-Being: Sexual Orientation, Gender Identity and Expression

This training continues to be provided by a DHS Foster Care Consultant. The various audiences are: Foster Care Certifiers, Certification Quarterlies - Metro region of Multnomah County, Oregon City for Western Region, Roseburg for Southern Region, Hood River for Eastern Region. This is 1.5-hour training.

Establishment of DHS LGBTQ Advisory Group

The Department has established an advisory group representing child welfare, disability, and self-sufficiency program areas, as well as community partners and clients. The purpose of this group is to review and provide recommendations from the LGBTQ-lens as the Department establishes policies and rules in a variety of programmatic areas.

Child Well-Being Program

The services provided to children who are in Child Welfare programs remains consistent over time in terms of gender equity. The United States Census estimates that 48.8% of children in Oregon under the age of 18 are females.

2017 Oregon Child Population Estimates by Sex, Under 18 years

Description	Number	Percent
Male	447,261	51.2%
Female	426,358	48.8%
Both Sexes	873,619	100.0%

Source:

<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

The population of children in out-of-home care during the federal fiscal year 2017:

Gender of Children Served in Foster Care

Gender	Current Year	
	Number	Percent
Boys	6,018	51.7%
Girls	5,627	48.3%
Total	11,645	100.0%

Source: Oregon Data Book, AFCARS

Of the children who entered foster care between 10/1/2016 and 9/30/107, females represented 48.3% of the children served in foster care.

DHS - Office of Child Welfare Program contracts with a large number of Oregon licensed child caring agencies for residential treatment services for children. The purposes of these programs are to serve children who have emotional and behavioral needs that cannot be met in their own homes or within the community in a relative or non-relative family foster home, but require a higher level of treatment oriented care and services.

During the biennium, the Office responded to a gap in female gender-specific residential programming by awarding contracts to two child caring agencies for up to 24 girls. One of the programs focuses on services to girls who have been victims of sex trafficking. The Office is currently in negotiations with a Portland metro area child caring agency to provide residential treatment programming designed specifically to meet the needs of LGBTQ youth.

The Child Welfare program also provides an array of services and supports to older youth in foster care to assist them in their successful transition to adulthood. Of the youth who exit after reaching 18 years of age, the ratio between male and females begins to change with 53% of the youth exiting over after age 18 are female. Interestingly these transition levels of services have a much higher participation rate of females than males.

Independent Living Program • Male: 558 (43%) • Female: 751 (57%)	Independent Living Subsidy Program Male: 45 (34%) Female: 86 (66%)	Chafee Housing (former foster youth) Male: 15 (34%) Female: 29 (66%)
Driver's Education Courses Male: 35 (39%) Females: 55 (61%)	Other Financial Support/Assistance Male: 271 (40%) Female: 402 (60%)	

Strategies in place to continue a focus on gender equity:

- DHS - Office of Child Welfare Program has and will continue to encourage the Residential Services Programs in Oregon to utilize the *Gender-Responsive Standards and Assessment Tool for Girls Programs*

and Services. The G-SAT is a great resource for enhancing a program's gender-responsive approach and by integrating these empirically-based standards; they should improve the outcomes for girls.

- The department anticipates having some staff attend the upcoming training conference in Oregon during October, which is sponsored by the Coalition of Advocates for Equal Access for Girls <http://equalaccessforgirls.org>
- The department will continue to recruit licensed child caring agencies to develop programs for higher levels of care for girls in Oregon. (A full copy of the department's policy and procedures for gender-specific services for youth is available at:) <http://www.dhs.state.or.us/policy/>.

2019-21 Intellectual & Developmental Disabilities (I/DD) Community Housing Fund Report

The I/DD Community Housing Program assists persons with developmental disabilities to live successfully in community housing that is affordable and safe and contributes to their independence and quality of life. I/DD Community Housing supports services to persons with developmental disabilities in the following ways:

- Oversees the property management of homes developed for the former Fairview State Training Center residents.
- Coordinates the operation of the Fairview Community Housing Trust that was established with revenue from the sale of Fairview.
- Provides technical assistance to individuals, families, brokerages, and counties regarding housing issues faced by persons with developmental disabilities and best practices to implement solutions.

Funding for the program is maintained in three separate Treasury Fund accounts. Two of those accounts contain the proceeds from the sale of the Fairview State Training Center and the third is for the operating fund for maintenance, development, technical assistance, etc.

Fairview Community Housing Trust Accounts

The two accounts containing proceeds from the sale of the Fairview State Training Center are designated in statute as follows:

*** Per ORS 427.340 "The Department of Human Services may expend, for the purposes of ORS 427.330 to 427.345, any earnings credited to the account, including any income from the lease of surplus property and any interest earned on monies deposited in the account, and up to five percent of any sale or transfer proceeds*

initially credited to the account by the Oregon Department of Administrative Services. At least 95 percent of all sale or transfer proceeds shall remain in the account in perpetuity."

Historically, the funding from the five percent of sale proceeds account as well as the accrued interest on both accounts has been used to provide grant funding to children and adults with developmental disabilities to allow for them to continue living in their own home or family home.

As part of the budget development process for 2011-2013, a reduction action was put forward to expend the balances out of the two Fairview Community Housing Trust Accounts. The action that was taken was to leave \$6,000,000 in the corpus or 95% sale proceeds account and to use \$5,970,375 from that account combined with the projected remaining balance in the 5% Fairview Grant account of \$979,759 for a total of \$6,950,134. This action was taken in year two of the biennium and the grant fund program suspended.

A Policy Option Package for 2013-15 would have restored the corpus account to pre 2011-2013 balance, adding back \$6,950,134 GF; however, the Policy Option package was not selected as part of the Legislatively Adopted Budget.

In 2015-17, a legislative action added \$92,500, EOTC sale proceeds, to the Trust. This action resulted in a combined account balance of \$6,079,941 as of April 30, 2016.

After 2016 Legislative Session, a Fairview Advisory Committee was formed to develop and propose strategies for the use of the Fairview Housing Trust funds. Per recommendation of the group, 95% of the funds (\$5,112,741) were invested in the state's intermediate term fund on September 1, 2016. Five percent of the funds (\$941,988) remains in a Treasury account for easier distribution, if needed.

Taking direction from the IDD Community, the Fairview Trust Advisory Committee has identified three areas where people with IDD and their families struggle in housing: 1. Not enough adaptable or accessible units 2. units are not affordable and 3. no financial mechanisms to help with first and last months rent, plus deposit. The

Fairview Trust Advisory Committee is working in partnership with Oregon Housing and Community Services to create partnerships that will create adaptable, accessible, affordable units across Oregon. In addition, the Advisory Committee has also committed to providing Fairview Trust dollars to allow for first/last months rent plus deposit when someone first moves into the newly constructed units.

The Fairview Trust Committee has also researched using Fairview Trust dollars to tackle the three identified housing deficiencies in the following manner:

- developing strong public-private partnerships to establish new units or preserve and remodel existing units to be suitable for people experiencing IDD.
- continuing to build local and state-level partnerships to connect people experiencing IDD with available state and federal rent subsidies.
- establishing a grant program to help people experiencing IDD to get first/last months rent and deposit.

The 2019-21 Governor's Budget removes \$6,000,000 as a reduction action, on July 1, 2019, leaving a balance of \$159,544, based on the account balance as of October 31, 2018.

Fairview Community Housing Trust Account (95% Restricted Account)			
	GF	OF	TF
Deposit, September 2016	\$0	\$5,112,741	\$5,112,741
Interest Gain/Loss Treasury Account	\$0	\$27,261	\$27,261
Total Revenue, October 31, 2018	\$0	\$5,140,002	\$5,140,002
Total Expenditures-Reduction-July 1, 2019	\$0	-\$5,140,002	-\$5,140,002
Balance	\$0	\$0	\$0

Account information from Oregon State Treasury Bank Statement ending October 31, 2018

Fairview Community Housing Trust Account (5% Unrestricted Account)			
	GF	OF	TF
Deposit	\$0	\$0	\$0
OF Limitation, September 2016	\$0	\$985,626	\$985,626
Interest Gain/Loss Treasury Account	\$0	\$33,926	\$33,926
Total Revenue, October 31, 2018		\$1,019,552	\$1,019,552
Total Expenditures -Reduction-July 1, 2019	\$0	-\$859,998	-\$859,998
Balance, October 31, 2018	\$0	\$159,554	\$159,554

Account information from Oregon State Treasury Bank Statement ending October 31, 2018

I/DD Community Housing Operating Account

When Fairview was downsized and eventually closed, the I/DD Community Housing Section in partnership with private non-profit housing developers constructed or remodeled 200 homes to provide housing for those residents and persons misplaced in nursing homes. It was called the Community Integration Project (CIP). The homes were funded by general obligation bonds sold by Oregon Housing and Community Service Department (OHCDSD) and incorporate many specialized features. Per an agreement with OHCDSD a reserve amount of \$500,000 is required for this account to assure maintenance of an asset purchased with GO bonds.

The I/DD Community Housing Section allocates funds and provides oversight and technical assistance in order to develop, adapt and maintain safe and appropriate housing for children and adults with developmental disabilities that receive services funded and/or licensed by the Department of Human Services. The persons receiving services in Oregon live in a variety of settings. These include, among others, services to children living in family homes, adults and children in 24-hour licensed out of home services, foster care, and adults in apartments or private homes. Often, providing these services requires that housing be constructed, modified or adapted in order to meet the needs of persons and to assure that homes are safe and adapted to the unique needs of the persons who live there. In carrying out its responsibilities, the I/DD Community Housing Section:

- Manages the maintenance and repair program for 200 bond funded homes that provide housing for persons with developmental disabilities receiving 24 hour support;
- Provides technical assistance to families and support agencies regarding specialized home adaptations;
- Develops homes to meet critical client needs;
- Manages and allocates funding for housing adaptations for adults and children with developmental disabilities receiving funded services;
- Provides fiscal oversight of expenditures from the Housing Fund, and within the Fund, the Fairview Housing Trust Account.

I/DD Community Housing Operating Fund			
	GF	OF	TF
Deposit (<i>GF approved at 19-21 GB for Operations</i>)	\$ 3,322,334	\$0	\$ 3,322,324
Reserve	\$0	\$500,000	\$500,000
*Accrued Interest	\$0	\$152,488	\$152,488
OF Limitation (<i>19-21 GB Operations Budget</i>)	\$0	\$3,322,324	\$ 3,322,324
Total Revenue	\$ 3,322,334	\$3,974,812	\$7,297,136
Total Expenditures	\$ 3,200,832	\$3,200,832	\$6,401,644

Account information from Oregon State Treasury Bank Statement ending October 31, 2018

DHS|OHA

Business Case (revised December 21, 2018)

Centralized Abuse Management (CAM)

(Formerly Statewide Adult Abuse Data and Report Writing System – SAADRWS)

VERSION LOG

Version	Description	Author	Date
0.1	Initial Draft	N Grengs	3/15/2016
0.2	Initial Draft with Core team feedback from J Thompson, K Wymore, L Stutheit, F King, J Ammon, T Holland, and J Telagarapu	N Grengs	3/24/2016
0.3	Executive summary, alternatives and conclusions drafted and questions identified	N Grengs	5/5/2016
0.4	Update to reflect Salesforce as the primary alternative, updated costing models, benefits, and risks	N Grengs	5/26/2016
0.5	Reviewed by Executive Steering Committee. Incorporated comments from K Naugle-Wilk, Lea Ann Stutheit, Ian Wilson, and John Thompson. Funding still needs alignment.	N Grengs	06/13/2016
0.6	Updated costs for SF licenses, removed indirect costs.	N Grengs	06/15/2016
1.0	Final Draft updates per Business Case Review Team meeting: Lilia Teninty, Lea Ann Stutheit, Don Erickson, Ian Wilson (for Ashley Carson-Cottingham), Marie Cervantes, Paul Ettinger, Kathryn Naugle Wilk, John Thompson	C. Hawkins-Weltz / K. Wymore	06/23/2016
1.1	Updates to Final Draft based on stakeholder review	C. Hawkins-Weltz	6/27/2016
1.2	Continued updates to FD based on stakeholder comments	K Naugle Wilks	6/28/2016
1.3	Minor edits to spelling, grammar and typing corrections: feedback from Gary Brower and Kristi Ivers	C Hawkins-Weltz	7/15/2016
1.4	Edits from QA feedback	K. Wymore	8/25/2016
1.5	Edits from OSCIO feedback	K Wymore	12/1/2016
2.0	Update to reflect current schedule and cost.	E. Lamb	12/19/2018

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1. Executive Summary

Oregon's Department of Human Services (DHS) and Oregon Health Authority (OHA) are committed to ensuring the safety of vulnerable Oregonians. This revised business case outlines the purpose and proposed approach to better serve this population by implementing an integrated solution to investigate, track, and report on incidents of adult abuse.

The approach to this revision is to correct errors and update naming conventions within the original business case. Appendix C has been added to detail the schedule and budget changes that have been implemented since the original business case was approved. The goals and objectives are largely unchanged. The scope of the project has not changed. The system was successfully launched in July of 2018 starting with a pilot implementation with the Aging and People with Physical Disabilities (APD) program. Currently, there are over 300 APD users Statewide relying upon this system daily while we prepare to design and develop the next set of functionality to serve the needs of the Office of Developmental Disabilities (ODDS) and Mental Health programs.

The Office of Training, Investigations, and Safety (OTIS) formally known as the Office of Adult Abuse Prevention and Investigations is a DHS/OHA Shared Service that provides abuse-related services to the Aging & People with Physical Disabilities (APD), Office of Developmental Disabilities Services (ODDS), and Child Welfare (CW) programs at DHS, and the Mental Health program in the Human Services Division (HSD) at OHA.

Together with its program partners, OTIS serves some of Oregon's most vulnerable residents, in their own homes or in licensed care facilities. The approximate numbers served include:

- 500,000 older adults and people with physical disabilities;
- 16,000 adults enrolled in ODDS programs;
- 55,000 adults receiving Community Mental Health Services or residing in the Oregon State Hospital (OSH); and
- 3,600 children residing in licensed facilities that provide therapeutic treatment, or children enrolled in ODDS services.

Establishing a centralized abuse management system is of paramount importance to DHS and OHA (herein referred to as "The Agencies".) The Agencies seek to eliminate manual processes as well as the need to utilize legacy systems to standardize and centralize adult abuse data collection for The Agencies.

The objective of this effort is to develop and implement a comprehensive web-based multi-program abuse management system. This system will reduce or eliminate manual input/processes, replace or reduce functionality in legacy systems, standardize, and centralize adult abuse data collection across Oregon, and provide a web-based tool for reporting and analyzing adult abuse. This system will capture abuse allegations and investigations from intake and screening through investigation, case closure, and referrals documentation, and will support abuse management oversight and inquiries. A centralized system will enhance DHS and OHA's ability to protect vulnerable Oregonians, by replacing existing manual and disparate processes and systems across the state with a fully integrated system that improves visibility.

1.1 Background

Oregonians will be better served with a centralized adult abuse management system replacing the existing collection of manual processes and disparate systems currently used across the state. Currently, State Agencies, partner organizations, and local office workers¹ interpret Oregon Administrative rules differently regarding which allegations of abuse to screen in. Most offices lack a consistent, automated mechanism to screen in, investigate, document, and report or track the full life cycle of an abuse incident and the parties involved. Implementing a single, stable, rules-based solution will improve consistency, streamline workflow, increase efficiencies at local offices and reduce gaps in the availability of timely, pertinent information to support abuse investigations throughout the state. The Agencies' goal is to increase awareness of patterns of abuse in licensed settings and in the community.

1.2 Opportunity Definition

The Agencies' are championing this initiative to improve services and support for vulnerable Oregonians through implementation of consistent processes and robust systems.

The outcomes this project will achieve are responsive to challenges identified by multiple studies and legislation including House Bill 4151 (HB4151) and Senate Bill 1515 (SB1515). HB4151 requires DHS to standardize resources and technologies related to abuse investigations. SB1515 requires DHS and OHA to improve communications about abuse investigations with certifying, licensing, and authorizing organizations. A centralized abuse management system will also address DHS Elder Abuse Prevention Audit findings, Adult Safety and Protection Team Report recommendations and the Resident Safety Review Council Report from February 2013.

The high-level business objectives driving this effort are to:

- Better protect the individuals we serve.
- Increase productivity and efficiency through automation.
 - o Document reports of abuse, screening decisions, and investigations centrally and in real-time so local staff, local management, Central Office, OTIS, and others with a need to know have immediate access to information.
 - o Reduce duplicate data entry and manual work.
- Support program variation and frequent changes.
- Support the growing abuse management workload.
- Identify and track abuse across the lifespan of a person (victim and/or perpetrator).
- Identify and track abuse and abuse history at DHS-licensed facilities across programs.
- Produce standardized information for auditing and analysis.
- Implement an easy-to-use, web-based, system.

The Agencies' original vision was to have at least a minimally viable solution of core functionality across all programs in scope implemented in a first release with a second release to follow with

¹ Local office workers include screeners, investigators, and supervisors in the offices across the state that are performing the work for any of the programs included in the scope of this project.

the remaining requirements and enhancements. Core functionality was defined as the functionality to support intake and screening through investigation, case closure and referrals documentation, and reporting processes. However, the Agencies intended to enlist the assistance of a System Integrator (SI) to propose implementation options for the Agencies' consideration that included the suggested scope, functionality, programs included and release dates for the implementation of the CAM system, with the success criteria for the project's planned releases to be determined in the execution phase in collaboration with the System Integrator.

1.3 Alternatives Analysis

After a preliminary business case proposed the development of a custom solution, the Agencies invested significant efforts to assess other alternatives. A team comprised of program and technology members conducted in-depth market research. The market research included in-depth interviews with 18 states to discover their abuse management solutions. This market research yielded two viable solutions utilized by other states and two used in Oregon. The team did further in-depth analysis of the capabilities of these four options against functional and technical requirements and conducted customer demos and on-site visits. The Agencies concluded that building a custom Centralized Abuse Management System introduced much higher risk and cost compared to pursuing a different alternative. Detailed information from the in-depth analysis and site visits are in the Alternatives Analysis, [Section 5.0](#), of this document and in the supplemental documents. Information gained during customer demos and site visits eliminated some alternatives under consideration identified from the project's initial market research. These eliminated options included Commercial off the Shelf (COTS) solutions and transfer solutions used by other entities resulting in the following remaining alternatives.

Alternative 1: Purchase Software as a Service Solution; leverage another state's use of that SaaS

Under this alternative, a Software as a Solution (SaaS) CRM solution would be purchased, configured, and customized to meet the CAM Project's detailed requirements. This approach allows relatively quick design, build and implementation plus ongoing flexibility to meet the continuously changing business/regulatory environment at a reasonable cost.

Oregon has the opportunity to leverage requirements for Colorado's Adult Protective Services (CAPS) solution implemented in June 2015 as a starting point for a SaaS solution. Colorado implemented CAPS in June 2015 using Salesforce, a Customer Relationship Management (CRM) SaaS solution. Oregon can leverage CAPS' foundational capabilities, substantially reducing the time to deliver, the cost of implementation, and the exposure to risk for Oregon. DHS and OHA Executive Leadership believe this synthesized approach represents the best fit for Oregon's needs. More details regarding Colorado's solution and the proposed implementation approach are outlined later in sections [5.1.1](#) and [6.2](#) of this document.

Under this alternative, Oregon will leverage Colorado's solution as foundational requirements for Oregon's abuse management toolset, using the services of a Systems Integrator to configure and/or customize the software to meet Oregon's needs. The estimated cost of this alternative through implementation is ~4.7 million dollars with at total estimated cost through 2023 of approximately ~8.4 million dollars.

Alternative 2: Implement a Custom Build System

Under this alternative, the Agencies would design, develop, test, and deploy a custom solution for

The Agencies' Centralized Abuse Management needs. This alternative would allow a tailor-made solution that would meet all the functional, technical, and organization requirements. The cost, risks, and timeline to implement are substantially higher than implementing a SaaS solution leveraging Colorado's foundational requirements. The total estimated cost for this alternative through implementation is ~11.9 million dollars with a total estimated cost through 2023 of approximately ~\$17.0 million dollars.

Alternative 3: Maintain the Status Quo

Under this alternative Oregon would maintain the current status quo with disparate, disconnected systems and highly manual processes and there would be no additional investment in abuse tracking system automation. The requirements and recommendations made by HB4151, SB1515, and various reports and audits would not be met in the foreseeable future. The Agencies' fragmented approach would continue and improvements to current processes would be limited to those that arise naturally through the Agencies' continuous improvement program. The Agencies would continue with ineffective, disconnected, automated and manual systems, which are increasingly difficult to oversee and analyze. The total estimated cost of this alternative through 2023 of approximately ~\$5.2 million dollars.

In light of the settlement that was reached with Oracle in September of 2016, the Agencies were asked to evaluate the appropriateness and feasibility of implementing the CAM solution using Oracle products contained in the negotiated User License Agreement (ULA). The settlement offers Oracle's catalog of products free of charge for the next 5 years and 10 months. However, use of Oracle products would not allow the Agencies to leverage the foundational capabilities of the Colorado CAPS solution due to the fact that Colorado's code is specific to the Salesforce platform. The Colorado solution is the only proven implementation of an Abuse Management System on a CRM platform. An approach using Oracle products would substantially increase the time to deliver a solution and expose Oregon to additional risk as the Agencies would be unable to leverage the work done in Colorado and would be required to develop a solution on an unproven platform from the ground up. Implementation costs would increase to support additional requirements, design, and development efforts. A transfer approach of Colorado's solution will establish a collaborative relationship with Colorado and enable Oregon to continue to benefit from any new developments that Colorado makes to their solution. This continuous collaboration, allowing Oregon the option to use those enhancements free of charge, is dependent on the transfer and use of the CAPS code on the Salesforce platform and could not be utilized with an approach including Oracle products.

1.4 Conclusions and Recommendations

Based on the analysis of the alternatives, DHS and OHA intend to pursue Alternative 1: Implement a SaaS Solution and leverage another state's capabilities with that SaaS. This strategy will help accelerate Oregon's implementation efforts, while reducing risk and shortening the implementation timeline.

Section 6.2, Table 5 (5) of this document sets out a preliminary schedule to implement the Centralized Abuse Management system in two releases. To support the commitments made to the Legislature of an implemented solution within the 2015-2017 biennia and in response to HB4151 and SB1515, the project's scope will be implemented in two releases. A first release is projected to complete by June 2017 and the second release by December 2017. The high-level estimated cost of implementing the system and operating it through December 2017 for both releases is approximately \$4.7 million. The project has been funded for a total of \$5,632,037 which includes \$1,437,494 of general funds, \$3,300,000 of Q bonds and \$894,543 for Qbond

issue and debt service for a total of usable project funds of \$4,737,494. Funds for issue and debt service will not be reported in the funding. Ongoing operating costs post-implementation through June 2023 are estimated at another \$3.0 million, for a total 7-year investment of approximately \$8.4 million. Actual costs may differ depending on per user licensing costs and vendor responses to the planned Request for Proposal (RFP) for System Integrator (SI) services.

2. Background & Purpose

2.1 Current State of Abuse Management Operations

The Office of Training, Investigations, and Safety (OTIS) is a DHS/OHA Shared Service that provides abuse-related services to the populations served by The Agencies and provides services for some of Oregon's most vulnerable residents, in their own homes or in licensed care facilities.

The Agencies use many different methods to support screening, investigations, referrals, and other abuse management processes. At their core, these processes have very similar steps. They vary depending on: 1) The population served; 2) If the intake/screening/investigating organization is a state organization or contracted party and; 3) Which computer applications and end user tools they have available for their use. There are seven (7) key systems, six (6) of which are state owned and one (1) owned by a local county, and more than 120 local databases and Microsoft (MS) Excel spreadsheets in use at this time. These systems are not integrated, nor do they provide all the essential information required for local workers, local managers, and Central Office oversight.

In 2014, almost 750,000 Oregonians were in one of the nine populations supported by the Agencies. During that same year, the Agencies received over 38,000² allegations of abuse of these individuals, resulting in 18,185¹ investigations of which 4,544 were substantiated. This number does not account for an unknown number of allegations screened out at the local office level due to the lack of visibility caused by disconnected processes and systems.

According to the 2014 OTIS Annual Report dated July 2015, "In 2014, there was a 10% overall increase in the number of investigations conducted (compared to 2013)." Over the next ten years, the number of allegations received and screened by The Agencies is expected to increase nearly 60%. This assessment increases the projected 50,414 allegations in 2015 to over 78,500 allegations in 2024, due to predicted growth of vulnerable populations. OTIS is projecting 30,800 investigations by 2024, a nearly 63% increase from the 2015 level of 19,000 investigations.

In 2014, the Oregon State Legislature passed House Bill 4151 (HB4151). Section 4 of HB4151 mandates that for adults 65 and older and for residents of Office of Licensing and Regulatory Oversight (OLRO) licensed facilities, DHS "shall adopt policies and guidelines to plan for the development and standardization of resources and technologies" related to abuse. In summary it mandates the following: 1) Capture of key adult abuse incident and management data; 2) Standardization of procedures and protocols for making and responding to reports of abuse; 3) Standardization of procedures and protocols for investigations of reports of abuse and; 4) Promoting and coordinating communication and information sharing with law enforcement agencies regarding reports and investigations of abuse.

There are five main program areas involved in this project: 1) DHS' Aging & People with Disabilities (APD) Adult Protective Services (APS); 2) OHA's Health Systems (HS) Division; 3) DHS' Developmental Disabilities (DD); 4) DHS' Child Welfare (CW) and; 5) OHA's Oregon State Hospital (OSH) Division. For a comprehensive list of stakeholders, see the Business Case Supplemental Documents Package.

There is a long list of Oregon Revised Statutes (ORSs) and Oregon Administrative Rules (OARs) for the program areas and populations served by this project.³ Some overarching statutes drive

² OAAPI Annual Report 2014 – Published July 2015.

³ A complete list of ORSs and OARs by population served can be found in Business Case Supplemental Documents Package.

consistent rules for multiple populations and program partners. However, there are also specialized rules depending on the population served. A full analysis of the similarities and differences in these rules has not been performed. It is important to note that many factors impact these ORSS/OARs resulting in frequent changes. In the future, there will be one standard process for all populations served. This standard process will allow for the nuances between the ORSS/OARs in place today.

Federal and State legislation, program rules, processes, terminology, reporting and coding requirements are evolving at a quick pace. The different agencies within the US Department of Health and Human Services (HHS) are working toward more standardization in the adult abuse discipline.^{4,5} The disconnected tools in use by DHS and OHA are not modern, sophisticated, or flexible enough to evolve with the changing regulatory environment within the state or across the nation.

2.2 Current State of DHS Aging and People with Disabilities Abuse Management Operations

The DHS Aging & People with Disabilities APS program serves two Oregon population groups: APS Community and APS Facility.

- APS Community consists of approximately 620,000 adults age 65 and older and adults 18-24 with a physical disability who live in their own homes in the community.
- APS Facility consists of approximately 46,000 individuals living in DHS-licensed facilities.

Screening and investigation of these reports of abuse are performed by Aging and People with Disabilities (APD) Field Offices and certain Area Agencies on Aging (AAAs).

In 2014, there were approximately:

- 12,100 allegations of APS Community abuse resulting in approximately 3,300 substantiated abuse cases.
- 4,400 allegations of APS Facility abuse resulting in approximately 950 substantiated abuse cases.

The number of allegations supported is difficult to ascertain because the two APS systems in use lack screening capabilities.

⁴ In September 2013, recognizing the lack of consistent national data on adult maltreatment, HHS, the Administration for Community Living (ACL), in partnership with the Office of the Assistant Secretary for Planning and Evaluation (ASPE), began a 2-year effort to design and pilot test a national reporting system based on data from state adult protective services (APS) agency information systems. The project is currently designated as the National Adult Maltreatment Reporting System (NAMRS).

⁵ The CDC's National Center for Injury Prevention and Control, Division of Violence Prevention has published "Elder Abuse Surveillance: Uniform Definitions and Recommended Core Data Elements" in January 2016. They indicate in their paper "Longstanding divergences in the definitions and data elements used to collect information on Elder Abuse (EA) make it difficult to measure EA nationally, compare the problem across states, counties, and cities, and establish trends and patterns in the occurrence and experience of EA."

The major computer systems used by APS are: 1) Oregon ACCESS, which is a case management system for APS Community Clients, and; 2) Web723, which is a tool for documenting an APS Facility abuse investigation report. These two systems have poor search capabilities making it difficult for workers to find historical abuse information. As a result, offices must resort to tracking key information on spreadsheets and in Microsoft (MS) Access databases.

Other than the Client Tracking System (CTS) for Lane Council of Governments (LCOG), key system screening functionality does not exist. This means local screeners and investigators are not able to see statewide abuse screening information, and central program management is unable to monitor local screening activity or track historical screening trends. Additionally, the search capability in these systems does not support the sophisticated and time-sensitive needs of the program to respond to queries about specific allegations or overall trends. All notices are manually created in MS Word resulting in considerable duplicate data entry and the potential for human error. LCOG has their own MS Access computer system, which allows for LCOG-wide documentation of intake, screening decisions, investigations, and the generation of notices.

2.3 Current State of OHA Health Systems Abuse Management Operations

The OHA Health Systems Division serves two abuse population groups (within the scope of this project). They are: 1) Individuals in State Operated Secure Residential Treatment Facilities and; 2) Individuals receiving Community Mental Health services.

- State Operated Secure Residential Treatment Facilities serve approximately 120 people.
- Community Mental Health Programs (CMHP) are County based and serve approximately 57,200 people.

Screening and investigations involving adults receiving CMHP services are performed by County CMHP staff, with technical assistance and consultation provided by OTIS. Exceptions include when the alleged abuse involves CMHP staff or occurs in a state-operated Secure Residential Treatment facility; in those cases, OTIS staff perform the screening and investigation.

In 2014, there were approximately:

- 15 allegations of abuse for individuals in State Operated Secure Residential Treatment Facilities resulting in about seven substantiated abuse cases.
- 395 allegations of abuse for individuals receiving Community Mental Health services of which approximately 134 were substantiated.

Allegations and investigations for State Operated Secure Residential Treatment Facilities and Community Mental Health that are received by OTIS, are entered into the OTIS Abuse Database. Not all Community Mental Health allegations that are screened out (not needing investigation), are tracked as there is not a centralized database supporting these programs. Technology tools depend on what tools a particular County CMHP has in place. The key computer system used is the OTIS Abuse Database, which is MS Access and is not accessible to the Oregon Counties. All data entered into the OTIS Abuse Database is after the fact, duplicate data entry, and currently used to capture the investigation data electronically for future analysis.

Investigations for these populations are all performed manually and then typed into MS Word. All notices are manually created in MS Word resulting in considerable duplicate data entry and the potential for human error.

2.4 Current State of DHS Office of Developmental Disabilities Services Abuse Management Operations

The DHS Office of Developmental Disabilities Services (ODDS) program serves two Oregon abuse population groups directly: Community DD Program individuals and In Home Program individuals.

- County-based Community DD Programs (CDDP) and the Stabilization and Crisis Unit (SACU) serve approximately 5,800 adults enrolled in (or previously eligible for) CDDP services. These adults live and receive services in either DHS-licensed settings such as provider group homes, state run group homes or private foster homes. CDDP (County) staff perform screenings and investigations of allegations involving CDDP clients. Screening and investigation of allegations in SACU facilities are performed by OTIS investigators.
- The Community DD Programs (CDDP) and Brokerage Operations serve approximately 13,000 adult individuals with Intellectual/Developmental Disabilities (ODDS) living in their own homes or family homes, or DHS-licensed residential facilities. CDDP (County) staff perform screenings and investigations of allegations involving CDDP clients.

Allegations involving individuals with ODDS living in non-DD licensed facilities are screened by either DD or APS, and are generally investigated by APS as indicated above in APS Facility.

In 2014, there were approximately:

- 1,400 allegations of abuse for Community DD individuals resulting in about 675 substantiated abuse cases.
- 70 allegations of abuse for individuals in Stabilization and Crisis Unit facilities of which approximately 20 were substantiated.

Investigations for these populations are all performed manually and then typed into MS Word. Additionally, all notices are manually created in MS Word, resulting in considerable duplicate data entry. The number of reports of abuse that are reported and subsequently screened in for investigation can only be estimated as they are not all tracked in a key computer system. The key computer systems used are Serious Event Review Team (SERT), Combined On-call Intake (COIN) and the OTIS Abuse Database. SERT is old and ineffective. COIN is used by OTIS for tracking allegations, and the OTIS Abuse Database is used by OTIS for all SERT allegations referred to OTIS for investigation. The number of reports that are screened out for further investigation are also unknown as these are tracked only at each individual CDDP.

2.5 Current State of DHS Child Welfare Abuse Management Operations with OTIS Oversight

The Child Welfare (CW) program serves children with intellectual/developmental disabilities living in DHS-licensed 24-hour residential settings and children in DHS-licensed 24-hour residential facilities that are part of the Child Caring Agencies (CCAs). These Oregon abuse population groups are included within the scope of this project.

County Child Welfare staff at the various CW hotlines perform initial screening of all child abuse referrals. When children identified in an allegation live in a licensed setting, the referral is sent to OTIS (using OR-Kids) for additional screening. After screening, investigations for both populations

are performed by OTIS.

In 2014, there were approximately:

- 85 allegations of abuse for children with intellectual/developmental disabilities living in DHS-licensed 24-hour residential settings resulting in about 46 substantiated abuse cases.
- 131 allegations of abuse of children in DHS-licensed Children's Care Provider Programs with approximately 24 substantiated.

Investigations for these populations are all documented manually and then typed into MS Word. Key information is entered into OR-Kids when the investigation is completed. All notices are manually created in MS Word resulting in considerable duplicate data entry. The computer systems used to process these cases are OR-Kids and the OTIS Abuse Database. All allegations for CW are initially captured in OR-Kids and then entered into the OTIS Abuse Database after the fact. The OTIS Abuse Database is MS Access, therefore it is not available to the County CW screeners across the state.

In 2016, the Oregon State Legislature passed Senate Bill 1515 (SB1515). SB1515 adds young adults aged 18 to 21 years old in Child-Caring Agencies (CCAs) to be included in the age definition of "child in care" and expands the definition of CCA. This additional young adult group is estimated to be less than 250 individuals at this time and are included in the CAM Project as part of the population of children in DHS-licensed Children's Care Provider Programs.

The requirements of SB1515 will also likely lead to a much higher percentage of allegations of abuse in CCAs resulting in an investigation, doubling or tripling the number of CCA-related investigations conducted and documented by OTIS.

2.6 Current State of OHA's Oregon State Hospital Abuse Management Operations

The OHA Oregon State Hospital (OSH) serves one abuse population group (within the scope of this project). Approximately 1,220 individuals live at the Oregon State Hospital.

When alleged abuse occurs in the Oregon State Hospital, OTIS staff perform the screening and investigation.

In 2014 there were approximately 78 allegations of abuse for individuals living at the Oregon State Hospital, of which approximately 19 were substantiated.

Allegations and investigation outcomes for the Oregon State Hospital are entered into the key computer system, OTIS Abuse Database, which is an MS Access application. All data entered into the OTIS Abuse Database is after the fact, duplicative data entry, used to capture the investigation data electronically for future analysis.

Investigations for this population are performed manually and then typed into MS Word. All notices are manually created in MS Word resulting in considerable duplicate data entry.

2.7 Current Business Process

In 2014, seven (7) abuse management processes were documented. At a high level, all seven processes involve screening, investigating, referring, and closing allegations, with associated documentation and notifications. Each of these processes are based on a particular program or group of programs, as well as the individual program OARs, which define and guide them. Detailed information about these current processes can be found in the Business Case

Supplemental Documents Package, Document F.

Table 1 – Key Current Business Processes

Process	Process Description	Process #
OTIS-Led Investigation	This process documents the intake, screening, investigation, report creation, report distribution, and closure of non-CCP investigations completed by OTIS staff.	BP-100
CCA Investigation	This process documents the intake, screening, investigation, report creation, report distribution, and closure of investigations completed by OTIS staff for the CCP Program.	BP-200
County DD Investigation	This process documents the intake, screening, investigation, report creation, report distribution, and closure of investigations completed by the county CDDP abuse investigator.	BP-300
County MH Investigation	This process documents the intake, screening, investigation, report creation, report distribution, and closure of investigations completed by the county Mental Health (MH) Program.	BP-400
APS Community Investigation	This process describes the intake, screening, investigation, report creation, report distribution, and closure by APD and AAA staff for the APS Community Program.	BP-500
APS Facility Investigation	This process describes the intake, screening, investigation, report creation, report distribution, and closure by APD and AAA staff for the APS Facility Program.	BP-600
Lane Council of Government (LCOG) APS Investigation	This process describes the intake, screening, investigation, report creation, report distribution, and closure for the Lane Council of Government Community and Facility APS investigations.	BP-700

The Agencies' have identified and drafted a standardized future state business process with the assistance of the user community across all in scope programs. This process will be used in the fit gap analysis performed by the SI during execution.

3. Problem or Opportunity Definition

3.1 The Business Problem

The lack of a centralized abuse system in place today creates obstacles and challenges for The Agencies' work efforts to support vulnerable Oregonians.

The Agencies are committed to the protection of vulnerable Oregonians and are hampered by abuse data that is often fragmented, incomplete, and/or inaccessible. Additionally, staff are required to utilize multiple disparate systems to make determinations about allegations of abuse slowing

response and increasing risk of error. A centralized system that provides cross program abuse information and supports intake, screening, and investigation activities is critical to increase the efficiency and effectiveness of the staff performing those functions and to further protect Oregon citizens. The limitations of the current environment; lack of coordinated systems and data, gaps in visibility and the lack of a unified tracking and reporting process all lead to the imperative for The Agencies to address this situation by implementing a centralized abuse system to establish a clear and complete picture of abuse.

APS receives staff based on workload and the calculations to determine staff needs depend on forecasting future workload projections. The tools and information available today are challenging, requiring APS to use a workload calculation from four (4) years ago. This means the additional workload to support the increase in population over that time is not being reflected today's calculation. There was an increase in population of approximately 10% last year alone. Lack of up to date information and the inability to forecast have resulted in a lower than necessary staff count, negatively affecting the APS key performance metrics. Visibility in to the activity and movements of alleged and substantiated perpetrators across programs or counties is limited. This lack of information across the state opens the door for potential risk to persons served by the DHS and OHA.

Lack of unified processes has resulted in potential risk of clients falling "through the cracks" as local offices follow inconsistent screening practices and vary in their interpretation of Oregon rules and statues. Further complicating the challenges, for staff that are performing intake, screening, and investigations is that they lack systems to help them perform their jobs effectively and efficiently. Information such as addresses, screening and investigation data is cut and pasted into: 1) Multiple systems; 2) Multiple MS Word letters and; 3) MS Excel spreadsheets and; 4) MS Access databases.

The current intake process may be documented in one of many different systems around the state, and referrals that do not result in investigation are not always tracked with automated tools. As a result, it is difficult to review these referrals for quality control, screening related trends and workload trends. Law enforcement agencies send police reports to field offices in such a volume that staff find it hard to review and screen in/out all the reports in a timely manner. When intakes and referrals are not all documented it's difficult to measure if there are sufficient staff to cover the workload and to measure the true quality of the work being performed including that all reports of abuse are being processed properly without falling "through the cracks".

Recent legislation has increased the number of mandatory reporters and hence the workload for intake and screening of reports of abuse. HB4151, passed in 2014, requires that DHS/OHA send a copy of its letter of determination and investigation report to the state agency responsible for certifying/licensing a substantiated perpetrator in a health occupation. The consistency with which this is done is not known since the processes and systems do not allow for tracking of this information. This increases the workload of the already overloaded investigators doing the work today.

As Oregon's population ages, DHS and OHA are seeing an increased interweaving of clients in community and facility settings. This means clients of one program are often placed in facilities licensed by other programs, or clients are transitioned from one system to another as they age and their health conditions or behavioral needs change. Establishing a centralized abuse management system enables DHS and OHA to integrate abuse data across programs, ensuring critical information in one system is retained helping keep clients safe by providing access to a client's history of abuse.

3.2 Current Technology Limitations

There are seven (7) primary data systems⁶ used in Oregon today to collect reports of abuse and/or generate investigation reports. There are three (3) key data systems⁷ used to analyze investigations and create data analysis reports related to protective services and abuse investigations with OTIS oversight. These systems run on different software, collect different data points, and do not provide a comprehensive centralized data repository for abuse data. Investigation reports for seven of the nine populations are written using MS Word. In addition, more than 120 simple applications and spreadsheets are used in local offices to support abuse processes and manage workload, from receipt of an allegation through completion of an investigation.

The mix of legacy systems and desktop software makes it difficult for employees and management to ensure all allegations are documented and processed appropriately. In most local offices, physical paper files are the only source of complete information about an investigation. This creates the potential for an allegation to go uninvestigated because there is no tool for unassigned referrals.

Following is a summary of the key systems used to collect, report, or analyze abuse or generate investigative reports. Each system has limitations, which make them poor candidates for modifying to meet centralized abuse investigation or reporting. The limitations in many cases are due to the technology platforms lacking the robustness necessary to support large-scale use or they are an aging technology with limited ability to sustain and support. For example, MS Access lacks a robust structured query language, all information is saved into one file, which limits options, slows down reports, queries and forms and security controls are limited. As the volume of user's increases, performance degrades rapidly. Although technically, a MS Access system can support 255 concurrent users, the real-world limit is 10-80 concurrent users.

The Oregon Access (**OR Access**) system's APS module for abuse tracking contains the largest number of investigations (~36,000) of all the systems listed above. ***It does not have intake or screening functionality and has poor search capabilities making it difficult or impossible to determine if a person has an in-progress or past investigation.*** This results in duplicate information as many allegations/investigations are entered multiple times. The system is capable of collecting information that helps support unique identification of people such as Social Security Number, birth date and client master identifier. Less than seven percent of alleged and substantiated perpetrators are uniquely identified with a Social Security Number or date of birth. None has a reference to a person or client master identifier. This makes it impossible to find repeat offenders of abuse. End-users cannot attach documents and/or evidence to the investigations in OR Access. Investigation reports cannot be sent electronically from the system and must be printed, scanned, and attached to an email to send notices. The system does not provide statistics, trends, or other tracking data to local office management to help assess and manage to target quality outcomes. OR Access is not web-based, so it is not available away from the office unless it is downloaded to the investigator's computer or the investigator remotely accesses the system using emulation software (Citrix). OR Access is written in PowerBuilder and has a Sybase backend. PowerBuilder is an older development environment with a very small population of users. This makes it very difficult to find PowerBuilder developers, so supporting OR Access requires in-house training on the technology by OIS. Due to the aging nature of this

⁶ Oregon Access (OR Access), Lane Council of Government (LCOG) Client Tracking System (CTS), Web723, SERT (Serious Event Response Team), COIN (Combined On Call and Intake), OR-Kids and the OAAPI Abuse Database.

⁷ DHS Data Warehouse, COIN and the OAAPI Abuse Database.

technology and the current issues it carries, OR Access is not a good candidate for future central abuse management use or extensibility.

Web723 contains the next largest number of investigations (approximately 32,000). It **does not have intake or screening functionality**. As with OR Access, DHS is not documenting all the reports of abuse in this system; only the reports of abuse assigned to investigate are entered. There is a high level of frustration by local office staff with this system as it frequently “crashes” or times out while documenting an investigation and all the data entered is lost. This system does not have the ability to locate past/historical information so all information must be manually entered for each investigation. Many hours of re-entry of information are required due to the instability of this system. End-users cannot attach documents or evidence to the investigations. Only at the end of an investigation, after a supervisor has reviewed the report and all notices have been sent out, an electronic notice is sent to the APD Central Office of Licensing and Regulatory Oversight (OLRO) in Salem confirming that the investigation is complete. Considerable time is spent manually preparing and mailing documents to all the appropriate parties. There are no statistics, trends, or other tracking data available to local office management to help ensure desired quality outcomes are achieved. This application is written in Cold Fusion, an aging technology, and has a DB2 backend. Due to Web723’s instability issues, old technology and limited functionality, it is not a good candidate to extend.

Lane Council of Government’s (LCOG) **Client Tracking System (CTS)** is used for all LCOG APS reports of abuse (~12,700) and investigations (~7,200). LCOG transfers files of information to DHS that are then loaded into the DHS Data Warehouse. Due to periodic issues with these imports, the DHS Data Warehouse does not contain a full set of LCOG data for analysis. LCOGs CTS has relatively good APS functionality but, being designed for a single AAA office, it **does not provide for the statewide 360-degree view of a person needed by DHS and OHA**. It has an MS Access front end with a MS SQL Server backend and hence is not extensible or scalable.

Serious Event Review Team (SERT) is used by the DHS Office of Developmental Disabilities Services Community DD programs to notify OTIS that an investigation is needed (approximately 57,000 serious events are stored in the system some of which are reports of abuse). CDDPs use this system to analyze trends such as type of abuse, providers and clients with high numbers of incidents. The County Investigator fills out the form and it is transferred to OTIS. Data from this system is manually re-entered into the OTIS Abuse Database. **Known issues with this system include: It is not user friendly; not searchable or search criteria/results are inconsistent and; the database model is out of date, as it has not been updated in over three years.** Because of the complexities of using this system, not all CDDPs are inputting data here. SERT is currently supported by the Office of Business Intelligence (OBI). It has a ColdFusion frontend and a MS SQL Server backend. It is not extensible or scalable.

DHS Child Welfare use OR-Kids to notify the OTIS Investigations Unit of allegations of child abuse initially screened by Child Welfare workers that require OTIS screening and investigation (~88 in 2014). This system has substantial functionality and is a complex system. **The online user interface and data relationships between case, abuse report, people, assessments, allegations, and associated notes are not intuitive from an abuse management perspective.** The OTIS investigation process for children in licensed settings is handled outside of OR-Kids and final information is posted back in OR-Kids upon completion of the investigation. The investigation itself is written independently in MS Word. The front-end application primarily uses JBoss, Java and COBOL. The backend uses MS SQL Server. This system architecture is designed specifically to manage child protective services cases, it does an inadequate job displaying information about abuse incidents related to OTIS investigations. This system is not a good candidate to extend for centralized abuse management. With a core focus on child protective services, modifications to

accommodate the requirements of the Agencies would require significant and expensive modification and could negatively impact the core functionality and purpose of existing system.

Combined On-Call Intake (COIN) is used to track reports of abuse made directly to OTIS (~5,000) and screening decisions for many of the populations investigated by the OTIS Investigations Unit. It does not support the investigation process. This system was created internally with MS Access and is not extensible or scalable.

The **OTIS Abuse Database** is used to track key information about investigations (~23,368) for Community DD, Community MH, and OTIS investigators. These investigators use a separate MS Word template to write their investigation reports. Although OTIS offers a recommended format, reports vary somewhat from county to county. CDDP and CMHP investigators send their reports to OTIS via e-mail, where they are reviewed, approved and “data-mined” manually by OTIS staff to populate by re-entering information into OTIS’s Abuse Database. All OTIS-led investigations are also data-mined manually and entered into this database. ***This system is filled with duplicated data from other systems and tools (MS Word). This system does not have role-based security, allowing anyone to change any data in the system.*** The OTIS Abuse Database is a Microsoft Access database developed internally in 2001. This system is not extensible or scalable for statewide use.

Currently, the Agencies rely on these disconnected data systems to store abuse-related data and to produce reports. Challenges and risks are pervasive because these systems are often unable to provide the critical information being asked for by internal and external partners, including: accurate metrics for Quarterly Business Reviews (QBR), requests for statewide abuse data from media, and sufficiently granulated data reports for the Legislature. The table below illustrates the distribution of the systems by the population served that are used to support abuse management by the Agencies.

Table 2 – Systems Used by Population Served⁸

Nbr	Population	Screener / Investigator	
		Tools	OTIS Tools
1	ODDS Individuals Living in DHS-Licensed Stabilization & Crisis Units	SERT (notice of report), MS Word (Investigation Report)	COIN (doc screen in) OTIS DB (doc from MS Word Report)

⁸ Additional statistics by population type can be found in the Business Case Supplemental Documents Package.

Nbr	Population	Screener / Investigator	
		Tools	OTIS Tools
2	ODDS Children Living in in DHS-Licensed 24-Hr Residential Settings	OR-Kids (notice of report, outcomes), MS Word (Investigation Report)	OTIS DB (doc from MS Word Report)
3	Children in DHS-Licensed Children's Care Provider Programs	OR-Kids (notice of report, outcomes), MS Word (Investigation Report)	OTIS DB (doc from MS Word Report)
4	Adults at the Oregon State Hospital	MS Word (Investigation Report)	COIN (doc screen in), OTIS DB (doc from MS Word Report)
5	Adults in State Operated Secure Residential Treatment Facilities	MS Word (Investigation Report)	COIN (doc screen in), OTIS DB (doc from MS Word Report)
6	Adults Receiving Community Mental Health Services	MS Word (Investigation Report)	OTIS DB (doc from MS Word Report)
7	Individuals Living in DHS-Licensed Facilities	Web723 (Investigation Report) or LCOG's CTS (Screen In/Out & Investigation Report)	Web723, DHS Data Warehouse
8	Adults 65+ & Adults 18-64 with a Physical Disability	OR Access (Investigation Report) or LCOG's CTS (Screen-In/Out & Investigation Report)	OR Access, DHS Data Warehouse
9	Adults Enrolled or Previously Eligible for a Community DD Program	SERT (notice of report), MS Word (Investigation Report)	COIN (doc screen in), OTIS DB (doc from MS Word Report)

Consultants and Task Forces have looked numerous times at the abuse management technology issues for the populations served by The Agencies. The many challenges associated with the current systems are evident not only to individuals within DHS, OHA and OTIS, but have been brought to the attention of the Agencies by external entities as well, most notably in the following instances:

- DHS Consultant Public Knowledge report dated 2005.
- McKinsey Study Recommendation dated 2008.
- Oregonian Article dated March 26, 2011.
- Adult Safety and Protection Team Report dated August 4, 2011.
- Resident Safety Review Council Report to Legislature dated February 2013.
- DHS Elder Abuse Prevention Audit (12-013).

3.3 The Opportunity

DHS and OHA share an imperative of keeping vulnerable adults safe by investigating allegations of abuse in a timely manner and remediating as needed. Implementing a centralized web-based data system to collect all reports of abuse; screen, refer and investigate those reports of abuse; and ensure all appropriate agencies/parties are notified of the investigation outcome directly supports DHS's commitment to "improve systems,

processes and culture to ensure that safety is our number one priority.”⁹ This will significantly improve DHS’ ability to achieve its mission to assist Oregonians in achieving safety, health and independence.

3.3.1 Alignment with 2014’s Oregon House Bill 4151 (HB4151)

Development of this system is in direct alignment with HB4151 which states “The Department of Human Services shall adopt policies and guidelines to plan for the development and standardization of resources and technologies” related to abuse of vulnerable adults age 65 and above or living in an DHS-licensed facility. The CAM Project will address HB4151 through the following capabilities:

- 1) Create a centralized system that standardizes data for the nine (9) population groups served by OTIS and its program partners called out in HB4151.
- 2) Create a centralized database of reports of abuse.
- 3) Provide storage of photographs for purposes of preserving evidence of the condition of the resident at the time of the investigation.
- 4) Create a centralized method of notice management (sending and receiving notices) to improve communications with law enforcement.
- 5) Create a centralized and standardized method of sending notices to health care licensing/certifying agencies.
- 6) Create a centralized and standardized method for the DHS Background Check Unit (BCU) to augment their background checks by viewing information in the new system for persons who present a risk of harm to another person.
- 7) Create a centralized and standardized method for DHS and OHA organizations that do not utilize the Background Check Unit (BCU) to view information in the new system for persons who present a risk of harm to another person.

3.3.2 Alignment with 2016’s Oregon Senate Bill 1515 (SB1515)

Development of this system is in direct alignment with SB1515. This Senate Bill specifies approximately 16 types of abuse related notices, some of which result in multiple notices depending on the situation. A robust notice management system will support generation, tracking, storage, management, and quality control of notices. The planned system’s flexibility will support screeners and investigators to comply with changing mandatory requirements more efficiently.

3.3.4 Alignment with the Strategic Technology Plan

The DHS/OHA Strategic Technology Plan (STP) includes a number of strategies that the Centralized Abuse Management Project will support.

The table below summarizes the various components of the STP that a centralized abuse system will satisfy.

⁹ Clyde Saiki, DHS Director’s email February 8, 2016.

Business Automation	• Work queues to improve work management at all levels in the organization. • Sophisticated searches to research abuse history. • Unification of processes and activities across programs by providing one tool to document reports of abuse, screening decisions, investigations, and notices. • Allow for easy transfer/referring out of reports of abuse between programs and program partners. • Reducing dependency on paper processes by allowing for electronic document storage and electronic notices. • Electronic document storage. • Reduce duplication of work. • Capture data once and reuse it. • Provide real-time, statewide, centralized data for reporting.
Comprehensive View of our Clients	• Supports the use of a master person record.
Enable Connectivity Anytime, Anywhere, in Multiple Ways	• Provide workers a real-time portal to perform their work anytime, anywhere, 24/7. • Provide the public a portal to report abuse anytime, anywhere, 24/7.
Trusted Source for Health & Human Service Data	• Reduce data duplication and entry into multiple systems using a single system for the Agencies for abuse management. • Trusted source for verified person data. • Trusted source for reports of abuse, screening decisions and abuse investigations. • Improve data access and sharing across programs. • Role based data access and security to improve data protection and compliance.
Dynamic Needs Supported by Seamless Technology Services	• Industry best practices and standards based modular architecture and design (e.g., Service Oriented Architecture (SOA), Enterprise Service Bus (ESB) etc.) to leverage existing functionality and expose functionality through web services. • Highly configurable platform that is responsive to evolving business needs. • Extensible platform allows for standard interfaces with other modern enterprise applications.

3.4 Project Objectives

High-Level Goals of the new system are to:

- 1) **Reduce abuse risk to vulnerable Oregonians and reduce liability abuse exposure for the State:** Improve DHS, OHA, and OTIS visibility into all cases for which they have oversight regardless of program, facility, population, policy, or location thus reducing risk to Oregonians, who may have otherwise fallen through the cracks. Provide a 360-degree view of a person so trends in victims and/or perpetrators can be found and uniquely

identified statewide across programs. Improve victim safety by improving communications between stakeholders¹⁰ including Oregon State health certification/licensing agencies.

- 2) **Increase abuse case investigations productivity and efficiency:** Increase staff productivity through improved processes that minimize duplication of data entry. Move away from the need for paper files to a new paperless system, which allows information sharing with the right people at the right time. Provide staff tools for proactive self-management of workload and outcomes by staff and management in local offices and each program's central office. Provide abuse reporters the ability to enter their allegations of abuse through the Internet.
- 3) **Support program variation and frequent changes:** Accommodate similarities and differences in programs and respond quickly to frequent legal and policy changes.
- 4) **Develop capacity for projected increases in abuse-related workload:** Improve the ability to handle and support the anticipated high volume of abuse allegations, referrals, investigations, notices, and related data over the next ten years.
- 5) **Identify and track abuse across a person's lifespan:** Identify abuse statewide across programs, connect abuse across the lifespan of a person regardless of their role in the incident (victim, perpetrator, witness etc.), and ensure that a client's history of abuse informs protective services.
- 6) **Implement a web based and easy-to-use technology system:** Implement a system that will: 1) Support and integrate the screening, investigation, review, reporting and notice processes regardless of the DHS/OHA program that is being administered and; 2) Function well regardless of the supported desktop browser technologies used by the state and their program partners (counties, AAAs, brokerages etc.).
- 7) **Produce standardized auditing and analysis information:** Standardize the collection of all abuse-related data for purposes of auditing, analysis, reporting and forecasting. This will be achieved through use of common terminology and definitions that will be determined through a cooperative effort of OTIS and its partners and aligned with developing national abuse data collection methodologies.
- 8) **Provide accurate data and reporting:** Create the ability to report on core data and metrics to provide effective services and measurable outcomes to program partners, and to assure that abuse investigations are being conducted effectively and prevention efforts are being targeted appropriately.
- 9) **Enable mobile technology:** Enable the use of mobile technology in the investigation process to improve efficiencies, especially related to safety and response times when investigators are in the field.

3.4.1 Key Benefits of the Centralized Abuse Management System

Key benefits of the new system include:

- Provides the Agencies with one comprehensive multi-program system for abuse management documentation and inquiries so that risk to the safety of Oregonians and liability to the State are reduced.
- Real-time, online documentation of initial reports of abuse and the resulting screening

¹⁰ See Business Case Supplemental Documents Package for a comprehensive list of key stakeholders.

decisions to ensure all reports of abuse that need investigation are screened in and the rationale and other steps taken (such as referring to others) can be supervised and monitored.

- Real-time, online documentation of all investigations including notices, and storage for that information in a centralized database so that the information is safe and accessible by local office staff and management, program Central Office, OTIS, and the DHS Background Check Unit.
- Increases productivity and efficiency through reduction in duplicate data entry and manual work.
- Improves decision making and preventive actions because, over time there is one place to find a:
 - o Perpetrator and their history of abuse for one or more programs across the entire state of Oregon.
 - o Victim and their history of abuse for one or more programs across the entire state of Oregon.
 - o DHS-Licensed Facility and the history of abuse at that facility for one or more programs across the entire state of Oregon.
- Standardizes methods and data allowing for improved oversight and analysis.

Key functionality of the new system includes:

- Dashboards for workers that enhance their ability to self-manage their work within mandated response times.
- A business rules engine that allows for easy modifications by The Agencies for specific needs and new mandates.
- Evidence, photos, and other document attachments.
- Mailing address validation.
- Automated notice generation.
- Role based security.
- Single sign-on with Agency Active Directory.

4. High Level Requirements and Key Assumptions

Following is a brief overview of the high-level requirements and some key assumptions for this initiative.

4.1 High Level Requirements

Following are the most critical requirements for a centralized abused management solution:

Worker Dashboard: Provide screeners, investigators, supervisors, and reviewers dashboards listing incidents and investigations that can be filtered and sorted to fit their needs. For example: to filter by the incidents needing response today or to sort for the last incident that the worker updated.

Comprehensive Search: Provide users of the system sophisticated, comprehensive search, filter, and sort capability to assist in finding past victims, perpetrators and/or incidents. For example: searches for people across program by name and/or address and/or social security number.

Portals: for Screeners, Investigators, Supervisors and Reviewers. Provide screeners the ability to enter abuse complaints received by phone, email, or mail, update complaints, which could not be completed in a contiguous timeframe. Provide investigators the ability to enter and track required information for an investigation. Provide Supervisors and Reviewers the ability to review and comment on screening decisions and draft investigation reports.

Business Rules Maintenance: Provide System Administrator(s) the capability to maintain business rules separate from system code. For example: allow the System Administrator to update Oregon Administrative Rules and definitions viewed and selected by workers along with field selection values.

Interfaces: Integrate with the existing Master Client Index including inbound Interfaces from the Aspen provider database and a regularly scheduled data export to the DHS data warehouse and QMDB/Q2.

Data Warehouse: Provide a data warehouse for running queries, mandated reports, and performing data analysis without impacting performance of end users. Provide a full set of data for running extracts to be used by other systems such as QMDB for DHS.

Workload Management: Support for monitoring and projecting workload by worker, by program, by local office, and by program within an office. Support for assigning, pausing, and restarting work on individual and groups of reports of abuse and/or investigations.

Document Management: Support for capturing, storing, and retrieving images and other electronic documents related to reports of abuse and investigations. Support for scanning paper documents. Support for uploading of documents through the online abuse complaint and the worker portals. Support the use of template documents for communications.

Notice Management: Support for worker-driven and system-driven notices to Complainants, Perpetrators, Providers, Various Law Enforcement Agencies, Oregon State Health Occupation licensing/certifying/authorizing organizations, and referral partners. Support the use of templates for notices that can be sent via secure email, fax, and/or the United States Postal Service.

Reporting: Support for the creation of reports required for investigation reporting, protection and intervention process measures, and analysis of service equity in abuse investigations.

Identity and Access Management: Support for the integration with Active Directory for authenticating workers who are state employees or program partners such as Area Agency on

Aging staff and Counties who access the system on the behalf of a DHS program.

Data Security: Protection of data, whether at rest, in transmission, in display, or in reports consistent with federal, state and agency data privacy, security and retention laws, rules and policies.

Disaster Recovery: Ensuring that no data is lost is critical to the safety of our clients. The Recovery Point Objective (RPO) for this project is zero data loss in the event of a disaster. The Recovery Time Objective (RTO) is a maximum of 24 hours that the system can be unavailable in the event of a disaster or system problem.

4.2 Detailed Requirements

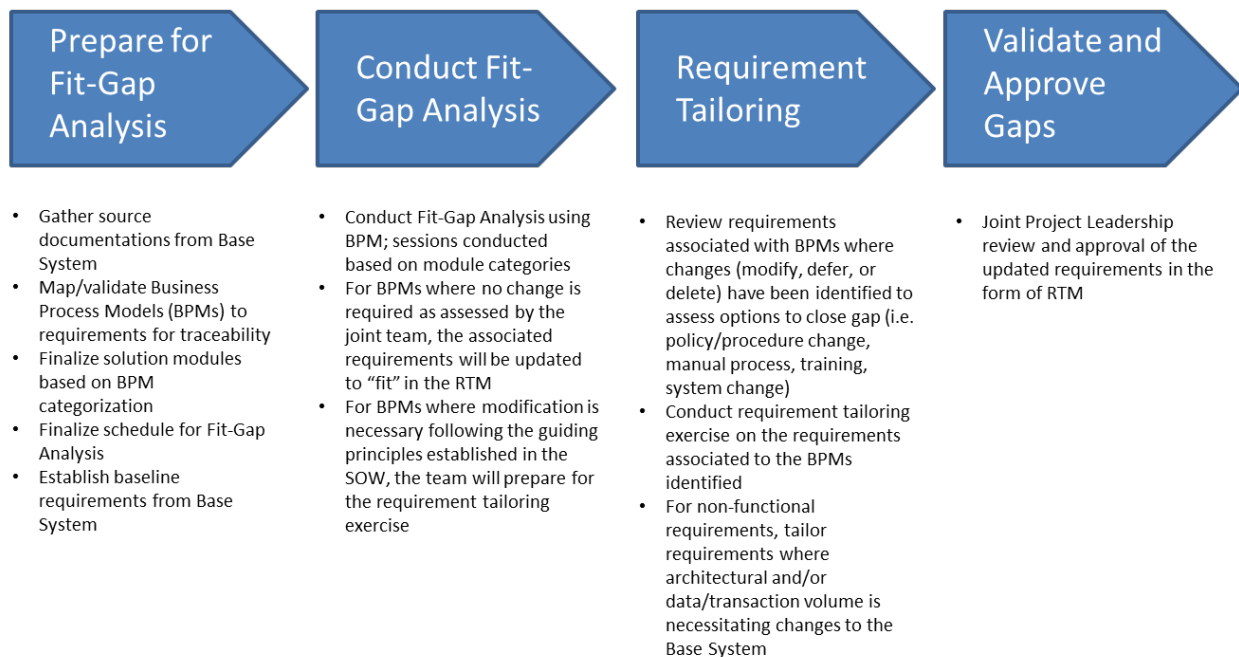
The project team developed both high-level business requirements and detailed business requirements. These two requirements documents will provide a Systems Integrator (SI) sufficient context regarding Oregon's business needs to respond to Oregon's planned Request for Proposal (RFP) for a SI. The selected SI's expertise will be leveraged to help refine Oregon's preliminary detailed business requirements, which will increase the probability of project success. Oregon will align requirements as closely as possible to Colorado's design while still addressing Oregon's unique, mission-critical business needs. The detailed business requirements will be reviewed with subject matter experts including DHS/OHA field staff to ensure they are complete and correct.

The Systems Integrator will use Oregon's detailed requirements to conduct a Fit-Gap Assessment with the potential solution to establish additional functional and technical design specifications. This approach leverages the proven model implemented in Colorado to guide Oregon's efforts.

4.3 Fit-Gap Analysis

Fit-Gap analysis will compare Oregon's rules, policies and procedures to the Colorado System and identify how the Colorado System meets respective functionality for Oregon out of the box. The goal of analysis is to identify how the Colorado Solution meets the respective needs of the Agencies. Gaps where system functionality is not present and cannot be resolved through a change to process or policy will be prioritized along with a defined approach to address them. This fit-gap effort identifies the gaps that will identify the need for process changes, software configuration changes and/or customizations required.

The following diagram describes the activities to be conducted during the Fit-Gap Analysis. This information is more fully documented in the planned RFP.



4.4 Assumptions and Constraints

The following constraints are factors in the Alternatives Analysis:

- Project funding was approved in SB5507A Enrolled comprised of:
 - o \$1,437,494 in General Funds (GF);
 - o \$3.3 million in Q Bonds;
 - o \$894,543 for Q Bond issuance and debt service.
- Core functionality for adult abuse report intake, screening and investigation must be implemented by June 30, 2017. The initial release of the Centralized Abuse Management solution will not automate all tasks, so duplicate data entry will not be resolved until Release 2.
- HB4151 requires Oregon have one central statewide solution for APS.

The following assumptions are factors in the Alternatives Analysis below:

- The Oregon Legislature, which approved dollars in SB5507A for this project, will unschedule funds to proceed with this project.
- Population growth is expected to average 10% per year for the populations served in this project.
- The solution will meet 80% or more of agency functional requirements and 90% of non-functional (technical and security) requirements.
- The solution must be easily adaptable to satisfy ongoing process and requirement changes such as those driven by HB4151 and SB1515.
- The selected alternative must support the DHS/OHA Strategic Technology Plan.
- Historic abuse information will be accessible to the DHS data warehouse sometime after the core system is implemented.
- The project will issue a competitive bid Request for Proposal (RFP) for a Systems Integrator (SI) to plan, design, implement and maintain the new system.
- Training will be provided by the System Integrator (SI) to OTIS Program area trainers who will then train staff statewide.

- Solution implementation and ongoing maintenance and operations will be provided by a 3rd party vendor with oversight from state employees.
- Risk tolerance for this project is moderate based on the timeline, volume of work, and funding available.
- The system can be used and supported in all required locations including but not limited to:
 - DHS and OHA programs, offices, county, and local partners.
 - DHS's Background Check Unit.
 - DHS's Public Relations Unit

5. Alternatives Analysis

5.1 Alternatives Identification

After a preliminary business case proposed development of a customized solution, the Agencies invested significant efforts to assess other alternatives to compare against custom development. A team comprised of program and technology members conducted in-depth market research. The market research included detailed interviews with 18 states to discover their abuse management solutions. This market research yielded two potentially viable solutions utilized by other states and two used in Oregon. The team did further in-depth analysis of capabilities of these four options against functional and technical requirements and conducted customer demos and on-site visits. Detailed information from the in-depth analysis and site visits can be found in the Business Case Supplemental Documents.

Information gained during customer demos and site visits eliminated some alternatives under early consideration identified from the project's initial market research including Commercial off the Shelf (COTS) solutions and transfer solutions used by other entities.

COTS solutions available in the marketplace such as Harmony, which could address Oregon's requirements primarily, accommodate only one program - Adult Protective Services. The relevant vendor supported COTS solutions require significant customization, including underlying architecture modification, to meet the Agencies' needs. A primary benefit of COTS solutions is that the licensing vendor provides regular regulatory and business functionality updates/upgrades to meet changing needs. The extent and complexity of Oregon's level of required modifications to a COTS negates those benefits, as each release would require re-customization for Oregon. The viable COTS solutions reviewed were only supported by the vendor that owns and licenses the software. In this situation, if the state were not satisfied with the licensing vendor, there would not be options to utilize an alternate vendor to support the system. Many states reported issues getting modifications made to their vendor-licensed software that involved many months of delay to get vendors to address their legal, regulatory and efficiency improvements. Oregon must be able to respond to effectively to the rapidly changing regulatory and business environment. This makes the use of the relevant COTS solutions high risk for Oregon.

Transfer solutions used by other states consist primarily of large, monolithic systems such as the Statewide Automated Child Welfare Information Systems (SACWIS), outdated home-grown state systems used for Adult Protective Services over the last 10-20+ years, or small County/AAA applications that cannot accommodate the number of statewide users required by the CAM Project. SACWIS systems have high implementation costs - \$50 million and up, with ongoing annual support costs of \$20 million or more. Abuse tracking and management is a small piece of functionality in the SACWIS systems. Removing this functionality represents significant expense, leaving it in makes modifications and maintenance cost prohibitive. The general architecture of SACWIS reviewed by the team is old and focuses on the family rather than the abused person. For these reasons, SACWIS transfer solutions were removed from consideration.

Smaller, custom developed solutions such as the Lane County (LCOG) solution were determined not to be viable options for Oregon to consider transferring as a starting point for its statewide solution as they lacked the scalability and functionality necessary to meet Oregon's functional and technical requirements. Most are built using MS Access or other software that is not designed to support the level security or the number of concurrent users that Oregon requires.

As part of Oregon's due diligence, alternate CRM solutions, including MS Dynamics were

considered at the request of the Agencies. MS Dynamics was a late emerging option brought forward after robust analysis of other solutions had already been completed. After consideration, the project team did not find MS Dynamics offered substantial capabilities beyond those in more thoroughly assessed alternatives and the cost model was not as viable as other options. Ultimately, The Agencies' Executive Leadership determined Salesforce to be the preferred CRM alternative over MS Dynamics as it enables Oregon to build upon existing foundational capabilities established by Colorado's adult protective services system.

The following alternatives emerged from the analysis completed by the project team and based off the recommendations of The Agencies' Executive Leadership.

1. Purchase a Software as a Service Solution; leverage another state's use of the SaaS.
2. Implement a Custom Build Solution.
3. Maintain the Status Quo.

Project analysis of these alternatives are as follows:

Alternative 1: Purchase Software as a Service Solution; leverage another state's use of that SaaS

Under this alternative, a SaaS CRM solution would be implemented, configured, and customized to meet the CAM Project's detailed requirements. This approach allows relatively quick design, build and implementation plus ongoing flexibility to meet the continuously changing business/regulatory environment at a reasonable cost.

Oregon investigated two CRM options – Microsoft Dynamics and Salesforce. While each of these CRM solutions have capabilities that can meet Oregon's needs; Salesforce is considered the front-runner option as it provides Oregon the opportunity to leverage Colorado's proven Adult Protective Services (CAPS) which was configured using the Salesforce SaaS solution and implemented in June 2015. The Colorado capabilities can be utilized by Oregon as foundational requirements reducing implementation time substantially. This strategy, in concert with procuring a SaaS and services of a Systems Integrator will help accelerate Oregon's implementation efforts, while reducing risk and shortening the implementation timeline. DHS and OHA Executive Leadership believe this synthesized approach represents the best fit for Oregon's needs. More details regarding Colorado's solution and the proposed implementation approach are outlined later in this document.

Alternative 2: Implement a Custom Build System

Under this alternative, the Agencies would design, develop, test, and deploy a custom solution built from the ground up for APS, HS, DD, CW, and OSH Centralized Abuse Management needs. This alternative would allow a tailor-made solution that would meet all the functional, technical and organization requirements. The costs to develop a custom system are substantially higher than procuring a SaaS solution and carry significantly higher risks and a much longer timeline to implement compared to Alternative 1.

Alternative 3: Maintain the Status Quo

Under this alternative Oregon would maintain the current status quo with disparate, disconnected systems and highly manual processes and there would be no additional investment in abuse tracking system automation. Improvements to current processes would be limited to those that arise naturally through the Agencies' continuous improvement program. The Agencies would continue with ineffective, disconnected automated and manual systems, which are difficult to oversee and analyze. The centralized abuse tracking needs of HB 4151 would not be met.

The chart below outlines the estimated Total Cost of Ownership for alternatives:

TOTAL-COST-OF-OWNERSHIP-ANALYSIS¶
Comprehensive-Cost-Model-for-all-Scenarios¶

¶	¶	Project-and-Implementation¶	Operations, -Maintenance, Ongoing-Support¶	¶
Personal-Services¶	Salaries-&-Benefits¶	¶	• → State-Perm-Staff¶ • → State-Temp-Staff¶ • → State-LD-Staff¶	¶
Services-&-Supplies-&¶	State-Data-Center¶	¶	• → Consulting-Services¶ • → Hosting¶ • → Storage¶ • → Network¶	¶
	Software¶	• → Software-Purchase-/Upgraded¶	• → Software-License-Maintenance¶	¶
	Hardware¶	• → Hardware-Purchase-/Upgraded¶	• → Hardware-Ongoing-Maintenance¶	¶
	IT-Professional-Services¶	• → Project-Devel/Implementation¶	• → Project-Devel/Implementation¶	¶

5.1.1 Alternative 1 – Implement a Software as a Service Solution and leverage another state's proven capabilities with that SaaS

Cost

The total cost of implementing and supporting this alternative and operating it the proposed solution starting July 2016 through June 2023 is estimated to be ~\$8.4 million. (See details of this estimate in Appendix A.) Compared to the Custom Build alternative, this alternative minimizes costs of Fit-Gap analysis, design, configuration, customization, testing, training, and rollout by using a Customer Relationship Management platform based on the successful Colorado APS abuse management solution. This alternative requires a per-person and/or per device Salesforce licensing cost over the life of the solution.

Alternative 1 - Salesforce CRM					
Totals include FY 2016-17 through FY 2022-23					
		Through Dec 2017 Project and Implementation	Jan 2018 through June 2023 Operations, Maintenance, Ongoing Support	Total	%
Personal Services	Salaries & Benefits	\$1,554,538	\$80,303	\$1,634,840	19.4%
Services & Supplies & Capital Outlay	State Data Center	\$0	\$0	\$0	0.0%
	Software	\$1,157,814	\$3,089,932	\$4,247,746	50.5%
	Hardware	\$20,000	\$0	\$20,000	0.2%
	IT Professional Services	\$1,479,500	\$614,499	\$2,093,999	24.9%
	Contingency	\$421,185	\$0	\$421,185	5.0%
	Total	\$4,633,037	\$3,784,733	\$8,417,770	
	%	55.0%	45.0%		100.0%

Benefits

Alternative 1 supports the functional and non-functional requirements associated with Centralized Abuse Management for the Agencies. The system will implement much faster, with lower risk and less cost than building a custom solution. This is demonstrated Colorado, who implemented their initial release of the Salesforce SaaS within 6 months. Colorado's current system provides a proven APS model for Oregon to leverage as a starting point for the centralized abuse

management solution. Oregon's plan is to pursue procurement of Salesforce as the SaaS as its capabilities and the ability to leverage Colorado's requirements will accelerate Oregon's initiative.

Salesforce provides an easy-to-use capability for the business to administer templates, list values, and perform ad hoc reporting. This SaaS allows for program-specific uniqueness through configuration of program specific data integrity rules. Configuration capability of Salesforce will allow program variations when necessary and the ability to make frequent changes quickly to accommodate the rapidly changing regulatory environment. Configuration supports the use of templates and rules for distribution of notices making it easier to generate and distribute notices. Salesforce has interface/integration tools, which will quickly and easily interface the new system with legacy extracts and systems such as the Agencies' provider information and client master index.

All reports of abuse, response times and screening decisions will be entered in real-time into the system. Reporters of abuse will be able to submit their reports on-line via the Internet. Screeners, investigators, and others with a need to know will be able to research past screenings and investigations (including historical system investigation data created prior to implementation) to assess if ongoing or past reports of abuse and investigation outcomes play a role in the current situation. Screeners, investigators, supervisors, reviewers, and others will have dashboards to assist them in managing their work/workload. All data about an investigation will be kept online rather than in field office files making management, oversight and prevention planning more effective.

In "Magic Quadrant for the CRM Customer Engagement Center" May 2016, Gartner reports Salesforce to be the leader in both their Ability to Execute and Completeness of Vision for their CRM.¹¹ They also said that Salesforce "appeared as the leading vendor on shortlists for Business to Business (B2B) customer service and support solutions seen by Gartner six times as often as the nearest rival." "Salesforce's enormous influence in the market has attracted a global list of key system integrators and over 600 complementary software providers."

Risks

The top risks of this alternative are:

- 1) Implementing an enterprise information technology solution within a relatively short timeline that spans multiple programs and agencies located across the state.
- 2) Significant policy and procedure changes will be required for the Agencies as more standardization is put in place.
- 3) Integration may be more difficult between Salesforce and legacy systems than anticipated.
- 4) Acquisition of funding to ensure reductions in manual work arounds and duplicate data entry beyond the 2015-17 biennium may be a challenge.
- 5) System will need to adhere to security requirements for Level 3 data. Project will need to ensure that all these requirements are met utilizing a SaaS solution.
- 6) This alternative is dependent on the acquisition of the code/configuration of Colorado's system.

¹¹ Critical capabilities and features included: "Case management/problem/service resolution (and control of customer master data); A knowledge management solution; a full customer self-service suite, with support for Web and mobile channels; Real-time decision-making and predictive analytics support for agents; an adaptive business rule engine; Enterprise feedback management."

5.1.2 Alternative 2 – Implement a Custom Build Solution

Cost

The total cost of implementing this alternative and operating it through June 2023 is estimated to be ~\$17 million. (See Appendix A for details.) This alternative incurs the full cost of analysis, design, development, testing, training, and rollout. The cost is unknown for Enterprise Technology Services/State Data Center (ETS/SDC) to develop and implement a process to ensure no data loss in the event of a disaster or event causing the production server/system to go down. This alternative will typically require only server-based software and developer tool licensing as opposed to user or end user device licensing costs.

Alternative 2 - Build

Totals include FY 2016-17 through FY 2022-23

		Through June 2019 Project and Implementation	July 2019 through June 2023 Operations, Maintenance, Ongoing Support	Total	%
Personal Services	Salaries & Benefits	\$3,326,881	\$258,998	\$3,585,879	21.2%
Services & Supplies & Capital Outlay	State Data Center	\$139,056	\$86,400	\$225,456	1.3%
	Software	\$70,000	\$10,000	\$80,000	0.5%
	Hardware	\$20,000	\$0	\$20,000	0.1%
	IT Professional Services	\$5,056,789	\$4,052,172	\$9,108,961	53.7%
	Contingency	\$1,722,545	\$0	\$1,722,545	10.2%
	Indirect	\$1,550,291	\$661,135	\$2,211,426	13%
	Total	\$11,885,562	\$5,068,705	\$16,954,267	
	%	70.1%	29.9%		100.0%

Benefits

This alternative could achieve all the Agencies functional, technical, and organizational requirements.

Risks

The top risks of Alternative 2 - Build are:

- 1) Implementing an enterprise information technology solution that spans multiple programs and agencies located across the state in a longer timeframe than suits the State's sense of urgency. This alternative is estimated to be designed and implemented in a 2 ¼ to 2 ½ year timeline.
- 2) Significant policy and procedure changes will be required for the Agencies as more standardization is put in place.
- 3) Availability of funding at the level required to support completion of the project.
- 4) Creation of a new ETS/SDC custom process/design/implementation to ensure there would not be any loss of data during a disaster or event causing the production server/system to go down. This is not a proven ETS/SDC capability for non-mainframe applications so the costs to establish are unknown and the desired results could take longer than expected.
- 5) Setup disaster recovery for zero data loss with an outside vendor, then test for potential cut over to should a disaster occur at ETS/SDC.

5.1.3 Alternative 3 – Maintain the Status Quo

Cost

Maintaining the status quo and not implementing an integrated solution will cause DHS and OHA to incur additional expenses over time. That estimated total cost through June 2023 is approximately ~\$5.2 million (see Appendix A for details). This additional cost will be driven by increasing workloads due to aging populations and increased regulatory requirements leading to the need to add more staff to manage the demand in the field and meet key performance measure goals.

Alternative 3 - Do Nothing

		Through Dec 2017 Project and Implementation	Jan 2018 through June 2023 Operations, Maintenance, Ongoing Support	Total	%
Personal Services	Salaries & Benefits	\$1,047,589	\$4,136,675	\$5,184,264	100.0%
Services & Supplies & Capital Outlay	State Data Center	\$0	\$0	\$0	0.0%
	Software	\$0	\$0	\$0	0.0%
	Hardware	\$0	\$0	\$0	0.0%
	IT Professional Services	\$0	\$0	\$0	0.0%
	Total	\$1,047,589	\$4,136,675	\$5,184,264	
%		20.2%	79.8%		100.0%

Benefits

There is no up-front investment required to continue maintaining the status quo.

Risks

The top risks of Alternative 4 – Maintain the Status Quo are the continuation of current state risks:

- 1) Safety risks to Oregonians that are reported as abused. The reports of abuse may be hand written (if documented at all) and stored in paper/personal computer files in 140 or more locations across the state. This fragmentation of data makes it difficult to oversee the quality of screening decisions regarding reports of abuse and hence leaves Oregonians at risk.
- 2) Safety risks to Oregonians when an alleged or substantiated perpetrator applies for certification, licensing or authorization from an Oregon state, DHS or OHA organization. Communications from investigators to the certification, licensing and authorization organizations are inconsistent so the certification, licensing or authorization organization may not be aware they are approving an alleged or substantiated perpetrator.
- 3) Safety risks to Oregonians when an alleged or substantiated perpetrator requests employment from a DHS, OHA, and program partner or provider organization. Communications from investigators to the Background Check Unit (BCU) are inconsistent across all the programs and program partners so BCU may not be aware they are approving an alleged or substantiated perpetrator to work with Oregonians.
- 4) Risks that field staff are unable to effectively manage their own workload and for staff/management to prevent cases from being lost or potentially left unresolved due to

insufficient tools for tracking work.

- 5) Risk of increasing field staff frustration as they spend more time on duplicate data entry, manual creation, and distribution of notices instead of performing actual investigations because both population sizes and requirements for additional notices increase the workload.
- 6) Risk of expensive lawsuits resulting from the risks to Oregonians.

5.2 Cost Comparison

The Oregon Legislature has approved the use of ~\$1.4 million in General Funds and ~\$3.3 million in Q Bonds (plus issuance and debt service) to be used during the 2015-17 biennium.

The following Table summarizes the cost information from the preceding section.

Table 3 – Cost Summary

Alternative	Cost
Alternative 1 – SaaS	~\$ 8.4 Million
Alternative 2 – Build	~\$17.0 Million
Alternative 3 – Maintain the Status Quo	~\$ 5.2 Million

5.3 Benefit Comparison

The following table summarizes the benefits information from the preceding section.

Benefit Area	Alternative 1 Salesforce	Alternative 2 Build	Alternative 3 Status Quo
Comprehensive multi-program system	Good	Good	n/a
Proven Model	In Colorado	No	Yes
Meets functional and non-functional requirements	Good	Good	Poor
Speed to implement	Fast	Slow	n/a
Speed to integrate with legacy data	Fast-Moderate	Moderate	n/a
Up-front investment	Low	High	n/a
Maintenance & operations investment	Medium	Medium	n/a
End user ad hoc reporting	Easy	Somewhat Difficult	Very Difficult
Supports DHS/OHA Strategic Technology Plan	Yes	Yes	No
Reduce risk to Oregonians & liability for State	Good	Good	Poor
Increase productivity and efficiency	Good	Good	Declines over time as expectations increase
Support program variation & frequent changes	Good	Average	Poor
Support growing workload	Good	Good	Poor
Identify & track abuse across lifespan	Good	Good	Poor
Identify & track abuse at facilities	Good	Good	Poor
Produce standardized info for audit and analysis	Good	Good	Poor
Web-based & easy-to-use	Good	Good	Poor

Benefit Area	Alternative 1 Salesforce	Alternative 2 Build	Alternative 3 Status Quo
Supports HB4151	Good	Good	Poor
Supports SB1515	Good	Average	Poor
Decommissions Systems	COIN, LCOG CTS, OTIS Abuse Database, SERT, Web723	COIN, LCOG CTS, OTIS Abuse Database, SERT, Web723	None

5.4 Risk Comparison

Below is a high-level risk comparison table. Please see “CAM Project Risk Assessment – Stage Gate 2” for a more detailed description of the principal risks facing the project.

Risk Area	Alternative 1 Salesforce	Alternative 2 Build	Alternative 3 Status Quo
Technology	Low	High	Medium
Policy	Low	Medium	High
Operational	Low-Medium	High	High
People	Medium	Medium	High
Overall	Low-Medium	High	High

Each of the active alternatives has the risks associated with multi-Program (enterprise) information technology projects involving complex state program and partner relationships.

- Alternative 1 (SaaS) is the least risky because it leverages Colorado’s APS system built using Salesforce and utilizes a platform which allows for rapid configuration and customization as needed.
- Alternative 2 (Build) is a larger project with inherently higher risks than Alternative 1. Risk is driven in part by the significantly longer duration and the higher demand over that duration on Program participation than Alternative 1.
- Alternative 3 (Status Quo) has the highest risk of all the alternatives. It continues the current state where statewide centralized oversight is very difficult, and workers continue with paper files and severely inadequate or no application system to support their needs.

6. Conclusions and Recommendations

6.1 Conclusions

Both Alternative 1 and 2 would address the opportunity described in Section 3.2 above and they fulfill the objectives listed in Section 3.3. The cost to implement Alternative 1 is less than half of Alternative 2 with significantly lower risks and a much shorter implementation timeline.

Table 4 – Cost, Benefits, Risks Summary

	Project Cost	Project Benefits	Overall Risk
Alternative 1 SaaS	~\$ 8.4 Million	All requirements, quick to implement	Low - Medium
Alternative 2 Build	~\$17.0 Million	All requirements	High
Alternative 3 Status Quo	~\$ 5.2 Million		High

6.2 Recommended Action and Schedule

The Agencies recommend Alternative 1 – Purchase Software as a Service Solution; leverage another state's use of that SaaS. This approach will procure Salesforce, a SaaS CRM solution and leverage Colorado's APS solution's capabilities as the basis for Oregon's solution. Colorado's solution is built on the Salesforce platform.

To support this approach, the state will need to ensure that security standards adhere to Oregon's SaaS Cloud Policy requirements and the terms and conditions contract will reflect those standards.

The recommended approach is significantly lower risk and approximately half the cost of Alternative 2 – Build, while still providing equivalent benefits.

The recommended alternative aligns well with the DHS/OHA Strategic Technology Plan including progress in pursuit of automating workflows, decision-making, and business rules while reducing manual, paper-based processes. It moves the state closer to the "360-degree view of a person" goal.

DHS requests Stage Gate 2 approval. Stage gate and legislative approval was received by DHS in 2014 for project initiation. In 2015, DHS received approval for additional research on solutions currently in use by other States for abuse management. DHS plans to seek approval to move to the detailed project planning phase (Stage Gate 3) to procure the Systems Integrator for implementation of the selected SaaS.

Funding for this initiative is provided by the legislatively approved use of ~\$1.4 million in General Funds and ~\$3.3 million in Q Bonds (plus issuance and debt service) to be used during the 2015-17 biennium. DHS is pursuing several funding options to close the financing gap between currently earmarked funds and the total expected cost. These include 1) Obtaining grant funding through ACL12; 2) Obtaining approval for a Policy Option Package (POP) for future

¹² APD has applied for but not received approval for grant funding. The US Department of Health and Human Services (HHS) Administration for Community Learning (ACL) released a Funding Opportunity Announcement for grants to states to strengthen their Adult Protective Services (APS) systems statewide. Due date for applications is 05/31/2016 and APD intends (pending approval) to

enhancements and to also cover the first two years of licensing for maintenance and operations of the new system.

The table below reflects the high level proposed project schedule for Alternative 1 – a SaaS including the reuse of Colorado's Salesforce code set and functionality. If Alternative #1 is approved, all core requirements are planned to implement by December 2017.

Table 5 – Tentative Project Schedule

The following chart lays out a preliminary schedule for the project. A more detailed project schedule will be prepared during the project planning phase and the project schedule will require re-baselining after the Fit/Gap Analysis. The chart is duplicated in Appendix B, where it is more legible.

Centralized Abuse Management Project Preliminary Schedule																							
(Revised 10/24/2016)		2016						2017															
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				
Project Management																							
QA Oversight																							
Stage Gate 2 Submission																							
Stage Gate 2 Review/Approval																							
Prepare Stage Gate 3 Docs																							
Stage Gate 3 Submission																							
Stage Gate 3 Review & Approval																							
RFP/Contract SI Vendor																							
Establish Project Team																							
Finalize Requirements																							
Fit-Gap Analysis																							
Refine Project Plan																							
Release 1 Design																							
Release 1 Development																							
Release 1 S/T																							
Release 1 UAT																							
Release 1 Training and Rollout																							
Plan Ops & Maintenance																							
Release 2 Finalize Requirements																							
Release 2 Fit Gap Analysis																							
Release 2 Design																							
Release 2 Development																							
Release 2 S/T																							
Release 2 UAT																							
End to End Regression																							
Release 2 Training & Rollout																							
Update Ops & Maintenance																							
Warranty																							
Prepare Stage Gate 4																							
Review & Approve Gate 4																							
Project Close																							

6.3 Consequences of Failure to Act

Given the current degree of manual processing and the projected growth in work, failure to act will result in continued poor program performance regarding key performance measures including timeliness of screening decisions and response times for investigations. Doing nothing will continue to grow the problems that impact the safety of Oregonians, including: 1) Workloads of screeners and investigators in the field; 2) Communications between investigators and certifying, licensing and authorizing organizations; 3) Client and other interested party discontent, and; 4) The potential for new lawsuits.

Failure to act on this effort means that the eventual satisfaction of the needs of the Programs and OTIS will come at higher risk to Oregonians and liability to the State.

apply for the full amount of this grant to support the costs of this project. This grant opportunity is for approximately \$412,000 over two years.

7. Business Case Checklist

7.1 Checklist for the Completed Business Case

- ☒ Has the case clearly defined what the case is about, the purpose for the proposed solution, what business problems the proposed solution attempts to solve, and the scope of the proposal?
- ☒ Has the cash flow, the flow expenditures, and the intake of financial benefits been presented over a common time period for the case, for each alternative action considered (including the “status quo”/current state alternative).
- ☒ Are the assumptions and methods for assessing the proposal’s impacts clearly defined, understandable, and acceptable? Do not forget risk impacts!
- ☒ Does the business case include the non-financial costs and benefits?
- ☒ Are the factors critical to the success of the proposal clearly defined?
- ☒ Are there critical success factors that can be managed? Is there a risk analysis that identifies and measures the relevant risks to the proposal?
- ☒ Are recommendations and conclusions based on a clear comparison of alternatives in terms of contributions to business objectives, problems solved, financial outcomes, and risks?
- ☒ Does the case clearly identify the estimated timeframes, costs, and implementation strategy required to successfully deliver the recommended solution?
- ☒ Does the case clearly express to consequences of failure to act on the recommended alternative?

8. Appendixes and References

8.1 Appendix A Cost Worksheets

8.1.1 Cost Worksheet for Alternative 1 – Salesforce

PROPOSAL CASH FLOW

Discount Rate: 3%

	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	TOTAL
BENEFITS / GAINS								
Notification/Distribution	\$0	\$97,430	\$198,756	\$202,732	\$206,786	\$210,922	\$215,140	\$1,131,766
Duplicate Data Entry	\$0	\$211,066	\$430,574	\$439,186	\$447,969	\$456,929	\$466,067	\$2,451,791
Reporting	\$0	\$26,830	\$54,734	\$55,828	\$56,945	\$58,084	\$59,246	\$311,667
System Limitations	\$0	\$10,413	\$21,243	\$21,668	\$22,102	\$22,544	\$22,995	\$120,965
TOTAL BENEFITS/GAIN	\$0	\$345,739	\$705,308	\$719,414	\$733,802	\$748,478	\$763,448	\$4,016,189

Personal Services Costs (Salaries & Benefits)

Perm Employees

Total Personal Service Costs	(\$893,125)	(\$693,174)	(\$9,143)	(\$9,417)	(\$9,700)	(\$9,991)	(\$10,290)	(\$1,634,840)

Services & Supplies/Capital Outlay Costs

State Data Center Costs

None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Software Costs

Licensing (\$900/full user/year x 429 Users)	(\$386,100)	(\$393,822)	(\$401,698)	(\$409,732)	(\$417,927)	(\$426,286)	(\$434,811)	(\$2,870,377)
Licensing (\$450 /casual user/year x 288 Users)	(\$129,600)	(\$132,192)	(\$134,836)	(\$137,533)	(\$140,283)	(\$143,089)	(\$145,951)	(\$963,483)
Administrator Licenses (5 ea. at \$1000/yr.)	(\$5,000)	(\$5,100)	(\$5,202)	(\$5,306)	(\$5,412)	(\$5,520)	(\$5,631)	(\$37,171)
Middlew are for Integration (1 @50K)	(\$50,000)	(\$51,000)	(\$52,020)	(\$53,060)	(\$54,122)	(\$55,204)	(\$56,308)	(\$371,714)
Miscellaneous Softw are for 10 computers	(\$2,500)	(\$2,500)	\$0	\$0	\$0	\$0	\$0	(\$5,000)

Hardware Costs

10 computers @ \$2000 each	(\$20,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$20,000)

IT Professional Services

SI Consulting Services	(\$570,000)	(\$380,000)	\$0	\$0	\$0	\$0	\$0	(\$950,000)
SI Consulting Services - Ongoing Maint. & Support	\$0	(\$95,000)	(\$97,850)	(\$100,786)	(\$103,809)	(\$106,923)	(\$110,131)	(\$614,499)
QA Consulting Services	(\$353,000)	(\$176,500)	\$0	\$0	\$0	\$0	\$0	(\$529,500)
Contingency Cost @ 10%	(\$240,933)	(\$180,253)	\$0	\$0	\$0	\$0	\$0	(\$421,186)

TOTAL COSTS	(\$2,650,258)	(\$2,109,541)	(\$700,749)	(\$715,834)	(\$731,253)	(\$747,013)	(\$763,122)	(\$8,417,770)

Accumulated Total Costs	(\$2,650,258)	(\$4,759,799)	(\$5,460,548)	(\$6,176,382)	(\$6,907,635)	(\$7,654,648)	(\$8,417,770)	(\$8,417,770)

Cash Flow Summary

Benefits/Gains	\$0	\$345,739	\$705,308	\$719,414	\$733,802	\$748,478	\$763,448	\$4,016,189
Costs	(\$2,650,258)	(\$2,109,541)	(\$700,749)	(\$715,834)	(\$731,253)	(\$747,013)	(\$763,122)	(\$8,417,770)
Net Cash Flow	(\$2,650,258)	(\$1,763,802)	\$4,559	\$3,580	\$2,549	\$1,465	\$325	(\$4,401,581)
Cumulative Net Cash Flow	(\$2,650,258)	(\$4,414,059)	(\$4,409,501)	(\$4,405,921)	(\$4,403,372)	(\$4,401,906)	(\$4,401,581)	(\$4,401,581)

8.1.2 Cost Worksheet for Alternative 2 – Build

ALTERNATE PROPOSAL CASH FLOW

Discount Rate: 3%

	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	TOTAL
BENEFITS / GAINS								
Notification/Distribution	\$0	\$0	\$194,859	\$198,756	\$202,732	\$206,786	\$210,922	\$1,014,055
Duplicate Data Entry	\$0	\$0	\$422,132	\$430,574	\$439,186	\$447,969	\$456,929	\$2,196,790
Reporting	\$0	\$0	\$53,661	\$54,734	\$55,828	\$56,945	\$58,084	\$279,251
System Limitations	\$0	\$0	\$20,827	\$21,243	\$21,668	\$22,102	\$22,544	\$108,384
TOTAL BENEFITS/GAIN	\$0	\$0	\$691,478	\$705,308	\$719,414	\$733,802	\$748,478	\$3,598,480

Personal Services Costs (Salaries & Benefits) Perm Employees

Total Personal Service Costs	\$ (1,200,121)	\$ (1,214,536)	\$ (912,224)	\$ (63,234)	\$ (64,244)	\$ (65,255)	\$ (66,265)	(3,585,879)

Services & Supplies/Capital Outlay Costs

State Data Center Costs

Consulting Services: 5 servers @ \$2,500 ea	(\$7,500)	(\$2,500)	(\$5,000)	\$0	\$0	\$0	\$0	(\$15,000)
Consulting Services for Disaster Recovery	\$0	\$0	(\$77,256)	\$0	\$0	\$0	\$0	(\$77,256)
Hosting: \$300/month per server	(\$10,800)	(\$14,400)	(\$21,600)	(\$21,600)	(\$21,600)	(\$21,600)	(\$21,600)	(\$133,200)
Network	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Software Costs

SW Purchase/Upgrade - Development Tools	(\$50,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$50,000)
SW License Maintenance (10% during Impl and half that after)	(\$5,000)	(\$5,000)	(\$5,000)	(\$2,500)	(\$2,500)	(\$2,500)	(\$2,500)	(\$25,000)
Miscellaneous Softw are for 10 computers	(\$5,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,000)

Hardware Costs

10 computers @ \$2000 each	(\$20,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$20,000)

IT Professional Services

SI Consulting Services	(\$1,128,250)	(\$1,974,099)	(\$483,691)	\$0	\$0	\$0	\$0	(\$3,586,039)
SI Consulting Services - Ongoing Maint. Support	\$0	\$0	\$0	(\$358,604)	(\$369,362)	(\$369,362)	(\$369,362.05)	(\$1,466,690)
Independent Quality Assurance	(\$353,000)	(\$353,000)	(\$264,750)	\$0	\$0	\$0	\$0	(\$970,750)
3rd Party for Disaster Recovery Services Build*	\$0	\$0	(\$200,000)	\$0	\$0	\$0	\$0	(\$200,000)
Disaster Recovery Services (\$50,000 per mo.)	\$0	\$0	(\$300,000)	(\$618,000)	(\$636,540)	(\$655,636.20)	(\$675,305)	(\$2,885,481)
Contingency @ 20%	(\$555,934)	(\$712,707)	(\$453,904)	\$0	\$0	\$0	\$0	(\$1,722,545)
Indirect Costs (15%)	(\$500,341)	(\$641,436)	(\$408,514)	(\$159,591)	(\$164,137)	(\$167,153)	(\$170,255)	(\$2,211,426)

TOTAL COSTS	(\$3,835,946)	(\$4,917,678)	(\$3,131,938)	(\$1,223,529)	(\$1,258,383)	(\$1,281,506)	(\$1,305,287)	(\$16,954,267)

Cash Flow Summary

Benefits/Gains	\$0	\$0	\$691,478	\$705,308	\$719,414	\$733,802	\$748,478	\$3,598,480
Costs (w/Indirect)	(\$3,835,946)	(\$4,917,678)	(\$3,131,938)	(\$1,223,529)	(\$1,258,383)	(\$1,281,506)	(\$1,305,287)	(\$16,954,267)
Net Cash Flow	(\$3,835,946)	(\$4,917,678)	(\$2,440,460)	(\$518,221)	(\$538,970)	(\$547,704)	(\$556,809)	(\$13,355,787)
Cumulative Net Cash Flow	(\$3,835,946)	(\$8,753,624)	(\$11,194,084)	(\$11,712,305)	(\$12,251,275)	(\$12,798,978)	(\$13,355,787)	(\$13,355,787)

8.1.3 Cost Worksheet for Alternative 3 – Maintain the Status Quo

	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	Grand Total
COST OF INEFFENCIES								
Notification/Distribution	\$194,859	\$200,705	\$204,719	\$208,813	\$212,990	\$217,250	\$221,595	\$1,460,930
Duplicate Data Entry	\$422,132	\$434,796	\$443,491	\$452,361	\$461,409	\$470,637	\$480,049	\$3,164,875
Reporting	\$53,661	\$55,270	\$56,376	\$57,503	\$58,653	\$59,826	\$61,023	\$402,312
System Limitations	\$20,827	\$21,452	\$21,881	\$22,318	\$22,765	\$23,220	\$23,684	\$156,147
TOTAL COSTS	\$691,478	\$712,223	\$726,467	\$740,996	\$755,816	\$770,933	\$786,351	\$5,184,264

8.2 Appendix B – Tentative Project Schedule

Centralized Abuse Management Project Preliminary Schedule																									
(Revised 10/24/2016)																									
		2016						2017																	
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec						
Project Management																									
QA Oversight																									
Stage Gate 2 Submission																									
Stage Gate 2 Review/Approval																									
Prepare Stage Gate 3 Docs																									
Stage Gate 3 Submission																									
Stage Gate 3 Review & Approval																									
RFP/Contract SI Vendor																									
Establish Project Team																									
Finalize Requirements																									
Fit-Gap Analysis																									
Refine Project Plan																									
Release 1 Design																									
Release 1 Development																									
Release 1 S/T																									
Release 1 UAT																									
Release 1 Training and Rollout																									
Plan Ops & Maintenance																									
Release 2 Finalize Requirements																									
Release 2 Fit Gap Analysis																									
Release 2 Design																									
Release 2 Development																									
Release 2 S/T																									
Release 2 UAT																									
End to End Regression																									
Release 2 Training & Rollout																									
Update Ops & Maintenance																									
Warranty																									
Prepare Stage Gate 4																									
Review & Approve Gate 4																									
Project Close																									

8.3 Appendix C – History and Future of the CAM Project

History of Project

Minimum Viable Product (Colorado Transfer Solution)

The original vision and contracted work was to use Colorado's solution with minimal alterations to provide a solution for APD and ODDs. In March 2017, the Executive Steering Committee approved a change to the underlying data model from a one to one relationship to a one to many relationship for victims in investigations and to associate Allegations/Abuse Types to victims and alleged perpetrators. The Contract value was increased by \$318,000 to \$1,875,200 through Amendment 1. The initial pilot date was moved to December of 2017 and the scheduled project closing date was extended from March of 2018 to August of 2018.

It was planned that this "Phase 1" product would be followed by a Phase 2 that met the needs of Mental Health. Child Welfare was removed from scope after a recognition the existing Child Welfare system was recognized as the system of record.

On June 16, 2017, Amendment 2 was executed allowing the DDI vendor to use off-shore resources from its parent company. The Contract value remained unchanged.

Build 2 for Go-Live

We quickly learned that the project team had not been adequately resourced for the size and complexity of the project, with shortages identified for full-time business subject matter experts, business analysts, and test leads.

In addition, the initial approach of using only high-level requirements resulted in insufficient deliverables and discrepancies between what the Vendor was delivering and what the State ultimately wanted.

The project also experienced a resource turn-over during this time with the departure of the Senior Project Manager, Project Director, and Business Transition Analyst. The project team had little visibility into the system until Build 2 was delivered in August, and it soon became clear that the system was missing key security features, key functionality did not work as expected, and very little progress had been made on organizational change management deliverables, due to the Vendor's relative inexperience in this area. In September 2017, The Executive Steering Committee decided a full re-boot of the project was required.

Build 3 and 3.1 for APD

A new (interim) Project Director was brought in and empowered to hire additional resources and solicit more participation by business partners. The project began a reassessment of the requirements in October of 2017.

In February of 2018 ODDS decided to delay implementation of the system for the ODDS program providing additional time for the program to work with their CDDP and Brokerage partners to prepare for the implementation of the system. This allowed APD to proceed with a greater focus on refining requirements and organizational change management activities.

In April 2018 the schedule was re-baselined, calling for an initial Pilot in July followed by a set of enhancements based on the resulting learnings (called 3.1) and three additional rollouts to different regions in October, November, and December of 2018. Contract Amendment 3 was

executed to support the enhancements and schedule. The Contract value was increased by \$1,123,800 to \$2,999,000.

On July 3, 2018 Contract Amendment 4 was executed. This amendment revised contract terms and conditions (UAT, Stabilization and Acceptance), included a definition for minor system enhancements (refinements), added language to the Statement of Work to clarify Agency expectations and additional deliverables to accurately reflect contractor support requirements during system implementation. The Contract value was increased by \$443,600 to \$3,442,600.

Pilot for APD started in July 2018 and the subsequent roll-outs to complete statewide implementation in October, November, and December completed as scheduled. Feedback from the roll-outs was positive and the APD implementation has been very positive.

Builds 3.2 APD and 4 ODDS & MH

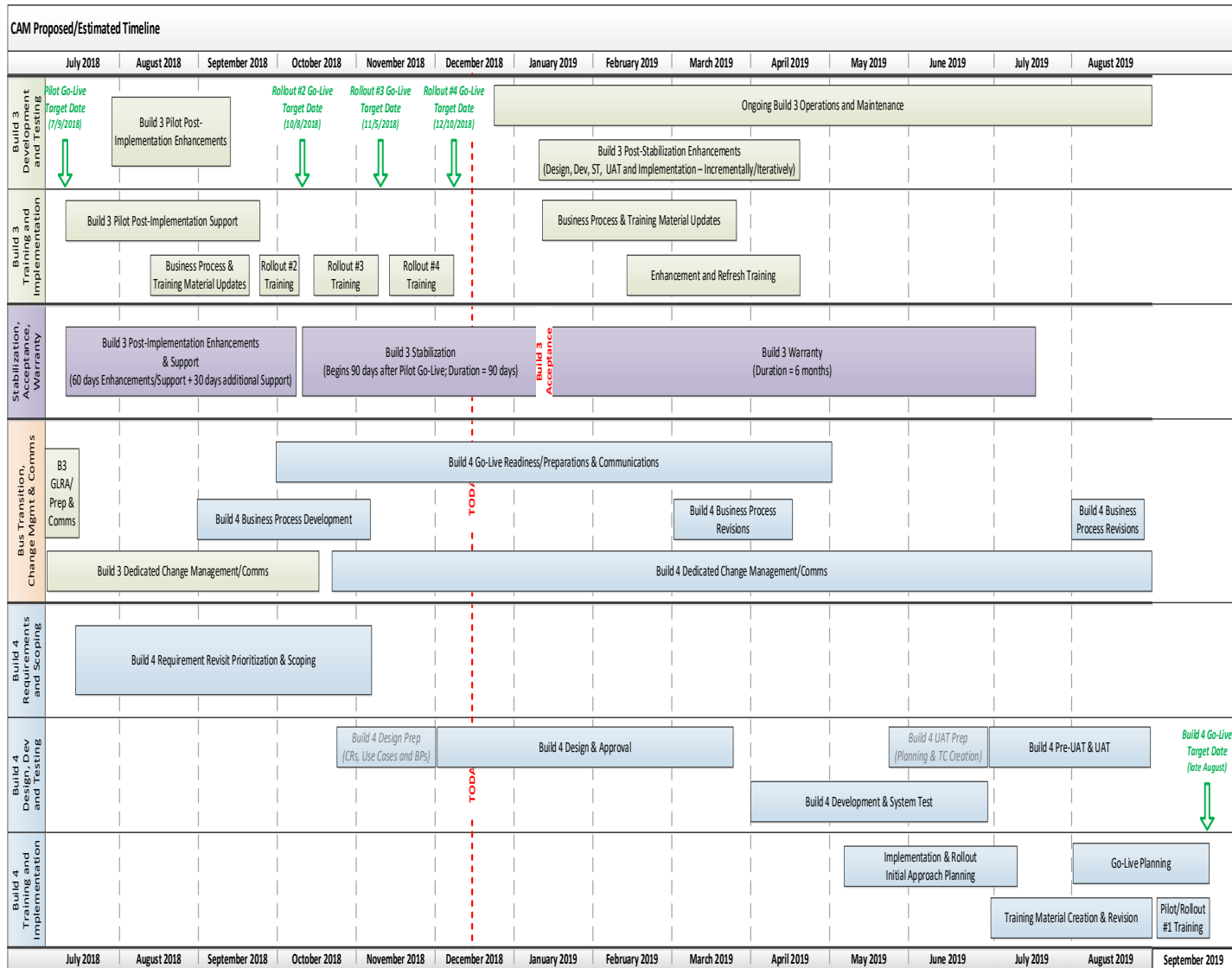
On September 10, 2018, the Executive Steering Committee approved the schedule for Build 3.2 for APD enhancements and Build 4 for functionality for ODDS and MH implementation. Build 3.2 enhancements are scheduled for the first quarter of 2019 and Build 4 Pilot in September 2019. Like the APD implementation, three subsequent roll-outs for statewide implementation are planned for January, February, and March of 2019 with project close out in the 2nd quarter of 2019.

On November 16, 2018, the ESC approved a new baseline budget which included full funding for Amendment 5, additional Covendis resources, and O&M for the 2017-19 biennium. On November 30, 2018, contract Amendment 5 was executed. The contract value was increased by \$2,853,400 to \$6,296,000. To support O&M in the 2019-21 biennium, a POP was developed and approved.

Key functionality intended for Build 4 includes

- Serious Incidents (SERT replacement)
- Death Review
- Role and Profile changes for DD/MH
- Intake/Investigation changes for DD/MH
- Support for Mental Health requirements

New Baseline Schedule



Re-Baseline History

Reason for Change	Planning End Date	Go Live / Implementation Date	Project Closing End Date	Scope Change	Budget Change	Baseline Change Approval Date	Baseline Approved By
Original Baseline – Phase 1 Planning	N/A	N/A	N/A	N/A	\$500,000	N/A	N/A
Extended Phase I to include site visits.	N/A	N/A	N/A	No change	\$397,642 of \$4,737,494 allocated		ESC
Expansion of project to include procurement, design, development,	N/A	Projected 1 st release, 06/30/2017	N/A	Expansion of project to include procurement, design,	No change	04/11/2016	ESC

Reason for Change	Planning End Date	Go Live / Implementation Date	Project Closing End Date	Scope Change	Budget Change	Baseline Change Approval Date	Baseline Approved By
and implementation of solution.		2 nd release, 02/31/2017		development, and implementation of solution.			
Schedule and budget rebaseline to support agreements made in contract negotiations.	2/24/2017	Phase I Pilot: 06/15/2017 Rollout 2: 09/15/2017 Rollout 3: 10/15/2017 Rollout 4: 11/15/2017	03/30/2018	Phase I Limited to APD and ODDS programs. Limited to Colorado transfer functionality and necessary changes to work for Oregon.	No Change	01/25/2017	ESC
Budget to add funds from BCU grant	N/A	N/A	N/A	N/A	Add \$1,000,000 to budget for a total of \$5,737,494	05/15/2017	ESC
Schedule and budget to support Oregon specific data model	N/A	Phase I Pilot: 12/4/2017 Rollout 2: 03/2018 Rollout 3: 04/2018 Rollout 4: 05/2018	08/31/2018	N/A	N/A	05/26/2017	ESC
Conformance with budget management decisions and POP approval.	N/A	N/A	N/A	N/A	Added 20% allocation and 10% contingency to projected cost. Added federal grant and POP 102 funding for a total approved budget of \$7,640,088.	07/18/2017	ESC
An additional requirements, design, and development cycle, Build 3, was added to address missed functionality and include time to restructure the project to place more rigor around requirements and design as well as filling vacant roles.		07/09/2018 APD only	06/30/2019	The overall scope remained the same. Instead of rolling out all 3 programs at the same time, the decision was made to start roll-out to APD first with a subsequent roll-out to ODDS and Mental Health in 2019.	No change	04/09/2018	ESC
Builds 3.2 and 4 schedules proposed (aka Option 4)		1Q and 3Q 2019 ODDS and MH	6/30/2020	No change	No change	9/10/2018	ESC
Funding for Amendment 5 and O&M for 2017-19 biennium		No change	No change	No change	Added \$3,859,912 GF for a total	11/16/18	ESC

Reason for Change	Planning End Date	Go Live / Implementation Date	Project Closing End Date	Scope Change	Budget Change	Baseline Change Approval Date	Baseline Approved By
					of \$11,500,000		

Department of Human Services IT Related Projects/Initiatives														
Program Area	Agency	Project Name	Project Description	Estimated Start Date	Estimated End Date	Project cost to date	Estimated 19-21 Costs	All biennia total project cost	Base or POP	Project Phase: I=Initiation P=Planning E=Execution C=Close-out	If Continuing project - has it been rebaselined for either cost, scope or schedule? Y/N - If Y, how many times	Purpose L=Lifecycle Replacement; U=Upgrade existing system; N=New System	What Program or line of business does the project support	Comments
Aging and People with Disabilities	DHS	Provider Time Capture (PTC)	Enable DHS/OHA time capture system for HCW and PSW. Implement a shared time capture solution for the APD and HSD programs for their Home Care Workers (HCW) to include time, attendance and travel. Bring DHS/OHA in compliance with the Department of Labor’s FSLA regarding employee record keeping and overtime. The Department of Human Services (DHS) and Oregon Health Authority (OHA) in-home care programs have a need for a system that will increase program integrity and comply with the federal 21st Century CURES Act for Electronic Visit Verification System and the U.S. Department of Labor (U.S. DOL) Fair Labor Standards Act (FLSA). This will be done with the implementation of a time, attendance and payment system for the program’s Home Care Workers and Personal Support Workers (HCW/PSW). The drivers for this work include a need for: 1. Improved timeliness and accuracy of data 2. Improved compliance with federal, state, and bargaining requirements 3. Increased efficiency and internal controls 4. Decreased duplication of efforts across agencies 5. HCW/PSW to accurately and timely report services provided across programs 6. Decrease dependency on outdated legacy systems	1-Sep-14	31-Oct-21	\$ 5,814,185	\$ 6,904,104	\$ 15,189,980	Base	P	Y, 6	N	APD/HSD	Pop not approved. Estimated and projected costs will be updated after planning for project reboot is completed.
Vocational Rehabilitation	DHS	ORCA VR Alliance	Alliance Enterprises, the software vendor for the AWARE COTS case management system used by Vocational Rehabilitation (VR), is written to support the U.S. Department of Education Rehabilitation Services Administration (RSA) rules and reporting requirements, as well as the RSA and Americans with Disabilities Act (ADA) policy requirements. Since Vocational Rehabilitation (VR) implemented ORCA (the Oregon version of AWARE) in 1996, Alliance has been responsible for developing, maintaining, and enhancing the core AWARE coding that spans across 37 states, while OIS and VR have been responsible for developing, maintaining, and enhancing the Xtend code for ORCA. Multiple entities revising the same product at least 2 times per year for approximately 20 years has resulted in a variety of issues.VR is requesting an Alliance hosted SaaS to mitigate the issues.	21-Jun-18	29-Sep-19	\$ 83	\$ 250,003	\$ 1,000,000	Base	E	N	N	VR	Project formerly known as "VR Alliance Software as a Service SaaS"
Oregon Developmental and Disability Services	DHS	ODDs Case Management	ODDS is requesting a case management system to help manage and standardize information, to align to regulatory standards, and improve workflow. The result will allow ODDS to stay in compliance with federal regulations, and improve outcomes for individuals by creating efficiencies that will allow case managers to spend less time managing documents and more time serving individuals.	TBD	TBD	\$ -	\$ 3,462,592	TBD	Base	I	N	N	ODDS	POP not approved. Project queued to begin in late 2019 when business side resources and funding are available.
Aging and People with Disabilities	DHS	Effective Communication Accommodation Scheduling Tool	To improve and provide equitable services for people who identify as D/deaf, deaf-blind and Hard of Hearing, the Advocacy and Development Unit is pursuing a scheduling tool for communication accommodation requests.	1-Jul-19	30-Jun-20	\$ -	\$ 150,000	TBD	Base	I	Y, 1	N	APD	This project has been put on hold due to lack of business resources. It is still prioritized on the APD ISMC but no work is being done at the moment. Once resources can be replaced it will be in the initiation phase again.
Child Welfare	DHS	SACWIS to CCWIS	The Oregon Department of Human Services Child Welfare Program (Oregon DHS) will transition OR-Kids, its system of record, from a Statewide Automated Child Welfare Information System (SACWIS) to a Comprehensive Child Welfare Information System (CCWIS) designation pursuant to the CCWIS Final Rule at 1355.56 and 1355.52 (i)(1). Transition SACWIS system to CCWIS while undertaking a comprehensive effort to address issues related to compliance, enhance the application for end-users, and move toward modernization and modularity.	1-Mar-19	TBD	\$ -	TBD	TBD	Base	I	N	U	CW	
Office of Information Services	Enterprise	Host Explorer	Current enterprise PC desktop emulation software enabling connection to the mainframe is Open Text's Host Explorer 6.0 software. This software allows access to the mainframe and supports Transport Layer Security (TLS) 1.0 level encryption. Before the close of 2017, ETS will be upgrading the mainframe to TLS 1.2 level encryption. OHA/DHS need emulation software that can support this upgrade.	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Project queued to begin in late 2019 once the maintenance work is completed.
Health Systems Division	Enterprise	MMIS Medicaid Modularity Planning	This POP requests state funds to secure 90% federal financial participation funds to: align to CMS mandates for states to modularize their Medicaid portfolio. These funds will be used to define Oregon’s Medicaid Service Delivery strategic plan, assess other states modularization approaches, identify options for modular solutions, define certification requirements as required by CMS, and begin procurement activities to secure modular solution components.	1-Jan-17	TBD	\$ 128,529	\$ 415,802	\$ 3,468,003	POP	P	N	L	HSD	Planning phase only
Shared Background Check Unit	Enterprise	CRIMS	Replace the existing background check software with one approved by CMS and CJIS compliant. BCU is seeking approval and support to implement the NBCP BCS system. Implementation is inclusive of an interface to LEDS and data migration from CRIMS.	10-Aug-18	31-Dec-19	\$ 200,704	\$ 676,499	\$ 912,203	POP	I	N	N	BCU	
Shared	Enterprise	Integrated Eligibility (IE)	Quick, correct and efficient eligibility determinations for Medicaid (MAGI and Non-MAGI), SNAP, TANF, and Child Care. Extend the OregonEligibility (ONE) to include eligibility determination for the Non-Modified Adjusted Gross Income (Non-MAGI) Medicaid, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Employment Related Day Care (ERDC) programs. The system will include an on-line portal for applicants, better support for eligibility workers, and it will integrate with other Department of Human Services (DHS), Oregon Health Authority (OHA), and external systems.	1-Jul-15	30-Nov-20	\$ 108,605,026	\$ 177,512,265	\$ 385,840,367	POP	E	Y,3	U/N	SS/HSD	Project formerly known as "ONE Intergrated Eligibility & Medicaid Eligibility"
Shared	Enterprise	Office 365 Implementation	Implement Office 365 (Phase 1 Functionality) throughout OHA and DHS.	24-Apr-17	30-Aug-19	\$ 187,648	TBD	\$ 450,356	Base	I	Y	U	Shared	Project scheduled completion in 19-21 biennium.
Aging and People with Disabilities	Enterprise	Centralized Abuse Management (CAM)	Implementation of a Centralized Abuse Management System to allow OAAPI and its program partners to monitor abuse screenings and investigations occurring around the state in real time, provide critical and accurate abuse data and performance metrics to internal and external partners, connect the dots' statewide to protect vulnerable Oregonians and prevent abusers from moving from one system or region to another undetected, and protect DHS and OHA programs from the risk of abuse referrals or investigations 'falling through the cracks' or going unaddressed without detection.	1-Jul-15	31-Mar-20	\$ 6,289,970	\$ 2,574,007	\$ 13,530,447	POP	E	Y, 8	U	OTIS, APD, DD, HSD	Project schedule extended into 19-21 biennium

DHS/OHA

ONE IE & ME Project Business Case

Department of Human Services

Oregon Health Authority

ONE Integrated Eligibility & Medicaid Eligibility Project (ONE IE & ME)

Version Log

Version	Description	Author	Date
1.0	Initial Draft	Karl Olmstead	11/24/2015
1.1	Revised based on feedback from Ed Arabas	Karl Olmstead	12/15/2015
1.2	Revised Draft preparing for Stage Gate 3 Submission Incorporated changes from Sarah's review	Karl Olmstead	7/9/2016
1.3	Updated high-level requirements language. Finished M&O strategy section	Karl Olmstead	7/10/2016
1.4	Swapped in high-level requirements language to align with final SOW; expanded risk section and revised M&O strategy per SM	Karl Olmstead	7/12/2016
1.5	Added financial table attachment; revised cost numbers and narrative elsewhere; cleaned up for submission for QC review	Karl Olmstead	7/13/2016
1.6	Final edits; labeled final draft; awaiting final financial numbers only.	Sarah Miller	7/21/2016
2.0	Version for Stage Gate 3 Submission	Karl Olmstead	7/22/2016
2.1	General updates from Wayne Haddad	Rick Schlachter	3/31/2017
2.2	Re-baseline updates	Rob Midtun	7/7/2017
2.3	Updates from PMO, IPD, and 2017 federal IAPDU submission.	Rob Midtun	8/2/2017
2.4	Updates from Management Team review	Rob Midtun	8/18/17
3.0	Updated to incorporate System Integrator Amendment #4 and Quality Assurance Amendment #3; Revalidates Stage Gate 3 Authorization	Tony Black	2/2/18

SIGN-OFF

Version	Role	Name	Comments	Date
3.0	Governance	Exec Steering Committee	Approvals via email	2/12/2018

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1 Business Case Executive Summary

1.1 Overview

The purpose of the Oregon Department of Human Services (DHS) OregONEligibility Integrated Eligibility & Medicaid Eligibility (ONE IE & ME) Project or, the “Project,” is to extend the Modified Adjusted Gross Income (MAGI) Medicaid enrollment and eligibility determination functionality to include Non-MAGI Medicaid, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Employment-Related Day Care (ERDC). Combining these disparate systems into a single, integrated solution, will create a seamless end-to-end service offering with multiple access methods for eligible enrollees. This new system will also provide checks and balances to ensure that Oregonians who qualify for benefits receive accurate and timely payments, and to ensure that those who don’t qualify for services do not receive benefits.

This business case update is intended to articulate changes in Project scope, schedule, and budget to inform the Project Team, governing bodies, stakeholders, and decision-makers of changes that deviate from prior versions of this document.

The last iteration of the Project schedule indicated completion of design, development, and implementation (DDI) on Non-MAGI Medicaid, SNAP, TANF, and ERDC in June 2019. This update describes an extension of this timeline to commence Pilot implementation in late August 2019. The Pilot implementation will be deployment of the new system to both Jackson and Josephine Counties, followed by a statewide roll-out in three waves that will be completed in late July 2020. This added duration of the Project was the combined result of extending System Integration Testing (SIT) from two months to five months, extending User Acceptance Testing from four months to six months, extending the Pilot phase from three months to five months, adding a one-month stabilization period after each of the three roll-out waves, and increasing the number of data conversion mock runs from three to five.

As many of the System Integrator (SI) Deliverables were shifted from the 17-19 biennium to the 19-21 biennium, the Project Team is estimating an ending balance for this biennium to be approximately \$30 million, with a Project spend of approximately \$165 million vice the budgeted \$195 million. The Project Team is estimating the need for \$144 million in the 19-21 biennium for data conversion, testing, and implementation, and an additional \$44 million for Maintenance and Operations (M&O) and enhancements after Project close.

With the expiration of the OMB A-87 cost allocation exception in December 2018, the Team is projecting the Federal portion of this \$188 million for the 19-21 biennium to be approximately \$134.8 million. If approved, the State funding will consist of approximately \$39.2 million in bond sales and approximately \$15.6 million General Fund.

1.2 Background

In January 2015, a project was initiated to modernize MAGI Medicaid eligibility determinations and enrollment. This was called OregONEligibility, or simply the “ONE” system. This system development was approached by utilizing code similar in desired functionality from the State of Kentucky, which they call *kynect*.

In June 2015 during the ONE system Design, Development, and Implementation (DDI), House Bill (HB) 2219 was signed into law. This bill directed DHS to convene a work group with staff

from human service agencies, including: The Housing and Community Services Department, the Oregon Health Authority, the Department of Education, the Employment Department, the Office of Child Care (inside the Early Learning Division), and the Higher Education Coordinating Commission, as well as, the State Chief Information Officer and other individuals who the department deemed necessary. The work group was to study how to create a consolidated application process for residents of the state to apply for and obtain assistance in accessing food, housing, medical care, education, employment services, child care and other social services. The work group was tasked with developing and submitting a recommendation to the Legislative Assembly by September 15, 2016.

In December 2015, the ONE system was placed into production. Also in December 2015, version 1.1 of this business case was submitted to the Office of the State CIO (OSCIO) and to the Legislative Fiscal Office (LFO). It was this version of the business case that received Stage Gate 2 endorsement to continue planning to extend the functionality of the ONE system to include Non-MAGI Medicaid, SNAP, TANF, and ERDC programs. A copy of business case v1.1 is attached as Appendix D.

In August 2016, an update to this business case, version 2.0, was submitted to the OSCIO and LFO, and was used to obtain Stage Gate 3 approval to commence execution of the new ONE IE & ME Project. Again, the software development methodology was to capitalize on additional code from the State of Kentucky they had used to assimilate similar programs. Kentucky called this integrated eligibility system *benefind*, which they have shared with the State of Oregon. A copy of business case v2.0 is attached as Appendix E.

Also in August 2016, the Project Team reported back to the Legislative Assembly on HB 2219 with recommendations including the development of a single application for financial eligibility for the Department of Human Services (DHS) and Oregon Health Authority (OHA) programs. Consolidating the application process for multiple programs among two large state agencies was an incremental step in the vision towards a single application for all health and human service programs. A copy of this report is attached as Appendix F.

In late 2016 and early 2017, the pace of the Project slowed while there were leadership changes at the Director level in both DHS and OHA, and with the Independent Project Director (IPD). In March 2017, a Memorandum of Understanding (MOU) was signed by Agency Directors and by the State CIO to jointly govern the Project as the Joint Governance Board (JGB). In May 2017, the Project Team received go-forward authorization from the Executive Steering Committee (ESC) and the JGB. It was soon thereafter that negotiations commenced to update SI and QA contracts. These Amendments are now complete (pending federal approval of the QA Amendment) and the Team has re-baselined the Project's scope, schedule, and budget accordingly. These Amendments effectively pushed the Production Pilot and roll-out to September 2019, completing implementation across the State in July 2020.

1.3 Problem Definition

This Project is about serving the most vulnerable of Oregonians in their times of need. Oregon, like most of the nation, has continued to work through the cyclical nature of recessions and budgetary uncertainty. Most of the financial benefits DHS and OHA provide to Oregonians is off-cycle. When the State is in a recession and budgets are tight, DHS and OHA often require more funding to provide safety net and stabilization services for Oregonians. This balancing can place strain on any system.

Oregon is also continuing to grow both in age and in the general population served. Since 2010, Oregon has experienced a 3% per year growth rate over the national average in the population over the age of 65. Oregon's total population has grown by 1.6%. Like previous years, the majority of this growth (88%) is coming from people moving or migrating to Oregon.

DHS and OHA have seen policy shifts with the implementation of MAGI Medicaid, Cover All Kids, and other program policy changes which continue to provide opportunities for more individuals to receive services. In parallel with this population growth, the complexity of the rules and those served continues to grow. DHS and OHA serves over a million Oregonians through Medicaid, which has multiple programs with different rules about how to determine income, what sources to use, what to include, what to look at, and when to look at it. Family dynamics continue to change, with more and more multi-generational family groups and cases where parents and children can be in multiple households and geographic locations.

DHS and OHA staff currently use multiple systems for eligibility determination for Medicaid, SNAP, TANF and ERDC benefits. Eligibility data are often duplicated within multiple, disparate systems and are not easily shared between these systems. As such, eligibility determinations are not made in a standardized and timely manner and, in some cases, an individual's data needs to be manually entered in more than one system. There are currently few checks and balances across systems to ensure those who are eligible for benefits receive them and, conversely, those who are not eligible don't receive benefits. Some of the systems were designed and implemented in the 1970s and early 1980s. Many have been repeatedly modified from their original format to address the vast number of eligibility, service authorization and payment changes that have occurred over the decades following initial release. Business process improvements have been stifled because of keeping these antiquated systems operational and in compliance with policy changes.

These factors lead to issues with accuracy and access. Oregonians today must go to multiple offices to apply for the same benefits. They provide verifications to multiple sources and are often confused about who needs what, who has shared what, and what their next steps are. While Oregon has continued to remain below the national average for errors in traditional Medicaid systems and the SNAP program, there have been increasing quality control issues causing public discussions on the accuracy of Medicaid determinations. The latter has been an issue of trying to coordinate between IT systems and various agencies to solve who is providing which services and where an individual is being served, causing issues around capitation and reimbursement.

Over the last two years, DHS leadership have heard from staff, advocates, and community members the words, "I don't know". This includes families in crisis looking for services, who cannot answer a question about who they are working with. They receive letters from multiple local offices and messaging from various systems, all directing them to either call, come in, or go on-line. This leaves Oregonians confused, unsure of benefits, afraid of failing or taking the necessary steps to become more self-reliant, or to leave an abusive situation because they don't know what is available, who to talk to, or where to go for help. Staff have also complained about having to say, "I don't know." During the roll-out of MAGI Medicaid, over 1,000 Oregonians a month would come into DHS offices to ask about their MAGI benefits. Some Workers couldn't see into the ONE system, and many of them had their access to MMIS removed because they were not considered a covered entity. This created a system where

workers would have to say, “I don’t know,” and place the Oregonian on hold for long periods of time, or needing to fax information to the branch processing MAGI Medicaid.

1.4 Opportunity Definition

The ONE system is currently being used to process eligibility determinations for MAGI Medicaid. Oregon has taken the opportunity to extend ONE for eligibility determinations of additional programs by utilizing updated code from the State of Kentucky called *benefind*. Additionally, the Office of Management and Budget (OMB) circular A-87 exception to cost allocation rules was extended by CMS from December 2015 to December 2018. This provides the State of Oregon the opportunity to provide enrollment and eligibility determination services with a single, integrated system utilizing enhanced federal funding for much of the Project cost.

	6-Year TCO			Funding Sources		
	DDI	M&O	Total	Federal	State GF	Bonds
15-17 Actuals	33.6	0.0	33.6	28.5	0.5	4.6
17-19 Projected Actuals	164.7	0.0	164.7	148.0	2.3	14.4
19-21 Budgeted	146.0	43.6	189.6	134.8	15.6	39.2
Total Project Cost	344.3	43.6	387.9	311.3	18.4	58.2

DHS and OHA serves over 1 million Oregonians through the Medicaid program. These agencies also serve over 308,000 kids, over 81,000 Children’s Health Insurance Program (CHIP) kids, over 20,000 Foster Medical kids, over 128,000 aged, blind, or disabled Oregonians through traditional Medicaid, and an additional 420,000 adults or parent-caretaker relatives through MAGI Medicaid. On top of this is an additional 41,000 Citizen/Alien-Waved Emergency Medical (CAWEM) individuals, and over 150,000 Oregonians receiving assistance with their Medicare through a Medicare Savings Program, including Dual Eligible individuals. Each of these systems are requiring more complex logic to determine what information to accept and when. This requires worker intervention at an increasing rate.

Beyond Medicaid, there is SNAP, TANF, and ERDC which serve approximately 400,000 Oregonians. In a calendar year, DHS and OHA will serve approximately 1.6 million Oregonians, with individuals coming on and off programs, processing around 2.1 million applications each year. Over 65% of these individuals are applying for multiple programs.

Applicants must apply to multiple offices with multiple workers through various channels, and must provide the same information over and over, which is then stored in different systems that don’t interoperate well. By integrating our systems and service delivery model, Oregon has an opportunity to coordinate benefits. These benefits are currently calculated manually. Workers take information and put it into various systems. There are over 30 Legacy systems needed to complete the work related to these programs, followed by manually determining which exclusions to apply, what benefits should be associated, what the outcome is, and what notices to be sent.

While Oregon has had relatively high accuracy rates in contrast to national averages, moving into a system with automated rules provides opportunities for DHS to work on standardization and coordination to limit the risks identified.

The greatest opportunity is that DHS will be able to better serve Oregonians. Any integration of systems is difficult but with the integration of enrollment and eligibility systems, there will exist standardized processes to apply for Medicaid, SNAP, TANF, and ERDC. Oregonians will be able to apply online or in an office, provide changes and updates from their homes, and see a single coordinated output of what benefits they are eligible for. They will be able to talk to workers who will be cross-trained on programs and able to view information from a single system for most of the financial eligibility benefits individuals are applying for. DHS and OHA will have an updated platform that can conform to federal and State expectations, and allow for opportunities over the next decade to increase automation and access for Oregonians in ways that cannot be offered today. Ultimately this solves the greatest problem and provides the greatest opportunity for eliminating an answer of, "I don't know." A single system, a coordinated approach to eligibility, and a stable platform of care for Oregonians that is about serving them in the way they want to be served, will allow us to focus on accurate and effective customer service for some of the most vulnerable Oregonians.

1.5 Alternatives Analysis

Both business case versions 1.1 and 2.0 explored the four Alternatives identified below:

1. Implement Non-MAGI Medicaid Eligibility Determination into the ONE System
2. Implement Integrated Eligibility Determination into the ONE System
3. Acquire External Eligibility Determination Services from another State
4. Do Nothing

Alternative #1 was originally estimated to cost \$80.3 million and conclude in December 2018. Additional costs would be incurred now because the *benefind* code would have to be reworked to eliminate the functionality associated with SNAP, TANF, and ERDC. There would be the loss of a significant investment already made in terms of fit-gap, design, development, and human resource to incorporate these additional programs into an integrated system.

Alternative #2 was selected in both cases and the Project Team proceeded accordingly. Given that this Project is now approximately 35% complete, with initial system design nearly complete, and with code development in progress, there is significant risk and cost associated with each option that deviates from the current course, or Alternative #2.

Alternative #3 is not a viable option as there are no service models across the nation that support Oregon acquiring services from another State.

Alternative #4 would require continued spending for Project shutdown activities and vendor contract resolution but the cost of system design and development would be stopped. This Alternative would likely prompt several federal audits that would jeopardize current program funding streams until complete. Oregon would likely be required to pay back federal funds expended to date. Overall, this is the least desirable Alternative of those identified.

1.6 Conclusions and Recommendations

Continuing with Alternative #2 DDI is the best option at this stage of the Project. It is supported by agency leadership and Project governance. Given the ONE system as a stable base to build from and the shared code from Kentucky (*benefind*), the methodology employed has been proven successful, using the ONE System as an example. With continued availability of enhanced federal funding, timing is right to offset significant Project cost (\$282.1 million federal funding of the estimated \$342.1 million total Project cost). The Project Team can now also manage the Project against a solid and actionable scope, schedule, and budget. Failure to act now on this opportunity would have significant adverse effects, such as:

- Service delivery would continue in the current model, meaning the same frustration with the system from end-users and clients would persist, as well as error rates and lack of checks and balances.
- There would be a loss of federal funding and it is likely audits would be triggered.
- There would be a loss of confidence in the State's ability to execute a modernization program.
- There would be damage to the reputation of the State of Oregon.
- There may be accompanying increases in operational costs because of lost federal funding and continuing to operate antiquated systems.
- There would be a loss of the investment already made in delivering intended functionality to Oregonians.

The Project Team is highly recommending continuation of Project execution in alignment with Alternative #2. Cost detail for this Alternative can be found in the Project Budget attached as Appendix C.

2 Background

2.1 Current State of DHS Eligibility Work

Most of the systems supporting DHS eligibility determination processes were designed and built in the 1970s and early 1980s. Many of these systems have been modified repeatedly to address the vast number of eligibility, service authorization, and payment rule and policy changes that have occurred since then.

2.2 MAGI Medicaid Eligibility Operations

2.2.1 Kentucky Transfer System (*kynect*)

In 2013, Kentucky's Cabinet for Health & Family Services (CHFS) embarked on an ambitious information technology (IT) modernization program to replace a collection of legacy systems that supported Health and Human Services programs. The cabinet's goal was to modernize IT solutions to improve delivery of services and increase worker productivity while maximizing the funding opportunities available from the Affordable Care Act and CMS 90/10 funding. The modernization program, called Kentucky Connect (*kynect*) included implementation of a state-based Health Insurance Market Place, an eligibility and enrollment system for MAGI Medicaid applicants, and several other enterprise IT capabilities. Kentucky will realize the following outcomes as a direct result of the modernization program:

- *Streamlined Field Operations*– Increased worker productivity, simplified process steps, reduced case processing cycle times, and reduction in total administrative costs of delivering benefits.
- *Transformed Service Delivery* – Transformed service delivery, providing multiple channels of access (walk-in, online, mail, call centers, fax, mobile, imaging, etc.), and interactive processing across geographic units.
- *Program Compliance and Monitoring of Fraud and Error* – Flexibility for worker performance while maintaining strict adherence to program mandated compliance through checkpoints and controls for measurement and proactive response.

As Oregon's designated Medicaid agency, OHA recently implemented a new system for MAGI Medicaid eligibility determinations. That system is called OregONEligibility, or ONE, and is the result of the State of Kentucky sharing the *kynect* code base with the State of Oregon. Originally built by Deloitte Consulting, *kynect* operated as the MAGI Medicaid eligibility determination system of record for more than a year before OHA signed an agreement with the Kentucky Cabinet for Health & Family Services to share their code and associated documentation with the State of Oregon. Oregon then performed a Fit-Gap analysis on Kentucky's code in relation to Oregon's needs. The transferred code was modified as necessary and is now operating as a production system in Oregon's State Data Center. The ONE system will be used by OHA to make approximately 900,000 individual MAGI Medicaid eligibility determinations and redeterminations each year.

OHA accepted the *kynect* production system as meeting the bulk of its business needs and therefore made very few technical changes to the system, instead focusing on making policy and process changes to its business wherever feasible to minimize the risk with the initial system implementation in Oregon.

2.2.2 Phased Implementation

OHA implemented the ONE system in phases. First, in December 2015, it enabled the Worker Portal for use by eligibility workers to determine MAGI Medicaid eligibility for applicants who apply by mail, fax, phone, or through the Federally Facilitated Marketplace (FFM) at Healthcare.gov.

In February 2016, it implemented a customer facing Applicant Portal, initially limiting access to certain community partners that help Oregonians with MAGI Medicaid benefits and to report changes. The Applicant Portal went live to all Oregonians in December 2016. The Applicant Portal allows Oregonians and community partner assistants to enter and update income, family composition, address and other eligibility-related information, upload documents, communicate with workers assigned to their cases, and participate in re-certification activities, all without having to fill out paper forms, visit a field office, or contact a call center. Over 850,000 Oregonians are now receiving benefits through the ONE system.

2.3 *kynect* becomes *benefind*

The Kentucky state-based marketplace preferred *kynect* to have the look and feel of searching for private insurance rather than state programs, so they developed a separate applicant portal for other human service programs and called it *benefind*. The *benefind* system code was also shared with the State of Oregon as the basis for extending eligibility and enrollment determinations to include Non-MAGI Medicaid, SNAP, TANF, and ERDC. See Appendix G for functionality included in the *kynect/benefit* system. Appendix H, comparing Oregon's needs to Kentucky's *benefind* system, was used to determine if there were enough similarities between the two state's programs to justify obtaining this code as a transfer solution and performing the subsequent Fit-Gap Analysis.

2.4 Non-MAGI Medicaid Eligibility Operations

DHS and AAA staff make more than 150,000 Non-MAGI Medicaid eligibility determinations every year. DHS and OHA's Forecast for the 2017-2019 Biennium estimates the following caseloads:

- Clients of Aged, Blind, and Disabled programs (84,533 cases as of December 2017)
- Clients of the Old Age Assistance program (44,418 cases as of December 2017)
- Clients of the Qualified Medicare Beneficiaries program (27,469 cases as of December 2017)
- Medicare Part A and Medicare Part B supplemental payments (103,461 cases as of December 2017)

Roughly half of those determinations are made by DHS staff in local offices of the department's Aging and People with Disabilities (APD) program. The remainder are made by Area Agency on Aging (AAA) staff in Marion, Polk, Yamhill, Tillamook, Clatsop, Multnomah, Lane, Linn, Lincoln and Benton counties. (Area Agencies on Aging are typically county-chartered organizations that provide assistance and services for people over the age of 65 and people with disabilities who need assistance. In the Oregon counties listed above, AAA deliver DHS's APD Medicaid program under contract with the department, including making initial and ongoing financial eligibility determinations.)

The Non-MAGI Medicaid eligibility caseload is projected to grow about nine percent over the next four years. Without any improved efficiency in making eligibility determinations, the added case load could require 25 or more eligibility workers at a cost of over \$2 million annually to be hired, trained, and deployed across the state to come into standard with the current workload model.

The process of taking applications, reviewing them, and making Non-MAGI Medicaid eligibility determinations is often expensive, slow, and error-prone. For example, recent measures of Non-MAGI Medicaid cases found workers spend an average of 28 minutes screening each application and taking another 110 minutes to make the eligibility determinations. This is for a case that doesn't take coordination. If the case has a connection to a MAGI or medical case, then there is an average of 5 touches back and forth between different workers before a decision to move forward is completed. After the coordination is completed there is, according to a program integrity review, at least a 15% chance that the change won't take effect because of system issues in attempting to integrate across multiple systems (ONE, IE, CM, ORKids, and MMIS).

2.5 Integrated Eligibility (SNAP, TANF, ERDC) Operations

DHS and AAA staff make approximately 130,000 SNAP eligibility determinations every year for APD program clients. (Those 130,000 households include roughly 155,000 individuals.)

Self-Sufficiency Program (SSP) staff make the remainder of the eligibility determinations for SNAP, and make eligibility determinations for the TANF and ERDC programs. The SSP caseload is approximately:

- SNAP: ~285,000 cases (~580,000 individuals)
- TANF: ~23,800 cases (62,800 individuals)
- ERDC: ~7,700 cases (23,545 individuals)

The Spring 2016 DHS/OHA Caseload Forecast predicts a decline in the average number of SNAP cases between the 2015-2017 biennium and the 2017-2019 biennium (from roughly 406,000 households to approximately 371,000 households). The proportion of SNAP cases that are managed in APD/AAA offices is expected to continue to grow. The forecast projects a decline in the number of TANF cases from roughly 23,500 to 20,600 over the same period.

Errors occur in these programs as well. Recent internal quality control review data for the SNAP program found that in a sample of cases where applicants were determined to be ineligible, that decision was inaccurate more than 19 percent of the time. In a sample of SNAP-eligible cases, the difference between the benefit amount awarded and the correct amount averaged a little less than 3 percent of the benefit amount. (Some errors were overpayments. Others were underpayments.) In the TANF program, the difference between the amount awarded and the correct amount exceeded 28 percent of the benefit amount.

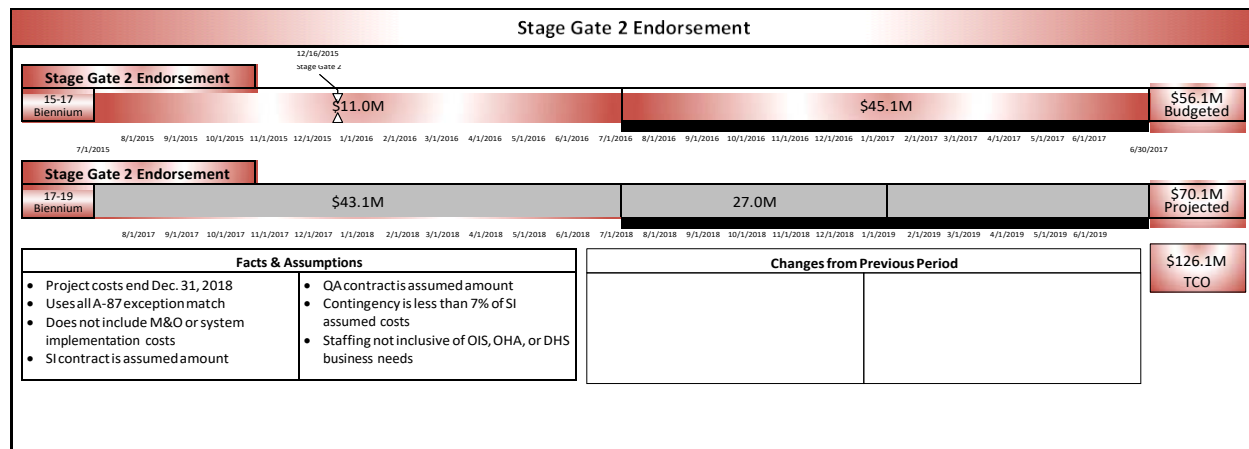
2.6 Schedule Changes Since Last Update

The project timeline has been updated from previous submissions. As Oregon explored work through the iterative design sessions, it became apparent that we needed a shift in our operational model. A decision was made to delegate all Medicaid eligibility determination work

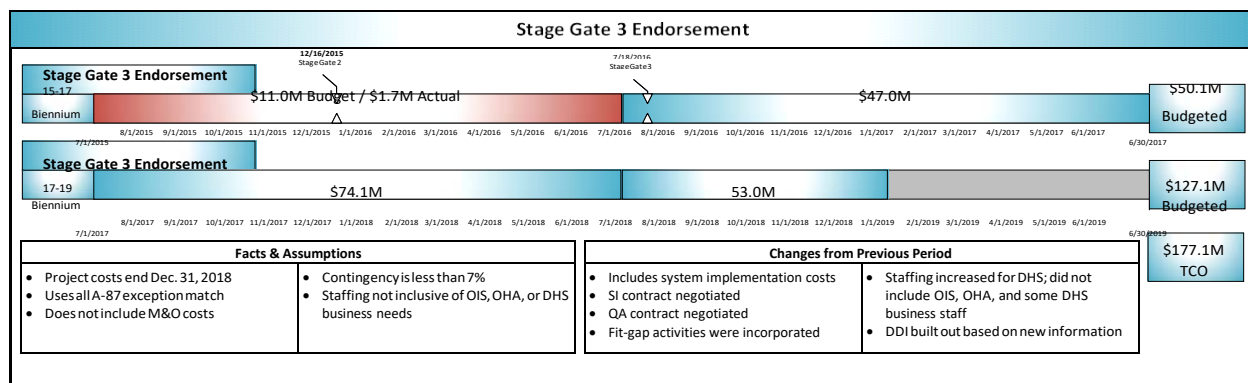
to DHS. As OHA and DHS further engaged with the design and explored opportunities and lessons learned from the initial ONE implementation and other States' experience, Oregon updated the schedule. Additional time for pilot, testing, and the wave roll-outs were added to the schedule. Oregon also contracted with Deloitte to assist with the Legacy Design work with the intent of insuring that Oregon's Office of Information Services (OIS) understands the total scope of work needed and to avoid issues that other States experienced with their projects. As this work continues, Oregon may adjust the Project schedule to ensure that we are accounting for all the opportunities we need to consider in ensuring a quality product is delivered and ultimate accountability to our federal partners and Oregonians is met.

2.7 Project Changes Since Initiation

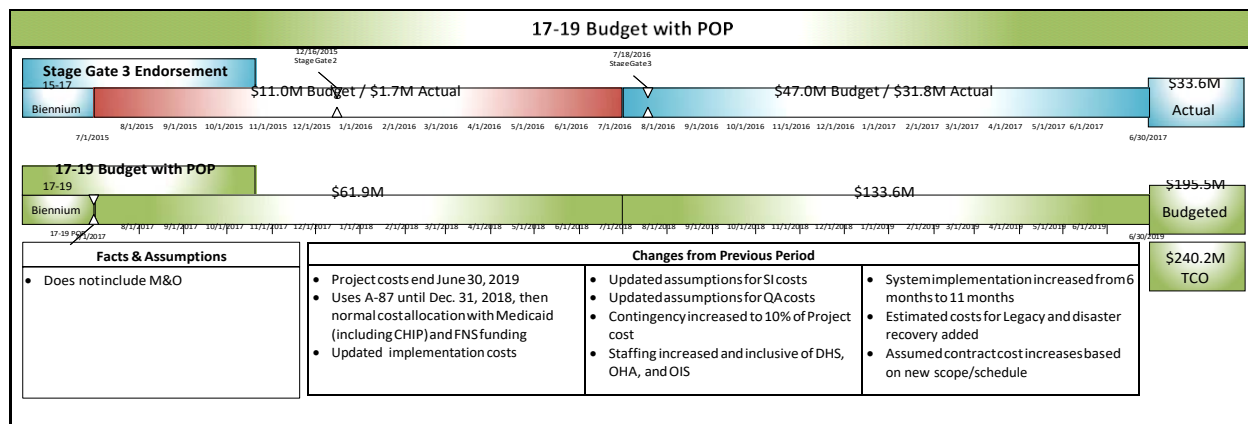
Business Case version 1.1, dated December 16, 2015, was utilized for Stage Gate 2 endorsement. As indicated in the graphic below, there was an estimated Project cost of \$126 million with a plan for product availability in December 2018. Product implementation and people readiness activities were not incorporated in this version.



Business Case version 2.0, dated July 18, 2016, was an update for Stage Gate 3 endorsement. The graphic below estimates Project cost to be \$177.1 million with a plan for implementation through December 2018. This plan refined SI and QA contract costs and incorporated fit/gap activities. In this estimate were increased staffing for DHS but did not include many needed OIS or business resources from OHA and some of DHS.

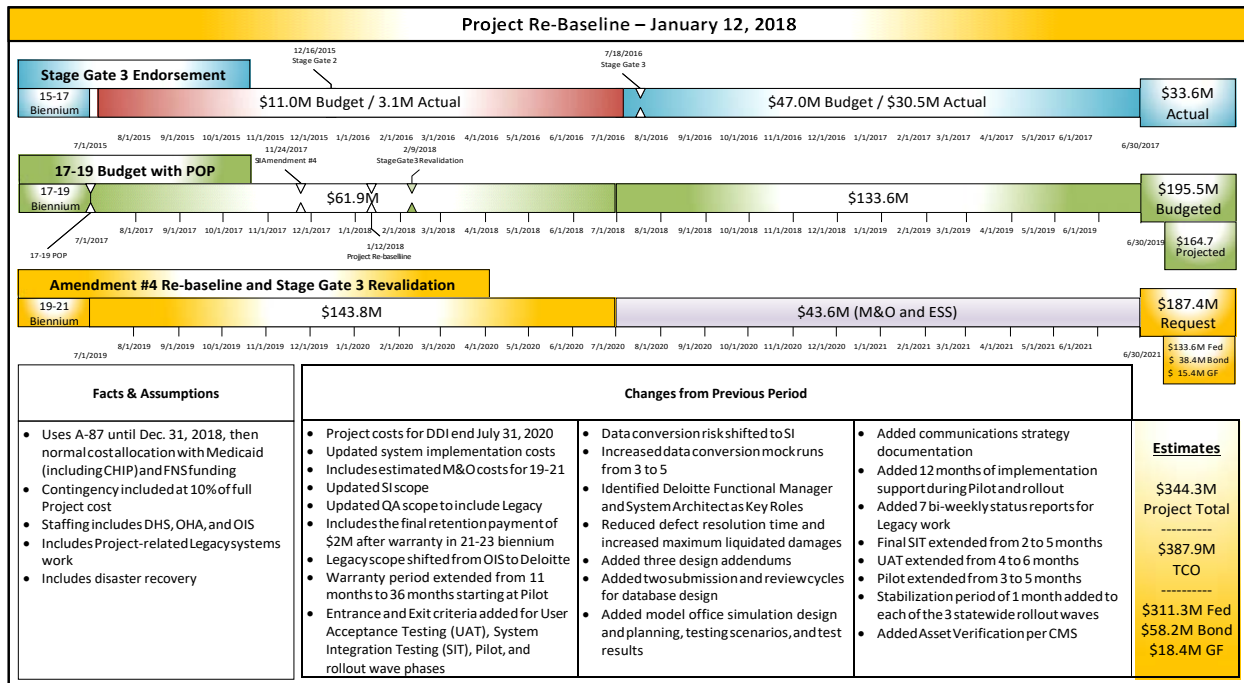


In the 17-19 budget development process, the Project Team received go-forward approval from Project governance after an impact analysis and risk assessment were conducted to validate the viability of a go-forward option. There was an additional \$63 million cost identified to extend the Project duration to June 2019, and to incorporate additional staffing needed for an implementation that was increased from 6 months to 11 months. Additionally, Legacy systems design and development were added for both the State and the SI, as well as funding needed for disaster recovery. The SI contract Amendment amount was approximated. Contingency funds were also added to the budget to reflect a 10% prudent person reserve. The total Project cost was estimated to be \$240.2 million with \$195 million needed for the 17-19 biennium.



The SI contract Amendment was completed in November 2017. The duration of the Project was again extended such that Pilot implementation will begin in September 2019, followed by 3 one-month waves of roll-out and one month stabilization period between each wave. This schedule indicates a complete state-wide deployment by the end of July 2020. There were also extensions of time by adding two extra data conversion mock runs (from 3 to 5), adding 3 design addendums, increasing final System Integration Testing (SIT) from 2 months to 5 months, Pilot implementation from 3 months to 5 months, and User Acceptance Testing (UAT) from 4 months to 6 months. Other additions to scope included the addition of Model office simulation design and planning, communications strategy documentation, updates to QA scope to include ONE/ESS and Legacy design and development, warranty period extension from 11

months to 36 months, and other items identified in the graphic below. These changes increased the Project cost from \$240.2 million to an estimated \$344.3 million, but with the schedule extension, some of the SI and QA deliverable costs were shifted from the 17-19 biennium to the 19-21 biennium. As such, the Project Team is estimating an ending balance of approximately \$30 million at the end of the 17-19 biennium. The 19-21 budget request will be further refined prior to the budget development process but acknowledges there will be funding needed to complete testing and implementation, as well as for Maintenance and Operations (M&O) and Enhancement Support Services (ESS).



3 Problems and Opportunity Definition

3.1 Problems

One of the most common complaints from both clients and workers is the lack of integration between and across DHS and OHA systems, resulting in the need for the same information to be provided and entered into multiple systems. Clients are frequently frustrated with having to provide the same demographic and financial information over and over when applying for different program benefits. Caseworkers are frustrated by the lack of client and case visibility across programs. That forces them to open many systems and juggle many views into those systems simultaneously as they interview clients and process cases. Oftentimes, they don't have access to systems or parts of systems that are needed to support clients effectively.

A good example of this is cases where a worker in an APD/AAA office evaluates a client's eligibility for medical assistance and SNAP and determines the client is SNAP-eligible only. This case will be referred from the APD/AAA office to an SSP office for ongoing case management. The information system used in the APD office (OregonAccess) does not have an interface to the system used in the SSP office (TRACS) so data must either be transferred with a cut-and-paste operation, re-entered from a paper application, or collected from the client again.

Case transfers in the opposite direction (from an SSP office to an APD or AAA office) are also problematic. Anecdotal reports include times where these transferred cases went unnoticed for three to six months. This problem should be resolved by integrating the systems such that handoffs to other agency processing centers is no longer required. Additionally, the new system is tasked based vice case based, meaning workers will monitor a queue that is shared by all. Other reports noted that the likelihood of fraud increases when a household is split between an SSP branch and an APD/AAA branch due to the absence of connections between the systems.

Similar, and often more complicated, coordination problems arise for clients of the Intellectual and Developmental Disabilities (IDD) program. The case managers who provide case coordination for long term care or support in the IDD program are predominantly employees of local county-run Community Developmental Disabilities Programs (CDDP) and Adult Support Service Brokerages. While these offices are under contract with DHS to provide case coordination for IDD services, they do not manage the Medicaid financial eligibility case for their clients. This leaves clients and their families in the position of having to contact and work with the APD or AAA branch closest to their home location. Because service cases are managed in multiple legacy systems, which differ from the systems in which the medical eligibility cases are managed, complex and time-consuming human intervention is required to assure both medical and long-term service benefits are maintained and managed correctly.

3.2 Opportunities

In an integrated solution, the problems described above no longer exist because caseworkers will enter client data once for all in-scope eligibility determinations and they will be cross-trained on these DHS and OHA eligibility-based systems such that clients do not need to be redirected to a different field office. There are other factors identified below that make now the right time to continue expanding the ONE system to include eligibility and enrollment functionality for Non-MAGI Medicaid, SNAP, TANF, and ERDC systems, at a minimum.

3.2.1 MAGI Medicaid Eligibility System

The ONE system has been in production since December 2015 and has undergone many enhancements and upgrades since that time. There is now opportunity to extend this system to align with the intended outcomes of the IE & ME Project. Examples include:

- Oregonians can set-up an account, apply for and receive real-time eligibility determinations for Medicaid (both MAGI and Non-MAGI), SNAP, TANF, and ERDC using a single application via the Applicant Portal
- Coordination of eligibility determination work between DHS and OHA for mixed households
- Electronic verification information sources minimize documentation that the client will be required to provide
- Operational reports that will allow for workload management across eligibility determination caseloads
- Single system for eligibility determination data for accurate reporting to federal partners
- Centralized and verified enrollment data available for Coordinated Care Organizations for MAGI & Non-MAGI clients
- Consistent high-quality data source for reporting CMS-mandated operational statistics
- Automating manual processes in order to:
 - o Reducing the elapsed time between completing an application and making an eligibility determination
 - o Reducing staff time spent creating, reviewing, and acting on each application
 - o Reducing error rates in making eligibility determinations

3.2.2 Federal Partnership

3.2.2.1 A-87 Cost Allocation Exception

On August 10, 2011, three federal agencies, CMS, FNS, and ACF announced a time-limited, specific exception to the cost allocation requirements set forth in Office of Management and Budget (OMB) Circular A-87 (Section C.3) and Section 200.405 of the superseding "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (2 CFR 200 issued December 19, 2014). These provisions generally require the costs associated with building shared state-based information technology systems to be allocated across all benefitting programs. The exception reflected a federal focus on streamlining enrollment and eligibility determinations in health and human services programs while leveraging funding efficiencies at the state-level.

3.2.2.2 Timeline Extension

The original timeline allowed human services programs to benefit from investments in the design and development of state eligibility-determination systems for state-operated Marketplaces, Medicaid, and the Children's Health Insurance Program (CHIP), through December 31, 2015. On July 20, 2015, the three agencies extended that timeline for an additional 3 years, through December 31, 2018.

The A-87 exception extension, along with an indefinite extension of enhanced Federal funding for Medicaid systems, will enable states to fund the initial development costs needed to retire their legacy eligibility determination systems and to integrate this functionality into new and improved systems. Moreover, the extension will provide states more time to develop, refine, or test integrated systems to fully comply with Affordable Care Act requirements.

In support of DHS' integrated ONE IE & ME Project, CMS will fund all system components necessary for Medicaid eligibility determinations, including those components that also serve other programs, at its 90/10 match rate. FNS will fund SNAP-only components at its 50/50 match rate, and ACF will allow the state to utilize TANF and ERDC funds to support the development of components that were confined to those programs. After December 2018, CMS will continue to fund Medicaid components at the 90/10 match rate but functionality benefitting all enrollment and eligibility determination programs will need to be allocated at 90/10 Medicaid and 50/50 for SNAP, TANF, and ERDC.

CMS and FNS approved federal fiscal year 2017 funding for project design and development work. The Project Team has regular monthly status reports and status meetings with these federal partners.

3.2.3 System Design

IE & ME Core Design, Conversion Design, and Legacy Design is approximately 90% complete with scheduled completion at the end of March 2018. There is now a greater understanding of system functionality, requirements, and outcomes.

3.2.4 Contract Amendments

3.2.4.1 System Integrator Contract Amendment #4 with Deloitte Consulting.

The SI Amendment #4 to Statement of Work (SOW) #2 for design, development, and implementation (DDI) of the ONE IE & ME system was crafted to capture changes that had been presented to the Legislature during the 17-19 biennium budget process in the form of a Policy Option Package (POP) that extended the duration of the Project and associated costs. This Amendment effectively shifted design scope of the larger and/or more complex Legacy systems from State staff to the SI. Additionally, this Amendment provided the following benefits:

- Contract language position improvements:
 - o Warranty Period extended from 11 months to 36 months starting at Pilot.
 - o Entrance and Exit criteria added for User Acceptance Testing (UAT), System Integration Testing (SIT), Pilot, and rollout wave phases.
 - o Data conversion risk reduction:
 - If the data conversion approach fails to deliver results in accordance with the design or the mock run targets, then the SI will bear its own costs relating to revisions in the data conversion design and the data conversion source code.
 - Increased the number of data conversion mock runs from three to five.
 - Resolved differing opinions regarding the scope of the SI's data conversion extraction and transformation services for Other Related Individuals.
 - o Identified two additional SI roles (Functional Manager and System Architect) as Key Persons.
 - o Service Level Agreements (SLAs): Reduced resolution time for Severity Level 3 Defects and increased the maximum liquidated damages per incident from some metrics.
- Deliverable adjustments:

- o Added three design addenda to incorporate limited functional modifications, as prioritized by the State, to meet business requirements and complete system implementation.
- o Added two submission and review cycles for the Database Design – Data Dictionary, Logical Design, and Physical Design.
- o Added Model Office Simulation design and planning, testing scenarios, and test results.
- o Added communications strategy documentation.
- o Added twelve months of implementation support services during the Pilot and statewide rollout.
- o Added seven bi-weekly status reports to the legacy documentation and design work (SOW #3).
- Increase to Other Support Services:
 - o Added \$6 million to the Other Support Services funds.
- Schedule adjustments:
 - o Final SIT duration extended from two months to five months and aligned with legacy system availability to enable end-to-end testing.
 - o UAT duration extended from four months to six months.
 - o Pilot duration extended from three months to five months.
 - o A one-month stabilization period has been added to each of the three statewide rollout waves.

The cost for SI services with this Amendment increased from \$100 million to \$166 million.

Responsibilities between the State and Deloitte in the execution of this Amendment are included as Appendix J.

3.2.4.2 Quality Assurance Contract Amendment #3 with Public Knowledge, LLC.

The QA Amendment #3 to SOW #2 expanded the scope of QA services provided by Public Knowledge, LLC to include modifications to impacted legacy systems, the incorporation of the ONE System Enhancements, and other changes to align with the revised scope and schedule of the Project. ONE System Enhancements means enhancements made to the ONE System through either maintenance and operations (M&O) releases or enhancement support services (ESS) releases. This Amendment has been approved by CMS. FNS approval is pending.

The cost for QA services with this Amendment increased from \$4 million to \$8.6 million.

3.2.5 Re-Baselined Scope, Schedule, and Budget.

With the Amendments above, the scope, schedule, and budget were re-baselined. These Project artifacts are attached as Appendices A, B, and C respectively.

3.2.6 *benefind* Code Availability.

As the State of Kentucky expanded their enrollment and eligibility services from their *kynect* product, new functionality they called *benefind* became available for State of Oregon use. This transfer solution is being put in place to the maximum extent practicable in the build of Oregon's new integrated system.

3.2.7 House Bill 2219 (2015) – Single Streamlined Application for Human Service Programs

HB 2219, effective June 2, 2015, required DHS to convene a work group consisting of “human service agencies” to study consolidation of application processes for human and social services and to report recommendation to the Legislative Assembly. This report was submitted to the Legislature on August 15, 2016. In this report, four recommendations were identified and are summarized below:

Recommendation 1: Develop a single application for financial eligibility for DHS and OHA programs. Convene a cross organization recommending body to develop criteria for the sequence and addition of other agency programs.

Recommendation 2: Take the opportunity with the IE & ME Project to review and revise the application language. Application assistors have provided feedback that current application language can be confusing and potentially trigger trauma for applicants.

Recommendation 3: Utilize the HB2219 work group to research the health and human services program screening tool(s) currently being used in Oregon and explore their functionality, accuracy, maintenance and usage.

Recommendation 4: Continue the HB2219 work group to research and explore the possibility of sharing basic applicant information across programs/agencies, when applicable, to reduce duplication and enhance services to Oregonians.

The consolidated application will allow people to apply for and obtain assistance in accessing food, housing, medical care, education, employment services, child care and other social services. A consolidated application process is expected to: 1) decrease the time an applicant spends filling out similar paperwork for different programs, 2) decrease the time agency staff spend processing paperwork, 3) reduce the burden on applicants to navigate their own way through a complex system of programs, and 4) correctly and appropriately determine eligibility through a common, standards-based process. Eligible Oregonians would get a quick and accurate determination, and those who are not eligible would be promptly notified.

3.2.8 Meeting Citizen Expectations

Today's consumers increasingly communicate in real time via web-based services accessed from virtually anywhere. Technological advances and experiences in consumer marketplaces have resulted in DHS customer expectations that are much higher than they were just a few years ago. Citizens expect to be able to access information about government programs simply and quickly. They expect to be able to find information and connect with programs without needing to first figure out which programs and benefits are administered by which agencies and levels of government. Some people are beginning to demand virtual "one stop shops" where they can connect with government programs from all agencies that serve people in circumstances like theirs. They expect to access benefits and services without having to report physically to a field office or having to fill out paper forms. They expect online government services to set and meet the highest possible standards for security, confidentiality, and data privacy.

With the new integrated system and associated Applicant Portal, Oregonians will be able to apply for benefits, update case information, upload documents, and determine eligibility across multiple systems from anywhere in the world that they can obtain Internet connectivity.

3.2.9 Field Operations Efficiencies

Eligibility decisions will occur in a timelier fashion with the delivery of an integrated eligibility system. Workers will not be downloading paper applications, manually entering information into multiple screens, or performing manual verification checks in multiple systems. This will result in fewer processing errors and greater integrity of the data in the system. Accuracy of eligibility decisions and benefit amounts will also increase with automation of these activities.

DHS and OHA will be updating the service delivery model to include two levels of office interaction. Virtual Eligibility Centers (VEC) will be established in rural communities where workers will process information coming through the phone or an online application. This creates rural jobs and will build an infrastructure to support the growing movement away from brick-and-mortar offices. Oregonians will continue to have access to offices where services are currently provided. They will also have 24-hour access to information about the status of their eligibility cases. The ability for customers to update their own personal information, with automated processing of those updates, will save worker time in the DHS offices. It will also allow for more efficient communications between workers and their assigned customers, with the ability for customers to email their worker at any time of the day with information or questions about their case.

Staff in DHS and AAA offices will be able to spend more time with people, assisting them with their needs, and less time with paper processes and files. Additionally, DHS staff who are serving customer needs in their own homes, or places of residence, will be able to access information from those locations and update information. This allows for the worker to save time once they are back in the office, as the updates will already be complete. They will no longer have to upload and update information upon return to the office.

While we expect these efficiencies and opportunities, the majority of these will not be seen for at least 18 months, post implementation. In order to automate eligibility and allow Oregonians to be able to provide information, additional questions and functionality is required. These additional fields, which don't exist today and therefore cannot be data converted into the ONE

system, along with change management have been correlated nationwide with longer eligibility determination times for the first year and a half.

3.2.10 Alignment with Strategic Technology Plan

The DHS/OHA Strategic Technology Plan (STP) includes many strategies that the ONE IE & ME Project will support. Strategy #1 in that plan is titled Business Automation and calls for the automation of workflows, decision-making, and business rules while reducing manual, paper-based processes. This project will automate workflows and the application of business rules in each of the programs within its scope. Strategy #2, Dynamic Needs Supported by Seamless Services, is evident in that this project includes many programs in its “one stop shop” for citizens. Similarly, an integrated eligibility system will provide advances in pursuit of Strategy #5, which calls for assembling a “comprehensive view of clients.” The STP also calls for enabling connectivity “anytime, anywhere,” encouraging the development of on-line self-service capabilities for clients and mobile virtual workplaces for agency staff. An integrated eligibility determination system will provide that functionality. More information related to Project alignment with the STP is attached as Appendix I.

4 Alternatives

In version 1.1 of this business case, which was utilized for Stage Gate 2 endorsement, four alternatives for the Project were identified and analyzed. They were:

- Implement Non-MAGI Medicaid Eligibility Determination into the ONE system
- Implement Integrated Eligibility Determination into the ONE system
- Acquire External Eligibility Services from Another State
- Do Nothing

The second option was selected, meaning the intent was to extend the functionality and derived benefits of the ONE system to include Non-MAGI Medicaid, SNAP, TANF, and ERDC. Business case v1.1 is included in this document for reference as Appendix D.

In version 2.0 of this business case, which was utilized for Stage Gate 3 endorsement, these same four alternatives were recognized but only options #2 and #4 above were compared further. Business case v2.0 is included for reference as Appendix E.

This version of the business case contains updated information about changes to scope, schedule, budget, and risks. Assumptions and constraints have been updated, validated, and utilized to determine the best course of action (Alternative) going forward.

4.1 Assumptions and Constraints

Below are assumptions considered in the Alternatives Analysis (Section 4.4).

- DHS and OHA leaders support a strategy of minimizing the amount of customization when transferring Kentucky's solution to Oregon. This requires a willingness to change policies and procedures rather than changing the system whenever practicable.
- The Project Team will sufficiently orchestrate the ONE operations and maintenance work, the ONE MAGI enhancement efforts, and the IE & ME system development such that none prevent the others from being successful.
- CMS and FNS will provide timely approval plans for the IE & ME system development throughout the duration of the Project. The approval process is at least 60 days, with the review cycle restarting if there are document revisions.
- The legislature will continue to financially support the IE & ME Project, including providing necessary funding for the maintenance and operations of the new system.
- Per the MOU between OHA and DHS signed in April 2017, OHA will delegate Medicaid eligibility determination to DHS. This transition will occur before the new system goes live.
- A separate open and competitive RFP will be issued for the long-term Maintenance and Operations (M & O) of the new system after Project completion. Deloitte Consulting will provide these services by way of a contract Amendment until a new contract is awarded.
- MAGI Medicaid-related enhancements to the ONE System will be performed by Deloitte Consulting.

- The Legacy systems documentation will be updated in a timely manner to support the design of the IE & ME system and its interfaces.
- Case management will still be performed in Legacy systems such as TRACS and ORACCESS and will be shared with the new system with interfaces, as appropriate.
- Deloitte will assist in documenting the design of key Legacy system changes and interfaces to support their use with the Integrated ONE System.
- Appropriate modifications to the existing service delivery model and business processes will enable Oregonians to access benefits via Storefronts, the Applicant Portal, or through Virtual Eligibility Centers (VECs).
- Training will be holistic. It will encompass enrollment, eligibility, and benefit issuances in both the new ONE system and the modified Legacy systems.
- The existing ONE system will be merged into the new IE & ME system.
- The roll-out will be conducted in a phased approach. There will be a five-month Pilot period, implementing the new system in both Jackson and Josephine Counties. Following the Pilot, implementation in the remainder of the State will be accomplished in three one-month waves with a one-month stabilization period following each wave.
- Key staff (business leaders, program and policy experts, field/operations representatives, technical experts, clients and potential clients, community partners, counties, and tribes) will be made available in sufficient numbers to the Project when they are needed.
- Changes to the MMIS system will be completed in a timeframe consistent with the IE & ME schedule.
- People readiness for field/operations representatives and other stakeholders will be achieved throughout the IE & ME Project, and will be completed prior to “go-live.”
- DHS and OHA will continue to receive authority to connect, and to utilize the Federal Marketplace.
- ETS will provide timely and consistent services throughout the life of the IE & ME Project and will provide necessary services for the implementation, operation, and maintenance of the new Integrated ONE system.
- There will be continued gubernatorial, OSCIO, and legislative support for the Project.
- All parties to the MOU will continue to abide by the agreement.

The project is subject to these constraints:

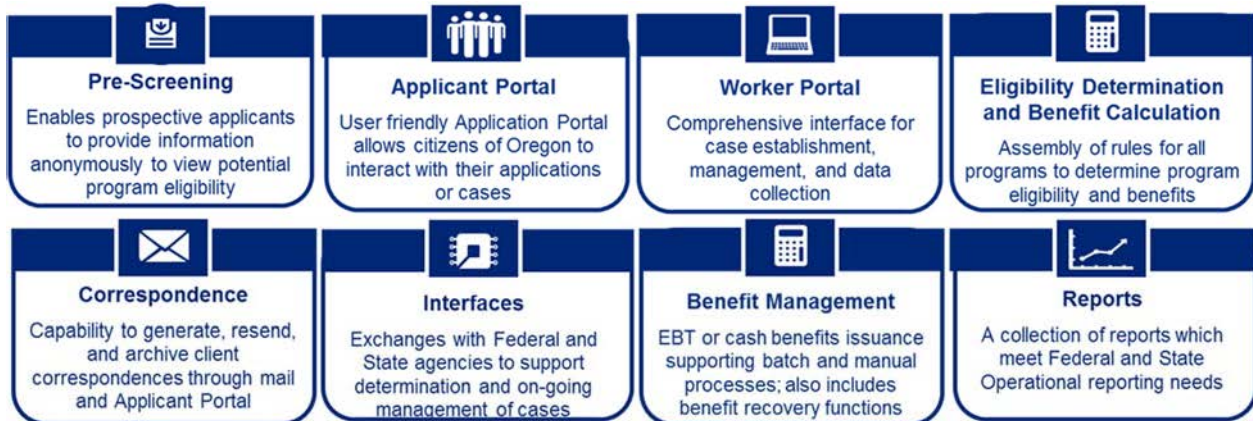
- CMS will not provide enhanced funding for a Non-MAGI Medicaid solution that is separate from ONE.
- The exception to the OMB Circular A-87 cost allocation requirements to support integration of other human service programs into the ONE system will expire at the end of December 2018.
- The IE & ME System Integration Testing #2 cannot be performed until ONE, Legacy, and MMIS development and testing is complete.

- State and Federal mandates that require changes will need to be implemented during the Project if they cannot be deferred.

4.2 Solution Requirements

4.2.1 High Level Functional Requirements

The following represents the IE & ME Project high-level business functionality:



Pre-Screening – The Pre-Screening module in the Applicant Portal enables prospective applicants to provide a minimal set of information to the system anonymously to see the programs for which they may qualify. The module will include assessment capabilities for all programs offered by Integrated ONE, including Medicaid (MAGI & Non-MAGI), SNAP, TANF, and ERDC. It is important to note that the pre-screening process is not an official eligibility determination and individuals must formally apply in the Applicant Portal or by contacting a DHS or an OHA office. The data collected during Pre-Screening will be saved.

Applicant Portal (AP) – The Applicant Portal enables the registered users' access to the system to apply for benefits as well as to enable them to take action on their ongoing benefits. The applicant portal allows users to apply for Medicaid (MAGI & Non-MAGI), SNAP, TANF, and ERDC as a part of an Integrated ONE application. The citizens will be able to take actions on their ongoing applications or cases including to report a change, to recertify, to withdraw an application, to discontinue an ongoing program, to upload documents, to view Request for Information (RFI) notices, and/or to start a new application. It will also include additional functionality such as the ability to request an appeal or hearing, to request an EBT or Medicaid Card, to view claims or facts regarding disqualification, to view a TANF summary, and/or to submit a SNAP application. The applicant portal will provide role-based dashboards and will incorporate the user account creation process that is currently established in the MAGI Medicaid ONE system Applicant Portal.

Worker Portal (WP) – Worker Portal allows case workers to manage the lifecycle of an application or case by providing functionality to perform intake on new applications, to determine eligibility and benefit amounts based on the data provided during intake, and/or to disburse benefits and process case changes. It also contains modules for support-functions like

appointments, task management, hearings and appeals, and complaints to help the workers perform daily activities.

Eligibility Determination and Benefit Calculation (EDBC) – As the central repository for business rules defined by policy and administrative procedure, EDBC is the module where the Integrated ONE system determines each person's eligibility and benefit level based on the information collected through the worker or applicant portal and verification status of key data elements that affect eligibility (income, resources, citizenship, etc.) For Medicaid programs, eligibility determination is limited to financial eligibility for Medicaid. Service eligibility determination and authorization for Medicaid and other SSP case management services are not in scope for the initial implementation. For the purposes of determining financial eligibility, the eligibility rules engine will evaluate individuals and households through multiple modules to confirm their compliance with both state and federal program rules. All eligible individuals will be included in the benefit group which will be used to determine the benefit amount or ERDC days of care the individual may receive.

Correspondence – The correspondence module generates the notices required to support a case life cycle. Integrated ONE system generates the notices, which are automatically forwarded to the State's centralized print center for printing and mailing. Case Workers will have the ability to review the notices and determine the accuracy before these notices are mailed out as part of the nightly batch processing cycle.

Interfaces – Interfaces are a critical component of the Integrated ONE system. Interfaces are required to share data with federal agencies, other State agencies and systems, and Trusted Data Sources (TDS) to support critical business processes such as verification, fraud detection, federal reporting, benefit issuance, and recovery. The system will use both batch and real-time interfaces to meet the business needs.

Benefit Management – The Benefit Management module supports two key functions – benefit issuance and benefit recovery. The benefit issuance function allows for automatic benefit issuance through Electronic Benefit Transfer (EBT) cards, checks and direct deposit through Electronic Fund Transfer (EFT). The function also allows authorized users to issue benefits manually outside the constraints of eligibility, if necessary.

The Benefit Recovery function determines overpayments against issued benefits because of case changes. Overpayments are referred to the ICM (Claims Management) System for establishing and maintaining claims. A certain portion of the benefit amount is recouped from future benefits based on the outstanding claims amount received from ICM.

Reports – This module focuses on generating Operational, federal and State reports necessary for the administration of the APD and SSP programs. The operational reports are generated from key business processes that include:

- New Applications
- Reporting a Change
- Redeterminations
- Task Management
- Reports required for audits and quality assurance
- Interface Activity Reports

The above functionality will be provided in the new system by integrating components of several disparate systems identified below.

- **Modified Adjusted Gross Income (MAGI) Medicaid.** This program helps low-income people in Oregon with health insurance. MAGI medical benefits can cover working families, children, pregnant women, single adults, and more. This functionality is currently in the ONE system.
- **Non-MAGI Medicaid.** This includes Oregon Supplemental Income Program (OSIP) Medical, also known as the Aged, Blind, Disabled Medical or SSI based Medical programs, Medicare Savings Programs, and Refugee Medical. These services are currently processed in ORAccess, CM, and MMIS. Scope does not include Hospital Presumptive, Extended Medical, and the Breast and Cervical Cancer Program.
- **Supplemental Nutrition Assistance Program (SNAP).** This is a federally funded program which offers nutrition assistance to millions of eligible, low-income individuals and families. SNAP is the largest program in the domestic hunger safety net. Scope includes all services provided by SNAP other than the Summer Meals program.
- **Temporary Assistance for Needy Families (TANF).** This program provides cash assistance to low-income families with children while they strive to become self-sufficient. Cash assistance is intended to meet a family's basic needs such as food, shelter and utilities. Most cash benefits in Oregon are issued via an Electronic Benefit Transfer (EBT) card. This is also known as an Oregon Trail card. Scope does not include case management.
- **Employment Related Day Care (ERDC).** This is a child care subsidy program for working families.
- **Temporary Assistance to Domestic Violence Survivors (TA-DVS).** This program provides temporary financial help to support families whose safety is at risk due to domestic violence. Most often, this is when the domestic violence survivor and the children are fleeing domestic violence or at risk of returning to an abusive situation.

4.2.2 High Level Non-Functional Requirements

High level non-functional requirements include the following:

Security – Provisioning of a secure system with corresponding authority to connect to the federal market place.

Reliability and Availability – The system must meet service level requirements for accessibility and up-time. Maintenance windows must be clearly communicated and be strictly adhered to.

Scalability – The system must scale to meet demand. As demographics change, it is anticipated that the preferred method of accessing services will also change. The system must accommodate this shift.

Performance – The system must meet performance specifications such that the user experience is acceptable with any method of interaction with the system.

Capacity – System design must accommodate the anticipated volume of cases end-to-end, including interactions with Legacy systems case management functionality.

Recoverability – The system must be recoverable within a reasonable Recovery Time Objective (RTO) with tolerable data loss specified with a Recovery Point Objective (RPO). RTO and RPO will be articulated as part of the Disaster Recovery and Business Continuity business case.

Serviceability – The system must be developed utilizing industry best practices and standard tools and methodologies to be easily maintained, including the application of patches, upgrades, and enhancements.

4.3 Alternatives Identification

In each iteration of this business case, the Project Team explored four alternative courses of action. With more than two years of activity and approximately \$57 million invested to date on this Project, it is now approximately 35% complete, including over 90% of design completion. As such, not all the previously developed Alternatives make sense or are even possible. Current state Alternatives are now identified as follows:

Alternative #1: Implement Non-MAGI Medicaid Eligibility Determination into the ONE System
This Alternative is unchanged from prior business case versions and extends the current ONE system to support Non-MAGI Medicaid eligibility determinations and service authorization to community-based care programs only. This approach limits the scope of DHS and OHA programs that would be affected. It requires transfer of the Kentucky system, removal or disabling of the functionality in that system supporting programs like SNAP, TANF, and ERDC, and customization for Oregon's Non-MAGI Medicaid program.

Alternative #2: Implement Integrated Eligibility Determination into the ONE System

This Alternative is also unchanged from prior business case versions and represents the current course of action on this Project. This Alternative extends the current ONE system to support Non-MAGI Medicaid eligibility and SNAP, TANF, and ERDC determinations, as well as providing service authorizations for community-based care programs. This approach involves a wider range of DHS and OHA programs. It avoids the risk and expense of removing functionality for these programs from the Kentucky system. It requires potential customization of a larger number of Oregon programs than Alternative #1.

Alternative #3: Acquire External Eligibility Determination Services from another State

This is not a viable Alternative as there are no service models across the nation that support Oregon acquiring services in this manner.

Alternative #4: Do Nothing

This Alternative requires no additional investment in further development of the ONE system. However, resources with skills needed to deal with contract issues and federal audits would be needed. Improvements to current processes would be limited to those that arise naturally through DHS's continuous improvement program.

4.4 Alternatives Analysis

In each prior version of this business case, Alternative #2 - Implement Integrated Eligibility Determination into the ONE system, was selected as the best go-forward option. In this business case, Alternatives #1 and #4 are revisited and reviewed against the foundational assumptions and constraints. Consideration is given to the work performed to date in the realization of expected outcomes and factors such as cost, benefit, and risk identified with each alternative.

Alternative #1: Implement Non-MAGI Medicaid Eligibility Determination and Service Automation Only

Cost – The estimated total cost of implementing this Alternative was \$80.3 million. (See estimate details in Business Case v1.1, Appendix D.) Compared to the Integrated Eligibility Alternative #2, this Alternative would have minimized the overall costs of Fit-Gap analysis, design, configuration, customization, testing, and training by removing scope for all components other than Non-MAGI Medicaid. Savings would be reduced by the cost of removing or disabling SNAP, TANF, and ERDC from the Kentucky system code. Nearly \$60 million invested to-date for enhanced eligibility determination functionality would produce little or no value.

Benefits – This Alternative will achieve the high-level requirements associated with the Medicaid program. Clients seeking Non-MAGI Medicaid eligibility will be able to apply online and they will receive faster eligibility determinations. Non-MAGI Medicaid eligibility workers in APD and AAA offices will be more productive and make fewer eligibility determination errors. Problems associated with the handoff of cases between DHS and OHA will be reduced, if not eliminated.

Risk – This Alternative has the risks associated with large information technology projects involving complex requirements and a lengthy schedule. This Alternative will impose substantial policy and procedure changes on Non-MAGI Medicaid eligibility workers. The need to remove substantial components from an existing application adds some technical risk that is not present in the other alternatives. DHS workers will need to use two or more systems to provide some clients with basic case management. There is also significant risk in splitting APD cases from SNAP cases.

Alternative #2: Implement Integrated Eligibility Determination

Cost – The five-year total cost of ownership between August 2015 and June 2020 is estimated to be \$334 million. (See Appendix C, Project Budget). This alternative includes the full cost of Fit-Gap analysis, design, configuration, customization, testing, and training for the SNAP, TANF, and ERDC programs. Also Non-MAGI Medicaid all modifications to 35 Legacy systems, and disaster recovery.

Benefits -

- Clients seeking Medicaid eligibility (either MAGI or Non-MAGI) and/or SNAP, TANF, and ERDC eligibility will be able to apply on-line.
- Clients applying for medical assistance and for one or more of SNAP, TANF, and ERDC will make a single application regardless of programs they are applying for.
- There will be fewer eligibility determination errors in and between the programs due to the single shared data source and integration between systems.
- Problems associated with the handoff of cases between OHA and DHS will be reduced or eliminated, as will problems with handoffs among APD/AAA offices and SSP offices.

- This approach allows for the retirement of the Caseworker Application Processing Interface (CAPI), and the Food Stamp Management Information System (FSMIS).

Risk - This project has the risks associated with large information technology projects involving complex requirements and a lengthy schedule. There are many stakeholders involved or impacted. New business processes will impose substantial policy and procedure changes on Non-MAGI Medicaid eligibility workers in APD/AAA offices and on SNAP, TANF, and ERDC eligibility workers in SSP offices. By eliminating antiquated information systems and reducing the scope of others, this approach reduces long-term risks that system failures will interrupt the delivery of DHS programs.

Project leadership is tracking several high probability/impact risks. They are summarized here:

- Focus on preferring policy and process change before technology change reduces technical risk but substantially increases the amount of process change that must be undertaken.
- Legacy subproject that includes modifications to 35 subsystems is still in design so is not yet fully understood.
- Data conversion mock runs have not yet begun so data quality is not yet fully understood.
- Data quality in Legacy systems might make it difficult to cleanse and populate data from Legacy into the new system.
- The Office of Information Services (OIS), which supports many affected Legacy information systems, may not have capacity to simultaneously participate in this Project, and support on-going operations, maintenance, and enhancement of Legacy systems that will remain after the ONE IE & ME project.
- The project's Technology Management Plan would impose security requirements on DHS and OHA's directory services that may not yet be supportable.
- There may be a lack of capacity for business leaders, track leads, and other Project staff to accommodate the volume of action items, change requests, and decisions required for the Project.

Alternative #3: Acquire External Eligibility Determination Services from another State

Cost, benefit, and risk are difficult to quantify given there is no existing model for obtaining services in this manner.

Alternative #4: Do Nothing

Cost – Spending for additional system functionality would stop but additional costs to shut down the Project would continue until all vendor contracts were terminated and all audits were conducted. There would be no value derived from the investment of approximately \$300 million already made.

Benefits – There is no beneficial by-product from this Alternative.

Risk – It is estimated federal audits would take years and that federal program subsidization would come to a stop until audit findings were satisfactorily addressed by the State. There would also likely be significant dissatisfaction from all Project stakeholders, potentially resulting in not having another opportunity to fix current state problems into the foreseeable future.

5 Conclusions and Recommendations

5.1 Conclusions

Development of an Integrated Eligibility Determination system continues to be the leadership vision for Oregonians, DHS, OHA, and for eligibility workers and the prudent course of action, given the investment of time and resources to date. With the continuation of the OMB Circular A-87 cost allocation exception and the active support of our CMS and FNS partners, any action contrary to continuing with the Project will have significant negative consequences, as identified below.

The State of Oregon has an opportunity to continue expansion of the MAGI Medicaid eligibility system (ONE) as a stable base, utilizing code from the State of Kentucky system called *benefind*.

Much of the design of the new system, including Legacy design is complete. Given new contract Amendments with our SI and QA vendors, there is a solid scope, schedule, and budget to manage the Project to. There is also current work with Gartner to validate this schedule and budget against anticipated Project outcomes, scheduled for completion in February 2018.

The efficiencies gained in the field offices in serving Oregonians enrollment and eligibility needs for Medicaid, SNAP, TANF, and ERDC is undetermined during the first year of deployment. Factors such as the quality of data conversion and the readiness of eligibility workers will impact operations. However, data will be more reliable and checks and balances are being built into the system for accuracy and error reduction. It is in the best interest of the State of Oregon to continue the ONE IE & ME Project on its current course on behalf of all Oregonians.

5.2 Consequences of Failure to Act

There has been ongoing effort to modernize enrollment and eligibility programs. Both agencies in cooperation are dedicated to removing obstacles, incorporating lessons learned, and finding success for this project. DHS and OHA signed an MOU to solidify that understanding and to provide a foundation for success. All parties clearly understand that there is significant negative impact in failure or in doing nothing. This section lists those consequences.

1. Oregonians lose. We have a current system that doesn't serve Oregonians well. Medicaid financial eligibility is divided in delivery methodologies and access for Oregonians, SNAP, TANF, and ERDC benefits are not coordinated with Medicaid benefits. Oregonians expect better service from their State government.
2. CMS is continuing to fund the majority of the DDI work through December 31, 2018 for the ONE IE & ME project because non-MAGI is being added to the system that contains MAGI eligibility. Without non-MAGI eligibility CMS will not pay for the shared components and the State's portion would increase for SNAP, TANF, and ERDC functionality.
3. It is possible that the State of Oregon would not risk another project to provide this functionality into the foreseeable future. Changes at the federal level, and differing priorities amongst agencies and programs provide substantial risk in the future.
4. Continued reliance on dated Legacy systems and manual processes. Currently eligibility outside of ONE requires the workers to access seven different subsystems.
5. Loss of CMS/FNS confidence in the State of Oregon (potential impact on future funding).

6. Further loss of Oregon's reputation for being able to implement successful IT projects.
7. Potential contractual termination issues with current contracted entities including Deloitte, and Public Knowledge.
8. Negative impact to service delivery to Oregonians who rely on DHS and OHA for services;
 - a. Service delivery times;
 - b. Redundant processing requirements for customers and state staff;
 - c. No decline in error rates;
 - d. Possibility of overpayments or not getting timely benefits;
 - e. No enhanced checks and balances between programs.
9. Impacts on the One system. Without bringing in the additional programs, there will continue to be data for individuals that doesn't match. This could result in a worker not acting on the most recent information for an individual, and not performing appropriate due process.
10. Loss of employment to both state and vendor staff.
11. Possible increased DHS and OHA operational costs.
12. There would be a loss of the investment already made in system development.

6 Appendixes and References

6.1 Appendix A – Project Scope

6.1.1 Design sessions revealed additional scope for this Project, such as Non-Citizen, other income types, Real+D, Mass Update triggers, and task management. Scope also includes financial eligibility determination for the following DHS and OHA programs:

DHS Self-Sufficiency Programs	Type of Assistance (TOA)	Description
Supplemental Nutrition Assistance Program (SNAP)	CTCE	Categorical Eligibility
	EXCE	Expanded Categorical Eligibility
	BBCE	Broad Based Categorical Eligibility
	SNAP	Supplemental Nutrition Assistance Program
	ESNP	Expedited SNAP
	DSNP	Disaster SNAP
	ABAWD	Able Bodied Adults without Dependents Requirements
	OFSET	Oregon Food Stamp Employment Transition Program
Temporary Assistance for Needy Families (TANF)	TANF	TANF
	EPPT	Employment Payments
	TDVS	TANF Domestic Violence
	TJPI	Jobs Participation Incentive
	PSSI	State Family Pre-SSI
	JOBS	Jobs Opportunities and Basic Skills Note - Only determination of JOBS mandatory individuals and assessment status, not ongoing case management
Child Care Program (CCPG)	ERDC	Employment-Related Day Care
	CCTN	Child Care Supportive Service for TANF Recipients
REF	REFG	Refugee program for individuals seeking Assistance and otherwise ineligible
Summer Meals	SEBTC	Summer Electronic Benefit Transfer for Children

DHS Aging and People with Disabilities (APD) Programs	Type of Assistance (TOA)	Program Description
Non-Modified Adjusted Gross Income (Non-MAGI) Medicaid	QMB-BAS	Qualified Medicare Beneficiaries – Basic
	QMB-SMB	Qualified Medicare Beneficiaries - Special Limited Medicare Beneficiaries
	OSIPM-SSI	Oregon Supplemental Income Program Medical - Supplemental Security Income

	OSIPM-1619B	Oregon Supplemental Income Program Medical - 1619B
	OSIPM-Survivor Widows	Oregon Supplemental Income Program Medical - Survivor Widows
	DAC	Disabled Adult Children
	Pickle	Pickle Amendment Clients
	OSIPM-AB	Oregon Supplemental Income Program Medical - Aid to the Blind
	OSIPM-OAA	Oregon Supplemental Income Program Medical - Old Age Assistance
	OSIPM-AD	Oregon Supplemental Income Program Medical - Aid to the Disabled
	OSIPM-Acute Care	Oregon Supplemental Income Program Medical - Acute Care
	OSIPM-EPD without Services	Oregon Supplemental Income Program Medical - Employed Persons with Disabilities not receiving services
	OSIPM-EPD with Services	Oregon Supplemental Income Program Medical - Employed Persons with Disabilities receiving services
	QMB-DW	Qualified Medicare Beneficiaries - Disabled Worker
	Special Needs	Special Needs
	QMB-SMF	Qualified Medicare Beneficiaries - Qualified Individuals
	Services - LTC/Waiver	Services – Long Term Care or Waiver
	OSIPM-IC	Oregon Supplemental Income Program Medical - Independent Choices program
	REF	Refugee Medical Program

OHA Programs	Type of Assistance (TOA)	Program Description
Modified Adjusted Gross Income (MAGI) Medicaid	ADLT	Oregon Health Plan (OHP) Plus Adult
	CHIP	OHP Plus CHIP
	CHL1	OHP Plus Child under age 1, under 185%
	CHL4	OHP Plus Child, age 1 through 18, under 133%
	EMAD	Citizen Alien Waived Emergent Medical (CAWEM) Adult
	EMC1	CAWEM Child under age 1, under 185%
	EMC4	CAWEM Child age 1 through 18
	EMPC	CAWEM Parent or other Caretaker Relative

	EMPP	CAWEM Plus Pregnant Parent or other Caretaker Relative
	EMPR	CAWEM Plus Pregnant Woman
	EMPW	CAWEM Pregnant Woman
	FFCC	OHP Plus Former Foster Care Youth
	HIA1	Hospitalized Adult inmate
	HIA2	Hospitalized Pregnant Woman inmate
	PACA	OHP Plus Parent or Other Caretaker Relative
	PCPR	OHP Plus Pregnant Parent or Other Caretaker Relative
	PREG	OHP Plus Pregnant Woman
	TP45	OHP Plus Assumed Eligible Newborn

6.1.2 Legacy Systems Scope

There are 35 of the original 39 systems remaining as in scope for the Legacy subproject. 17 of these systems are now in scope for the SI to document the design, with the state to conduct all development, testing, and deployment. These 17 systems are identified in the following table.

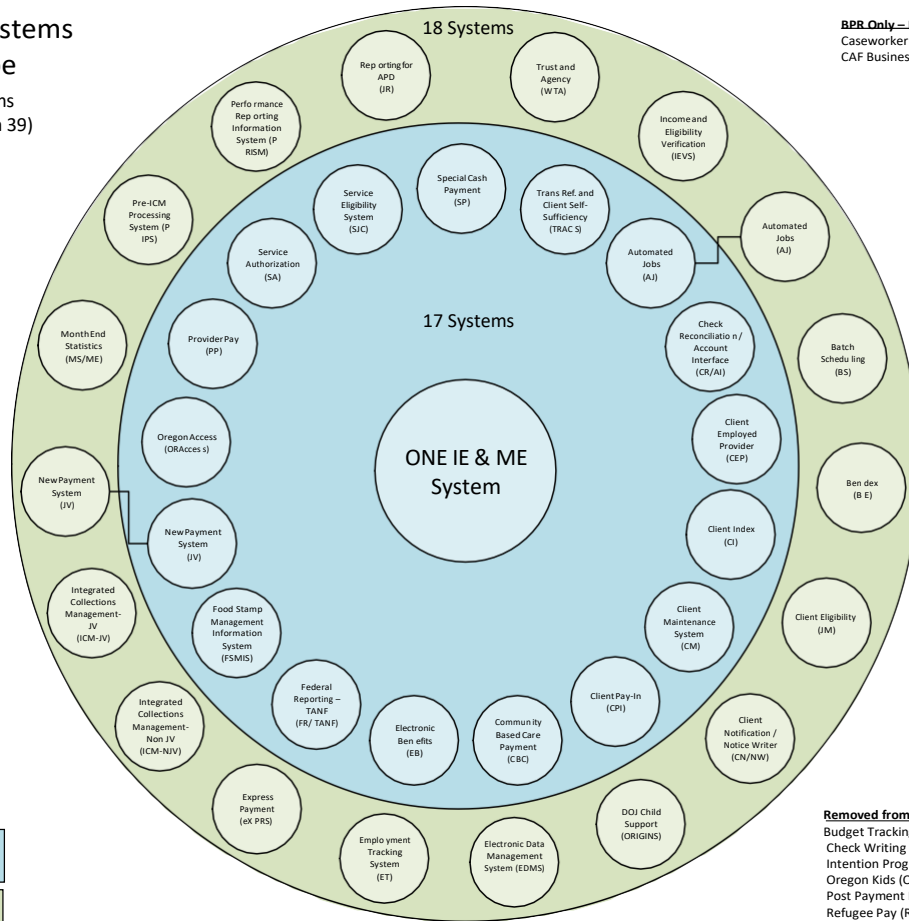
1. Automated Jobs (AJ) 2. Community Based Payment (CBC) 3. Client Employed Provider (CEP) 4. Client Index (CI) 5. Client Maintenance System (CM) 6. Client Pay-in (CPI) 7. Check Reconcile/Acct. Interface (CR/AI) 8. Electronic Benefits (EB) 9. Food Stamps (FSMIS)	10. JV (New Payment Systems) 11. ORAccess (OA) 12. Provider Pay (PP) 13. Service Authorization (SA) 14. Service Eligibility System (SJC) 15. Special Cash Payment (SP) 16. Federal Reporting-TANF (FR/TANF) 17. Trans. Ref. & Client Self-Sufficiency (TRACS)

18 Systems are in-scope that the state is responsible for design documentation, development, testing, and deployment.

1. Bendex (BE) 2. Batch Scheduling (BS) 3. Client Notice Writer (CN/NW) 4. Dept. of Justice (DOJ) Child Support (ORIGINS) 5. Electronic Data Management System (EDMS) 6. Express Payment and Reporting System (eXPRS) 7. Integrated Collections Management (ICM)--INBOUND/OUTBOUND FROM IE (NON-JV) 8. Integrated Collections Management (ICM)--INBOUND FROM JV 9. Unearned Income Verification (IEVS/SX/SSA)	10. Client Eligibility (JM) 11. Month-End Statistics (MS/ME) 12. Pre ICM Processing System (PIPS) 13. Trust and Agency (WTA) 14. Reporting for APD (JR) 15. Performance Reporting Information System (PRISM) 16. Employment Tracking System (ET) 17. Automated Jobs (AJ) 18. New Payment System (JV)

Legacy Systems Scope
35 Systems
(Down from 39)

BPR Only – No Design/Dev
Caseworker Application Processing (CAPI)
CAF Business Services (CBS)



Updated January 24, 2018

Appendix B – Project Schedule

The project timeline has been updated from previous submissions. As Oregon explored work through the iterative design sessions, it became apparent that we needed a shift in our operational model. A decision was made to delegate all Medicaid eligibility determination work to DHS. As OHA and DHS further engaged with the design and explored opportunities and lessons learned from the initial ONE implementation and other States' experience, Oregon updated the schedule. Additional time for pilot, testing, and the wave roll-outs were added to the schedule. Oregon also procured Deloitte to assist with the Legacy Design work with the intent of insuring that Oregon's OIS understands the total scope of work needed and to avoid issues that other States experienced with their projects. As this work continues, Oregon may adjust our project schedule to ensure that we are accounting for all of the opportunities we need to consider in ensuring a quality product is delivered and ultimate accountability to our federal partners and Oregonians is met. As you can see, the Design phase will be followed by two iterative development phases, and then system implementation supporting a ONE System upgrade to an integrated ONE System, a DHS production pilot (Production Pilot) and three implementation waves.

The Project's two iterations will enable:

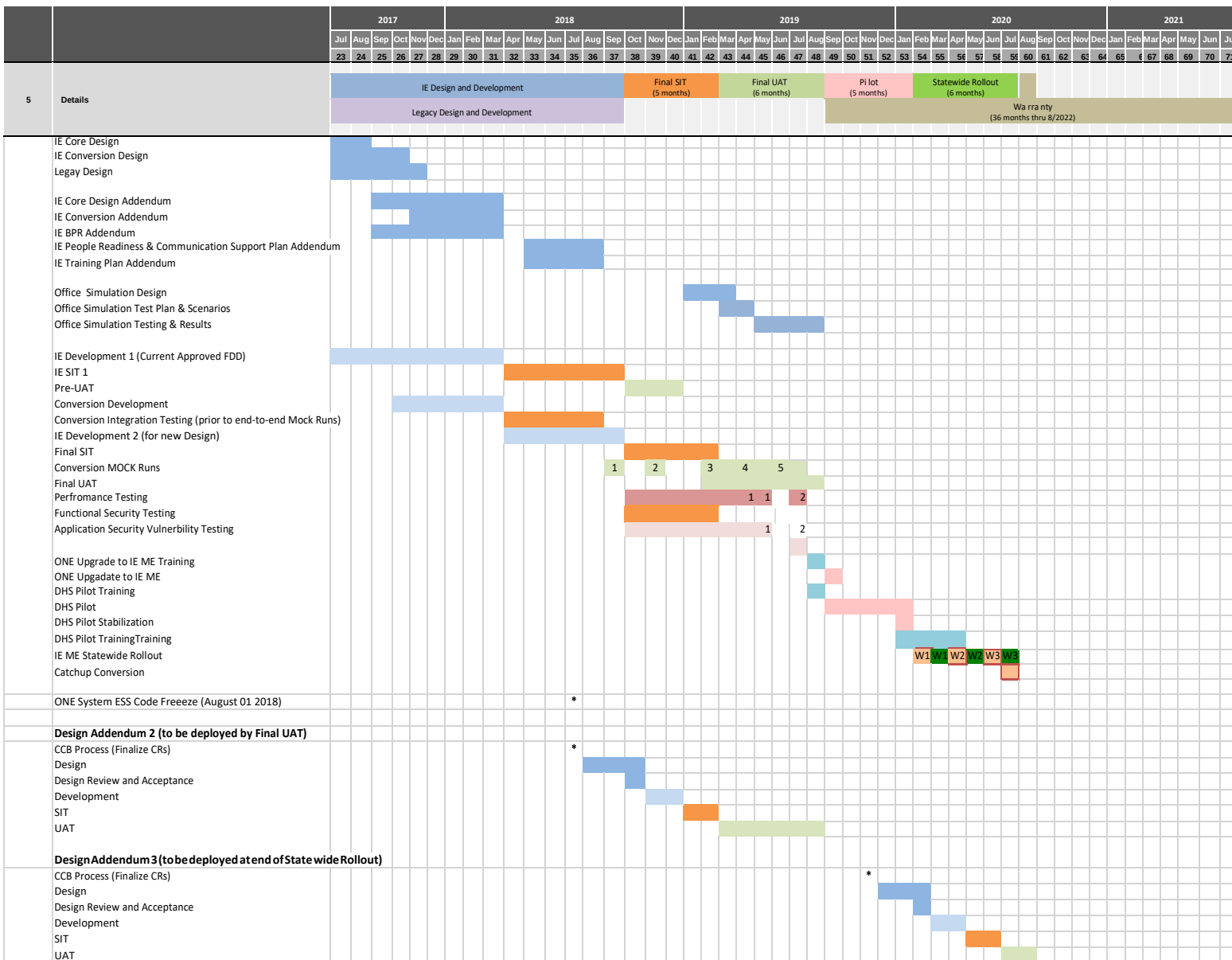
- Oregon's business needs to be met by changes to the application,
- Underlying COTS software components to be upgraded to State approved versions, and
- ONE functionality to be preserved to avoid service disruption to Oregonian's receiving services for MAGI Medicaid.

Each iteration will be followed by Contractor testing and validation testing by the State. At the completion of the development phase, the State will have at least six months dedicated to User Acceptance Testing (UAT) (increased from four months with Amendment #4).

Once DHS issues a notice-to-proceed the Project will then transition to the implementation phase which includes:

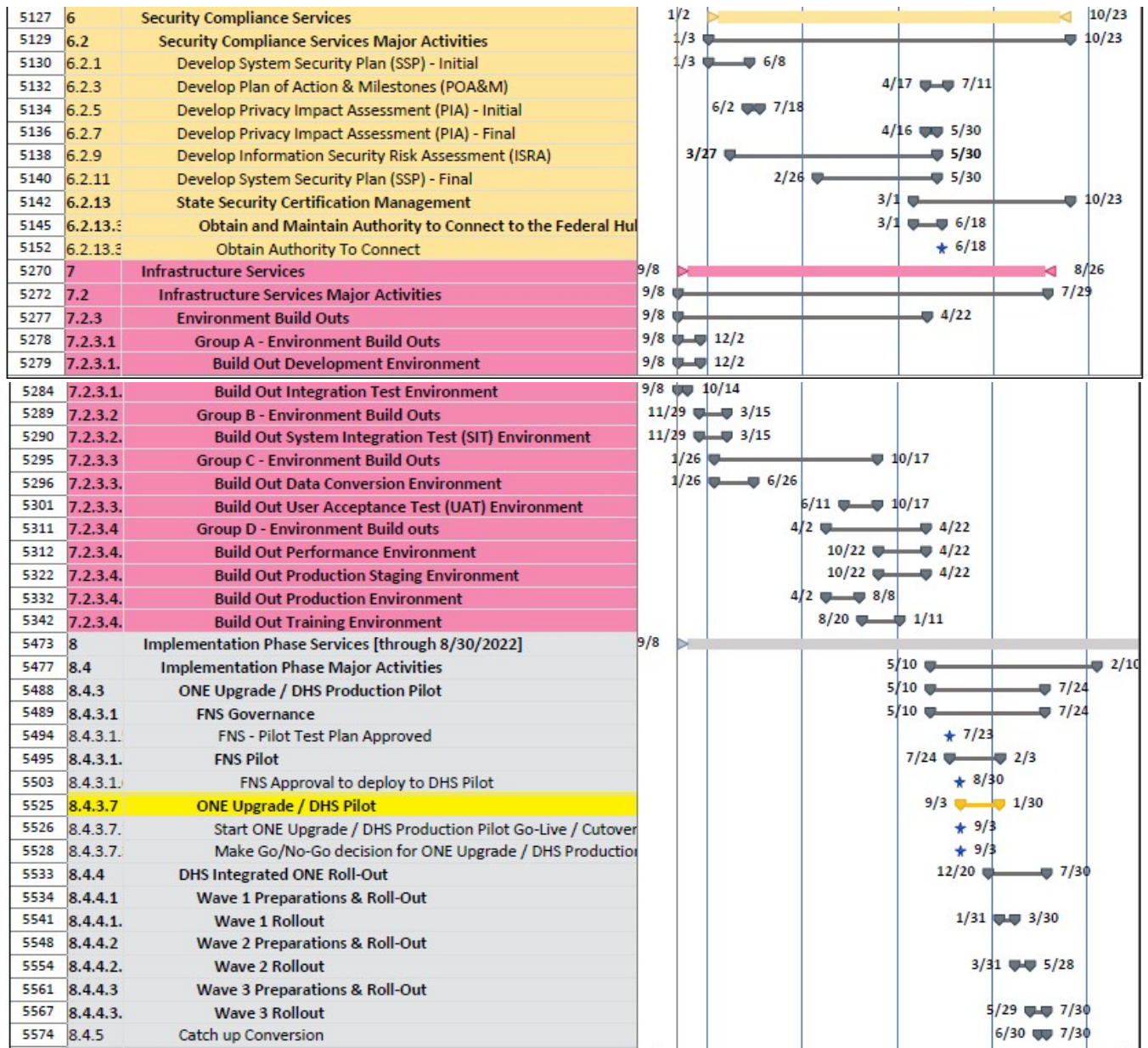
- Upgrading the current OHA MAGI Medicaid ONE System with integrated ONE System
- A minimum of five-month Production Pilot (increased from three months with Amendment #4), and
- Three geographically appropriate waves (for the 150 field offices)

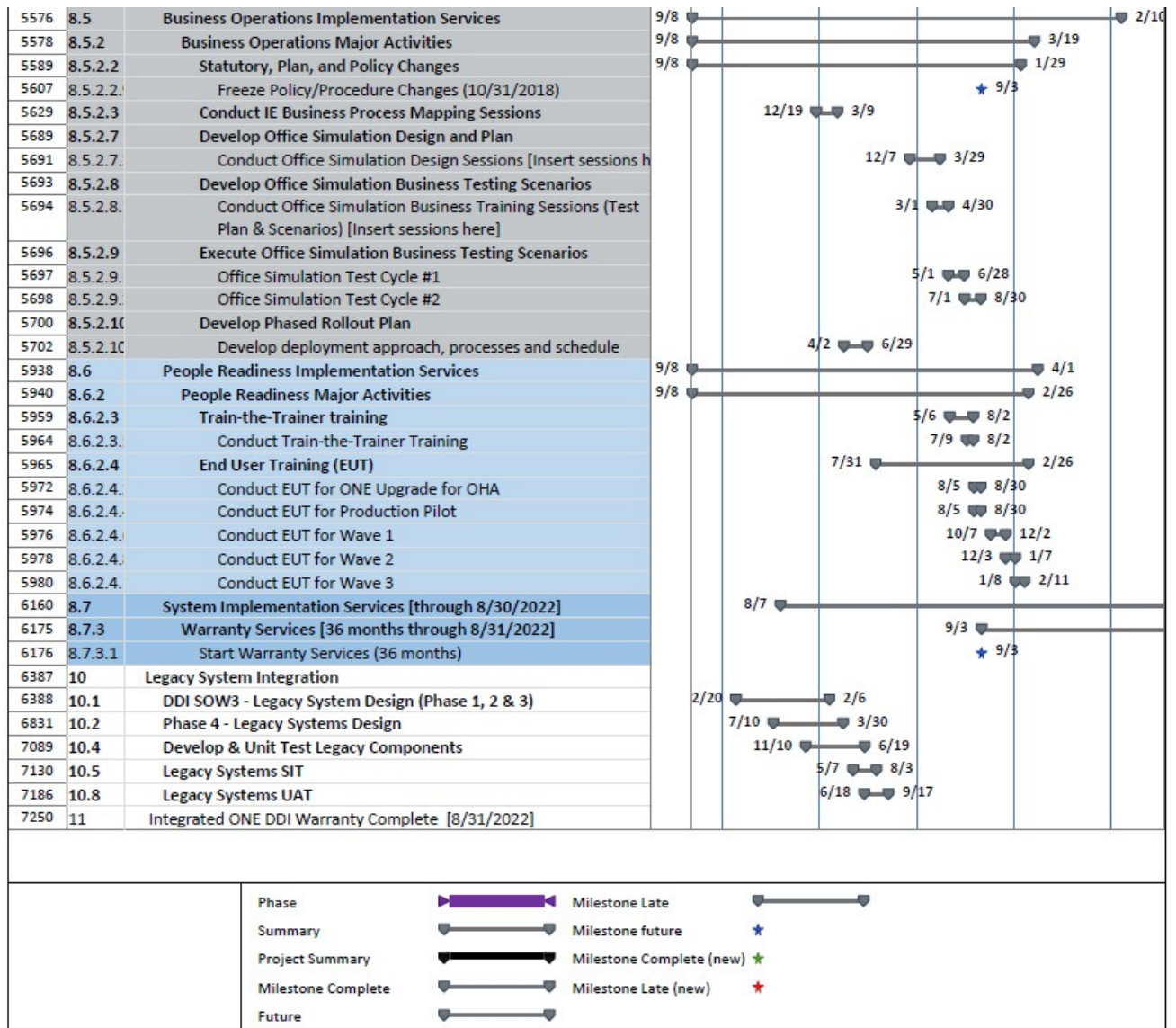
The following chart lays out a high-level schedule for the project.



Wed 1/17/18

Department of Human Services
IT Projects Business Cases





[illegible]

6.2 Appendix C – Project Budget

This budget reflects changes to scope and schedule reflected in the SI and QA contract Amendments. Approximately 1 year was added to the schedule to provide a more realistic timeline for completion of activities such as data conversion, SIT and UAT testing, wave roll-outs with corresponding stabilization periods, design addendums, and Model Office simulation. Approximately one-half of the Legacy design work was shifted from internal State staff to the SI, increasing these costs by \$66 million. The QA contract also increased approximately \$4 million to accommodate the longer project duration and to incorporate ONE ESS and Legacy design and development into their QA work.

DRAFT										
			DDI			DDI	M&O	Total	DDI	DDI
			AY17-19	POP 17-19	Increase (Decrease)	AY19-21	AY19-21	AY19-21	AY21-23	Total
State Staff										
	State Staff and S&S		26,057,885	34,976,631	(8,918,746)	27,614,590	10,038,868	37,653,458	0	53,672,475
Professional Services										
	Other		4,328,439	0	4,328,439	11,625,806	0	11,625,806		15,954,245
	Q&A and IV&V		7,047,551	4,565,696	2,481,855	10,019,890	0	10,019,890		17,067,441
	PMO		2,833,333	0	2,833,333	2,166,667	0	2,166,667		5,000,000
	SI Deloitte (net)		88,382,527	103,215,794	(14,833,267)	49,026,544	17,600,000	66,626,544	2,100,000	139,509,070
	Trainers (see training below)		0	0	0	0	0	0		0
	Contingency		11,269,330	11,846,739	(577,409)	9,286,961	1,936,000	11,222,961	267,750	20,824,041
	Professional IT Services		113,861,180	119,628,229	(5,767,049)	82,125,867	19,536,000	101,661,867	2,367,750	198,354,797
Software										
	Software		3,687,662	6,598,022	(2,910,360)	6,002,596	3,330,000	9,332,596	0	9,690,258
Hardware										
	Hardware		45,265	0	45,265	45,100	55,500	100,600	0	90,365
State Governmental Services										
	Hosting		6,374,957	13,306,550	(6,931,593)	6,630,260	7,326,000	13,956,260	0	13,005,217
Training										
	Training		1,060	2,220,000	(2,218,940)	2,255,000	0	2,255,000	0	2,256,060
Total			150,028,008	176,729,432	(26,701,424)	124,673,413	40,286,368	164,959,781	2,367,750	277,069,172
Issuance Costs			(0)	615,000	0	(0)	(0)	0	0	(0)
Legacy										
	Personnel and S&S		6,549,125	7,322,899	(773,774)	2,661,925	0	2,661,925	0	9,211,050
	Professional Services		2,033,776	1,479,871	553,905	0	0	0	0	2,033,776
	Contingency		1,067,099	958,797	108,302	339,395	0	339,395	0	1,406,494
	Total		9,650,000	9,761,567	(111,567)	3,001,320	0	3,001,320	0	12,651,320
Disaster Recovery			(0)			(0)				(0)
	Personnel and S&S		248,822	286,145	(37,323)	161,734	131,150	292,884	0	410,556
	Professional Services		3,000,000	6,285,044	(3,285,044)	4,416,667	2,500,000	6,916,667	0	7,416,667
	Hosting		666,667	1,000,000	(333,333)	866,667	350,000	1,216,667	0	1,533,333
	Contingency		499,225	824,449	(325,224)	694,246	327,926	1,022,173	0	1,193,471
	Total		4,414,713	8,395,638	(3,980,925)	6,139,314	3,309,076	9,448,390	0	10,554,027
Asset Verification System (AVS)			(0)			0				(0)
	Asset Verification System (AVS)					10,000,000	0	10,000,000	0	10,000,000
Total			164,707,721	195,501,637	(30,793,916)	143,814,047	43,595,444	187,409,491	2,367,750	310,889,519
									AY15-17	
									33,593,837	
									Project Total	344,483,356
									2	
			DDI			DDI	M&O	Total	DDI	DDI
			AY17-19	POP 17-19	Increase (Decrease)	AY19-21	AY19-21	AY19-21	AY21-23	Total
Total federal			130,747,648	147,597,021	(16,849,373)	105,603,908	28,037,921	133,641,829	1,770,949	238,122,506
Total state			33,345,073	47,289,616	(13,944,543)	38,210,139	15,557,524	53,767,662	596,801	72,152,012
Issuance Costs			615,000	615,000	0	0	0	0	0	615,000
Total			164,707,721	195,501,637	(30,793,916)	143,814,047	43,595,444	187,409,491	2,367,750	310,889,518

6.3 Appendix D – IE Business Case V1.1 – Stage Gate 2 Submission



IE_Business_Case_v
1.1-SG2.pdf

6.4 Appendix E – IE Business Case V2.0 – Stage Gate 3 Submission



Integrated_Eligibilit
y_Determination_Bu

6.5 Appendix F – HB2219 Legislative Report



HB2219 Legislative
Report.pdf

6.6 Appendix G – Kentucky System Components

Key application components in the *kynect/benefind* system for integrated eligibility determination are described in the following table.

Title	Description
Worker Portal	Module used by the State Agency workers to collect individual/family information to process SNAP, TANF, and/or Medicaid applications. Individuals can apply for one or more programs in a single application, and the module has a capability to interactively ask questions during the interview process based on the programs applied. Throughout the interview process, the modules call interfaces to verify information, as needed.
Eligibility Determination (Rules engine)	Rules base eligibility determination module to determine eligibility for main program and the sub programs to provide best possible benefits for the applicants. For example, when an individual applies for Medicaid, the rules engine cascade down through the Medicaid program hierarchy to provide best Medicaid coverage for the individual.
Benefit Issuance	This module manages daily or monthly issuances for SNAP/TANF/ERDC programs that are issued to individuals/vendors to support initial, monthly or supplemental payments.
Benefit Recovery	This module provides end to end management of SNAP, TANF, ERDC claims. It computes discrepancy, establish claim and start recoupment either through the benefit reduction process or other processes such as tax intercept.
Correspondence	This module manages generation of consolidated correspondences that are issued to the applicants and other stakeholders like vendors.
Task Management	A comprehensive task management module that supports key business processes. The module allows management of human services case management functions as a coordinated set of tasks.
Quality Assurance and Quality Control (QA/QC)	Module to create Random/Targeted sample universes for worker to review SNAP, TANF and Medicaid cases
Hearing/Appeals	Implements end-to-end work flows to support the hearings and appeal process. This module is also integrated with task management module.
Business Intelligence/Management Reports	This module implements operational reports, analytical reports and provides the framework and infrastructure required for several adhoc reporting needs.
Authentication and Identity proofing service	System for authorization and authentication services for users requesting access to various modules of the system.

Title	Description
Document Management Services	Implements electronic case files functionalities where all documents submitted to the agency are indexed and filed for easy access.
Mobile and Tablet Application	Mobile app with full application features for citizens, community partners (application assisters) to apply for health coverage
Self Service Portal for Human Service programs	Self Service Portal for citizens to apply for SNAP, TANF and Medicaid programs.
Medicaid Waiver Management Application (MWMA)	A complete waiver workflow management module to determine eligibility for Medicaid waiver programs and enrollment into waiver services.
Master Client Index module (MCI)	Master client index module which uniquely identifies citizens. It also provides a 360-degree view of citizen enrolled in public assistance program(s).
Interfaces	Implements all required State & Federal Interfaces. Interfaces module also implements an integration framework that supports several integration patterns.
Medicaid Managed Care Enrollment Management	Module for auto assignment and management of Medicaid enrollees in managed care plans (MCOs)

6.7 Appendix H – Kentucky to Oregon Functionality Comparison

As evident in the tables below, the programs are similar in their overall business requirements.

Supplemental Nutrition Assistance Program

Program Eligibility Comparison for Supplemental Nutrition Assistance Program

Eligibility Criterion	Kentucky Supplemental Nutrition Assistance Program	Oregon Supplemental Nutrition Assistance Program
Family Composition and Residency	- Recipients must live in Kentucky - Recipients must be U.S. citizens or certain legal foreign residents of the United States - A household is any person, family or group of people who live and buy and eat food together - The following people must be included in one household account, regardless of whether they purchase and prepare meals separately: - A spouse of any household member - Parents living with their natural, adopted or stepchildren who are age 21 or younger - Children younger than 18 who are dependents of an adult household member	- Recipients must live in Oregon; does not require intent to remain to establish residency - Recipients must be U.S. citizens or certain legal foreign residents of the United States - Filing group consists of members of a household group who choose to apply together or customarily purchase and prepare meals together - The following people must be included in one household account, regardless of whether they purchase and prepare meals separately: - A spouse of any household member - Parents living with their children who are under the age of 22 - Children younger than 18 who are financially dependent of an adult household member
Income	Less than 130% of FPL for most households; 165% for elderly/disabled	Less than 185% of 2015 FPL
Resources	- A household may have no more than \$2,000 in assets OR \$3,250 if a member of the household is 60 or older - Cash and bank accounts are counted; the dwelling, its contents and personal belongings, and vehicles are excluded	Non-Categorically eligible households - Have a resource limit of no more than \$2,250 in resources OR \$3,250 if a member of the household is 60 or older or disabled - Checking accounts, saving accounts, cash on hand, stocks and bonds, equity in vehicles, real property, etc., are counted.
		Categorically eligible households Have a resource limit of \$25,000 in liquid assets (checking accounts, savings accounts, cash on hand)
Employment	Anyone in a household who is 16 to 60 years old and can work must register for, look for, and accept work. There are some exceptions to this requirement.	OFFSET (Employment and Training) - Clients deemed mandatory because they do not meet an exemption must participate in a jobs activity for an eight week period every 12 months - Must accept bona fide offers of employment, even if it's part-time

Eligibility Criterion	Kentucky Supplemental Nutrition Assistance Program	Oregon Supplemental Nutrition Assistance Program
		ABAWDS (Able Bodied Adults without Dependents) - Only applicable in Multnomah and Washington counties, as the rest of the state is under a waiver - Requires those aged 18-49 without a filing group member under the age of 18, who do not meet an exemption, to participate a minimum of 20 hours a week, an average of 80 hours a month of special work requirements
Benefits	- Benefits are issued on an Electronic Benefit Transfer (EBT) card - The benefit amount depends on income and household size. - Benefits may be used to purchase almost any food item, except ready-to-eat hot foods - Benefits may be used to buy seeds and plants to grow fruits and vegetables - Benefits may not be used to buy tobacco, alcohol, pet food, soap and other household products, medicines, and other non-food items	- Benefits are issued on an Electronic Benefit Transfer (EBT) card - The benefit amount depends on income, household size and minus any applicable deductions - Benefits may be used to purchase almost any food item with a nutrition label, except ready-to-eat hot foods - Benefits may be used to buy seeds and plants to grow fruits and vegetables - Benefits may not be used to buy tobacco, alcohol, pet food, soap and other household products, medicines, and other non-food items - There is a cash out program in Multnomah, Washington, Columbia and Clackamas Counties for seniors and people with disabilities
Certification Periods	- Varying lengths of certification periods depending on household characteristics - Periodic reports required at least once every six months, except for elderly or disabled (12 months)	- Varying lengths of certification periods depending on household characteristics - Periodic reports required at least once every six months, except for elderly or disabled (12 months)
Deductions	- Utilizes Standard Utility Allowance (SUA) instead of actual utility costs. - Students are ineligible unless working 20 or more hours per week or have a child under age 6 or are a single parent of a child under age 12 and going to school full time - Must meet with a worker or do interview over the phone. Must be able to provide identification, social security numbers for everyone applying, proof of who lives in your home (can be written statement), proof that you live in Kentucky, proof of child care costs or child support paid, proof of living expenses, and proof of money you have received in the past 60 days, including pay stubs.	- Utilizes Standard Utility Allowance (SUA) instead of actual utility costs - Students aged 18 to 49 attending a higher education program that requires a diploma or GED at least half time must meet additional special criteria - Must meet with a worker or do interview over the phone. Must be able to provide identification, social security numbers for everyone applying, verification of income for recent representative month, and for non-citizens proof of lawful immigrant status of each household member seeking benefits

Eligibility Criterion	Kentucky Supplemental Nutrition Assistance Program	Oregon Supplemental Nutrition Assistance Program
Other	- For ineligible non-citizens, income and deductions are prorated for both groups, which includes counting all income and deductions, or a prorated share. As well as, counting none of the income and deductions (with the allotment capped at the level that an all-eligible household would get), or a prorated share. - May disqualify applicants or recipients who fail to perform actions required by other means-tested program, primarily TANF.	- For ineligible non-citizens, income and deductions are prorated for both groups, which includes counting all income and deductions, or a prorated share. As well as, counting none of the income and deductions (with the allotment capped at the level that an all-eligible household would get), or a prorated share. - May disqualify applicants or recipients who fail to perform actions required by other means-tested program, primarily TANF.

Temporary Assistance for Needy Families

Program Eligibility Comparison for Temporary Assistance for Needy Families

Eligibility Criterion	Kentucky Temporary Assistance for Needy Families	Oregon Temporary Assistance for Needy Families
Family Composition and Residency	- Recipient must be a US citizen - Family must have a child under 18 living in the home OR Pregnant woman must be within one month of her due date - Children must be citizens or have eligible alien status - Children must be 18 years old or younger OR Children must be full time student with expected graduation date before age 20	- Recipient must be a US citizen or have qualified non-citizen status (may be waived temporarily if domestic violence is a factor) - Family must reside in Oregon - Family must have a caretaker relative and a child under 18 living in the home OR Pregnant woman must be within one month of her due date (may be earlier if domestic violence is a factor) - Caretaker relative must meet certain blood, adoption, marriage relationship requirements - Children must be citizens or have qualified non-citizen status - Children must be under 18 years old OR 18 years old and a full-time student in HS or GED - Until March 2016, a child must be deprived of parental support due to continued absence, incapacity, or under/unemployment
Income	Your family must earn less than a certain amount of money per month	- To qualify for TANF, families must have very few assets and little or no income. - Your family must earn less than a certain amount of money per month
Resources	Countable assets must be \$2,000 or less and licensed vehicles needed for individual's subject to the work requirement may not exceed \$8,500	- Countable assets must be \$2,500 or less for applicants, for individuals in sanction status, and for families with no caretaker relative in the need group - Countable assets must be \$10,000 or less for all other recipients - Exclude up to \$10,000 equity value of all motor vehicles; remaining equity counts toward asset limit - Applicants and recipients must pursue alternative assets available to them - Applicants and recipients must assign their support rights to, and cooperate with, child support

Eligibility Criterion	Kentucky Temporary Assistance for Needy Families	Oregon Temporary Assistance for Needy Families
Employment	Adults in families receiving cash assistance must work or participate in work related activities for a specified number of hours per week depending on the number of work-eligible adults in the family and the age of children	- Adults in families receiving cash assistance must work or participate in work-related activities for a specified number of hours per week depending on the number of work-eligible adults in the family, the age of children, and the family situation - Caretaker relatives must not be separated from their most recent employment due to discharge without good cause, or due to voluntarily quitting without good cause - Needy caretaker relatives must complete an employability screening
Benefits	The current maximum monthly benefit for a family of 3 with a monthly gross income of \$974, is \$262	The current maximum monthly benefit for a family of three is \$506.
Certification Limits	A family may receive benefits for no more than 60 total months. The 60 months needs not be consecutive	- Eligibility must be recertified every 6 months for families who have an open JOBS plan and are not participating or an active JOBS disqualification OR Eligibility must be recertified every 12 months - Recertification may be done earlier if deemed necessary by the case manager or to align with SNAP benefits - Heads of household may receive benefits for no more than 60 total months. The 60 months need not be consecutive. There are hardship exemptions that can stop the clock or extend benefits beyond 60 months. Children are not subject to the time limit.
Other	Recipient must have a social security number	Recipient must have a social security number

Employment-Related Day Care

Program Eligibility Comparison for Employment-Related Day Care

Eligibility Criterion	Kentucky Child Care Assistance Program	Oregon Employment-Related Day Care Program
Family Composition and Residency	- Recipient must be resident of KY - Child must be a U.S. citizen or a qualified alien - Child must be under 13 or be 13-19 and physically or mentally incapable of self-care - Recipient must be parent by blood, by marriage, or by adoption, or recipient must be the legal guardian or standing <i>in loco parentis</i> in relationship to child	- Recipient must be a resident of OR - Child must be a U.S. citizen or qualified non-citizen (includes non-citizens who are at risk for, or currently the victim of domestic violence, and victims of severe trafficking) - Child must be under 12 or be 12-17 and receiving care due to special circumstances and needs - Recipient must be a parent or caretaker who has care, control, and supervision of the dependent child (not required to be a relative)
Income	Less than 150% of 2011 FPL (On-line calculator considers earned income, net child support, social security, TANF, and "other sources")	(At initial certification) Less than 185% of 2015 FPL (Application asks for all sources) (On-going and at recertification) Less than 250% of FPL and less than 85% of the state median income
Resources	No requirement	No requirement
Employment	- Must be employed and average at least 20 hours per week for a single parent or average 40 total hours per week for a couple - OR - A teen parent attending high school or pursuing a GED - OR - Participating in the Kentucky Works Program - OR - Have a child protective or preventive services authorization	Must be employed (no minimum number of hours) and if a couple, both must work and schedules must overlap (unless one parent cannot provide care due to a verified medical condition) Oregon does not cover teen parents attending high school or pursuing a GED, participants in an Oregon employment program, or parents who have children in protective or preventive services authorizations.
Benefit	- The program pays the provider's bill—less a copay—up to a maximum rate that depends on the age(s) of the child and the provider type - Recipient pays a copay that depends on income plus any part of the provider's rate that exceeds the maximum rate	- The program pays the provider's bill—less a copay—up to a maximum rate that depends on the age(s) of the child, provider type, location, and special care needs - Recipient pays a copay that depends on family size and income plus any part of the provider's rate that exceeds the maximum rate
Other	Must use a provider that is licensed, certified, and registered	Must use a provider that meets DHS requirements (includes licensed and licensed exempt providers)

6.8 Appendix I – Alignment with Strategic Technology Plan

The table below summarizes the various components of the STP that an integrated eligibility system will satisfy.

Comprehensive View of Clients	- o Supports use of a master client record - o Single location for verified client data (e.g. financial, eligibility, benefit etc.) - o Facilitate future view of an integrated case and payments through integration with legacy case management and payment systems
Trusted Sources for Health & Human Service Data	- o Reduce data duplication and entry into multiple systems through single application for various programs. - o Reduce data inconsistencies and inaccuracies through workflow automation - o Trusted source for verified client data (e.g. financial, eligibility, benefit etc.) - o Improve data access and data share across programs through integration with other DHS systems. - o Role based data access and security improves data protection and compliance. - o Consistent and accurate data reporting and analysis - o Field-level audit and reporting capabilities
Business Automation	- o Automated workflows using task queues inside the Worker Portal - o Automated decision making and business rules using the business rules engine - o Reduced manual and paper based processes - o Real time determination of eligibility and benefit amount - o Automated verification of client information - o Interface with legacy systems
Connectivity Anytime, Anywhere, in Multiple Ways	- o Applicant and worker portal allows real-time, 24/7 access to application, eligibility, and benefit information. - o Clients can apply, update information, report change in circumstances, and communicate with their assigned case workers through multiple channels. - o Multiple device and browser agnostic capability supports connectivity from anywhere
Dynamic Needs Supported by Seamless Services	o Industry best practices and standards based modular architecture and design (e.g., Service Oriented Architecture (SOA), Enterprise Service Bus (ESB) etc.) enables to leverage existing functionality and also expose functionality through web services

6.10 Appendix J – Responsibilities

Agency and Contractor responsibilities as identified in the SI SOW #2, Amendment #4, are grouped by category below.

Project Area	Agency Responsibilities	Contractor Responsibilities
Planning & Project Management	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.1 of this SOW #2 • State-designated Project Director, in consultation with DHS leadership and the Contractor's Engagement Manager, will have overall responsibility and authority for driving all Project decisions; reviewing and approving all Deliverables; facilitating discussion and communication among the parties as needed; and securing any required State or third-party resources • Manage Joint Agency Governance Structure for ONE/Integrated ONE system (including vendor management structure)	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.1 of this SOW #2 • Engagement Manager, in consultation with Contractor leadership and State Project Director, will have overall responsibility and authority for driving all Contractor decisions; facilitating discussion and communication among the parties as needed; and securing any required Contractor resources. Meet on an agreed upon frequency with key stakeholders to review project performance and resolve issues between the Contractor and the State

Project Area	Agency Responsibilities	Contractor Responsibilities
	• Subject matter specialists assigned to the Project will have the necessary time commitments to attend meetings, workshops and other Tasks. DHS and OHA personnel will have the role and authority to represent their various functions, and they will also be responsible to speak for, approve on behalf of, and communicate to and from their respective business units for the Tasks defined in SOW #2 • Allocate State resources based on work streams, as defined in the IPS, to allow multiple concurrent sessions to occur during SOW#2. Based on the current high-level timeline outlined in Appendix A, up to three concurrent work streams may be actively engaged at a point in time during the SOW #2 • Contribute to development and management of the IPS: ◦ Identify State-owned tasks and work with the PMO to finalize relevant attributes required for each task ◦ Collaborate with Contractor on understanding Contractor tasks and their attributes in the IPS, integrate timing between State-owned and Contractor tasks ◦ Report progress on State-owned tasks weekly per the processes and cadence in the IMPF ◦ Work collaboratively to identify corrective actions for slippages while reducing impact upon go-live dates • Manage and share schedule for work with implementation dependencies (i.e. legacy design and development). • Complete assigned tasks in the approved IPS in accordance with the baseline finish dates • Analyze Project risks and issues and work with the Contractor to approve issue resolutions and risk mitigations. Communicate risk and issue status discussed at the Executive Steering Committee meetings in consultation with the Contractor • Review and approve the proposed Deliverable Expectation Documents (DEDs) and Deliverable documents, consistent with the Project Management Plan	• Participate as requested in Joint Agency Governance Structure for ONE/Integrated ONE system • Contractor personnel assigned to the Project will have the appropriate experience, availability and skills to perform their function(s) • Follow established onboarding and off boarding processes, complete required privacy and security training; comply with building and server access and use rules • Allocate Contractor resources based on work streams to allow multiple (up to three) concurrent sessions to occur during SOW#2. Propose meeting schedule that takes into consideration the number of concurrent meetings due to State resource availability during the preparation period of the SOW #2 • Develop the IPS by: ◦ Identify Contractor-owned tasks and work with the PMO to finalize relevant attributes required for each task ◦ Collaborate with State on understanding State tasks, managed by the State and their finalization in the IPS; integrate timing between Contractor and State-owned tasks ◦ Reporting progress on Contractor-owned tasks weekly per the processes and cadence in the IMPF ◦ Work collaboratively to identify corrective actions for slippages while reducing impact upon go-live dates • Complete assigned tasks in the approved IPS in accordance with the baseline finish dates • Identify and help mitigate risks and issues related to the Project (scope, schedule, resources), using the agreed-upon Project processes • Prepare a Deliverable Expectation Document (DED) and submit for

Project Area	Agency Responsibilities	Contractor Responsibilities
	- For each deliverable, participate in working sessions to provide input on deliverable content, provide direction, and vet content as it is being development - Analyze and approve proposed Project scope of work changes. Approve Change Orders and operational procedure changes - Coordinate the necessary State and federal reviews and assessments - If there is a conflict among the governing regulations regarding a specific standard, State will provide the statutory interpretation to resolve the perceived conflict to Contractor - Provide 24/7 access to facilities, servers, and environments for Contractor's Project team. This is subject to the planned maintenance and downtime necessary for servers and environments. Sufficient system and network access will be provided for a minimum number (##) Contractor resources - Maintain Project SharePoint as central document repository - Use PMC in accordance with processes documented in the approved PMFP - Follow Project management and quality management processes as defined in PMFP - Consult with the Contractor on quality improvement measures and determination of areas to be reviewed - Provide notice to the Contractor of inadequate performance; request, review, approve, and monitor proposed corrective actions taken by the Contractor - Protect any Confidential Information, including that of citizens and employees (e.g. limit the amount of data provided to Contractor, use secure channels or ways of sharing data, protect data that resides within the State's operating and IT environments). DHS/OHA will provide Contractor with access to conversion data on a State-provided network device. The State will not knowingly provide PHI, PII or FTI data, except as provided for data conversion activities at Contractor's request and as requested in writing by the Contractor's Project Manager	Acceptance from the State for the content and format of each Deliverable at least two weeks before beginning significant work on the Deliverable as per the dates in the approved IPS (or Section 3 until the IPS Acceptance occurs). - Prepare proposed Project scope of work changes, initiate Change Orders, and recommend operational procedure changes - Participate in State and federal reviews and assessments, as necessary - If there is a conflict among the governing regulations regarding a specific standard, Contractor shall identify perceived conflict and will seek guidance from Agency - Contractor is also responsible for ensuring that personnel use reasonable efforts to maintain property - Submit formal Project documentation to the State SharePoint domain, with access provided to Contractor and State staff. Access restrictions may apply to some documentation such as folders containing security, financial or contract information. All documentation restrictions shall be approved by the State Project Director prior to loading of documents on the SharePoint - Maintain PMC for Project - Implement and maintain Project management and quality management processes as defined in PMFP - Consult with the State on quality improvement measures and determination of areas to be reviewed - When provided notice by Agency of inadequate performance, Contractor will identify, submit for Acceptance, and implement proposed corrective actions to be taken by the Contractor - Handle any Confidential Information to which Contractor has access, in

Project Area	Agency Responsibilities	Contractor Responsibilities
		accordance with the terms of the Contract
Detailed Design Phase	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.2 of this SOW #2 - Actively participate in functional and technical design sessions based upon detailed schedules - Support development of design specifications with functional and technical SMEs that are familiar with legacy systems - Based upon approved design specifications, develop technical design for legacy side of interfaces, legacy application changes, and conversion extract routines	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.2 of this SOW #2 - Schedule and lead functional and technical design sessions with State SMEs - Develop design specifications that describe interfaces (including file formats) and conversions (including file formats) - Support State technical resources in developing technical designs for legacy side of interfaces, legacy application changes, and conversion extract routines
Development	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.3 of this SOW #2 - Review and provide inputs to the Application Development Plan - Provide inputs to functional clarifications and decisions raised during the course of Application Development - Develop interface components per design specified in the Interface Design Control Document (ICD) associated with connecting legacy systems and coordinate with interfacing agencies as defined in Appendix B of this SOW #2. - Provide files generated per the specifications of the interface components in accordance with Accepted design, for integration during development phase. - Provide data extraction files based upon Accepted Data Conversion Plan. - State will provide sample legacy data extracts with confidential information removed or masked for data quality assessment purposes - State SMEs will confirm data models, data definitions and provide available data dictionary documentation for source systems - Perform purification/cleansing of data required for conversion in legacy systems	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.3 of this SOW #2 - Develop the Application Development Plan - Develop the System in accordance with the Accepted Functional Design Document and proactively raise necessary clarifications to the State business and technology teams as applicable. - Recommend specifications for interfaces between the Integrated ONE system and in-scope legacy systems - Execute validation routines against conversion extracts and provide reports of data that fails validations - Advise State in defining data extract criteria for each legacy system - Assist with obfuscation protocols if needed - Advise State in conducting purification/cleansing of data in legacy systems required for conversion - Assist State by implementing Accepted conversion software (Deliverable 2.3.3) to support legacy data conversion and cleansing

Project Area	Agency Responsibilities	Contractor Responsibilities
	- Develop daily extracts to support interim conversion process based on the Accepted Data Conversion Design or addendum. - Process the flagging files generated post conversion to update information in the legacy source systems per the Accepted Legacy Data Conversion Design Deliverable or addendum.	- Generate flagging files post conversion run to indicate successful conversion - Develop conversion routines to support the interim conversion process - Perform calculations, modifications, or sorting required to further identify and extract data from the State-provided data files to support phased rollout, including 'other related individuals' tied to converted data.
Testing	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.4 of this SOW #2 - Participate in mock conversions by providing extracts, reviewing error reports, and validating converted data - Participate in security testing of IAM COTS products and support determination of recommendations and execution of corrective actions resulting from security tests - Coordinate with stakeholders that are participating in test activities to connect their system test and User Acceptance test environments with the Integrated ONE system test and User Acceptance Test Environments, respectively. - Document its test plan, including tests cases based upon the Accepted design and execute Pre- and User Acceptance Testing per the current Accepted schedule in IPS - Plan review sessions, conduct review of test plans SIT test plans, and test cases in accordance to the timeline defined in the current Accepted IPS - Participate in performance, stress/load, security, and end-to-end system integration test activities as defined in the applicable Accepted test plans - Review System Integration Test results and prioritize items for remediation or determine risk acceptance - Review in accordance with the Acceptance provisions the Test Plan(s) and other Testing Phase Deliverables - Schedule, coordinate, and manage IV&V independent testing to support alignment with	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.4 of this SOW #2 - Conduct security testing of IAM COTS products - Provide Agency and Agency partners that are participating in System test activities with access to relevant Test Environment(s) and coordinate testing schedule in support of data exchange. Test Plan and Test Cases as documented in relevant Deliverables will also be made available as additional references - Conduct and complete, in accordance with Agency accepted Test Plans, the performance, stress/load, security, and end-to-end system Integration Tests - Conduct test plan review sessions and finalize the test cases - Conduct testing activities defined in the Accepted test plans and report Test results for QA review - Update the RTM Deliverable to reflect refinements identified during system integration Testing that are mutually determined by the parties to be necessary to exit system integration test - Provide Defect triage, reporting, and the necessary application development support to the State in Pre-UAT and User Acceptance Testing as specified in Section 2.4 of the SOW - Participate in IV&V Independent testing by preparing the system, provisioning tester access, and reviewing test results

Project Area	Agency Responsibilities	Contractor Responsibilities
	the approved design and adherence to approved IPS go-live dates	
Security	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.5 of this SOW #2 - State, DHS and supporting agencies will participate in work sessions and review sessions for the system Security Plan (SSP), Privacy Impact Assessment (PIA), Plan of Action & Milestones (POA&M) and Information Security Risk Assessment (ISRA) documents and assign owners, develop work plans, and resource estimates to address gaps that are identified. DHS will review and approve final CMS SSP and POA&M to CMS - Obtain required training on the Security related COTS products (CA IAM suite, QRadar, DataPower and Optim) from product vendor or another Vendor - Hardening server and desktop operating systems and network devices for the Integrated ONE system including patch management and perform penetration testing of the hosted infrastructure according to standards that align with those listed in NIST Vulnerability Security Configuration Standards as required for CMS security requirements - Lead the communication with CMS related to the review of security artifacts as part of the ATC process - Obtain and configure Secure Socket Layer (SSL) certificates on the Integrated ONE system infrastructure - Provide input to the Application Configuration Management Plan and Technology Management Plan deliverables for infrastructure security components of the DHS solution (e.g. Firewalls, Intrusion Detection/Intrusion Prevention systems, Anti-Virus, etc.) - Develop agreements with Federal Data Services Hub (FDSH) including the Interconnection Security Agreement (ISA), Business Associate Agreements (BAA's), Memorandums of Understanding (MoU's), Data Exchange Agreement (DEA), and Computer Matching Agreement (CMA) - Create or modify security and privacy policies and/or procedures for the State, with the	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.5 of this SOW #2 - Develop the system Security Plan, Plan of Action & Milestones), Privacy Impact Assessment, and Information Security Risk Assessment in accordance with CMS MARS-E 2.0 requirements. Prepare an initial SSP and a Final SSP and POA&M (which includes the input from SAR, ISRA, and PIA) in preparation of sending to State Acceptance for CMS submission - Provide suggestions for potential vendors, if required - Provide compliance requirements for operating systems and standards for infrastructure hardening components based upon CMS/NIST configuration standards - Provide security support for the artifacts as required - Provide server information for supporting the request for SSL certificates - Develop the Application Configuration Management Plan and Technology Management Plan - Provide input as required from the SSP documentation for the ISA and data agreements for the Integrated ONE system - Address questions related to the security requirements as required - Participate in the security sessions to review questions and direction from CMS and the State that impact the CMS SSP and security related artifacts as required for ATC - Collaborate with independent vendor hired to conduct independent security testing by preparing for and supporting test execution

Project Area	Agency Responsibilities	Contractor Responsibilities
	exception of operational procedures for security products installed by Contractor • Conduct review sessions with CMS and State Security Information Security Officer (CISO) • Hire an independent vendor to conduct independent security testing per relevant federal and State requirements • Hire an Independent third-party vendor to be responsible for completing the Security Assessment Report (SAR) • Maintain and operate DHS security products other than the CA IAM products and associated supporting components • Submit quarterly updates of the POAM, and annual updates of the ISRA and PIA, following obtainment of Authority to Connect for the Integrated ONE system	• Provide information needed to support the third party security assessments as required by CMS and FNS. • Maintain and operate CA IAM • Provide information for security gaps assigned to the Contractor for responsibility for remediation identified on the POAM • Perform design, configuration, testing and integration of security COTS products (e.g., CA IAM, QRadar, DataPower, Optim) with the Integrated ONE system components • Design, build test and deploy in-scope application security roles • Perform application vulnerability and application security code testing for the Integrated ONE system and provide support for tracking of open application vulnerabilities and support for remediation
Infrastructure	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.6 of this SOW #2 • State will be responsible for acquisition and configuration of servers and operating software needed to stand-up new environments for the Integrated ONE system based upon the approved Technology Management Plan and Contractor Specifications • The State will coordinate the timing of hardware acquisition and environment preparation with the Contractor • Provide access to Contractor in order to enable the hardware and software necessary to use the Integrated ONE systems environments • Implement firewall rules and network access control list modifications to accommodate the flow of network traffic for the security products to function to address business and regulatory requirements • Maintain the Hardware and Software at the SDC including OS-level, and software licensing, and patches for such as maintained by State (for example, Active Directory, DataPower, etc.) • Plan, install and verify OS patches, security system patches, and hardware related upgrades	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.6 of this SOW #2 • Contractor will be responsible for installation and configuration of database, application, and COTS software into new environments • The contractor will participate with State in the coordination of the timing and availability of new environments • Contractor will send State requests for access to the Integrated ONE system environments with reasonable prior notice • Document infrastructure gaps to be addressed to support the flow of network traffic for the security products based upon business and regulatory requirements • Maintain the COTS products and patches in collaboration with State for products identified in the Accepted Technology Management Plan • Plan, install and verify COTS mutually agreed upon patches and upgrades

Project Area	Agency Responsibilities	Contractor Responsibilities
	required to maintain ETS standards including existing ONE system environments, VDI infrastructure, and end user desktops - Agency will work with Contractor to reasonably schedule downtime for system maintenance and will provide prompt notification of emergency unplanned maintenance - Provision compute and network capacity for development machines (VDI) as defined in the Accepted Technology Management Plan to enable onsite and offsite team members' daily activities with reasonable hardware/virtual machine performance - Collaborate with State ETS and Contractor to configure and monitor server backups and conduct server recovery tests	required to maintain vendor support without impacting the approved IPS - Work with Agency to reasonably accommodate requested downtime for scheduled maintenance - Create and submit Deliverables as per approved timeline and DEDs - Collaborate with State and provide inputs regarding performance of development machines (VDI) and document the finalized capacity requirements in Technology Management Plan. - Conduct application and COTS validation after successful recovery of servers
Business Operations Implementation	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.1 of this SOW #2 - Provide leadership direction, input and session participants necessary to support the development, execution, evaluation, and Acceptance of the Business Operations Implementation Services plans - Make cross-program operational and policy SMEs available for to-be process model working sessions. SMEs will have detailed knowledge of current business processes and preferences for the proposed business processes for the Integrated ONE system - State leadership will be closely involved to confirm key decisions made and help assess and accept their impact on the current system and business operations - Revise and publish policy changes as required to align with approved system and process designs - Leadership will communicate any modifications to future DHS vision, including timing and schedule modifications - Identify resources for business operations implementation services deliverables so that they align with the on-going work of the DHS Business Transition Team responsible for integration of OHA to DHS operations - Responsible for communicating in a timely manner any decisions regarding integration of	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.1 of this SOW #2 - Lead business transition planning tasks - Discuss Integrated ONE program policies and operational practices, and help document key transition items - Review and notify the state of any inconsistencies on Policy draft alignment with System design - Coordinate with functional team to communicate potential design impacts as a result of business process redesign

Project Area	Agency Responsibilities	Contractor Responsibilities
	OHA operations into DHS operations including timing of activities - Responsible for integrating current OHA eligibility center operations to DHS operations - Provide operational performance data including baseline data for SSP, APD/AAA offices to support Business Operations Implementation services activities	
People Readiness	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.2 of this SOW #2 - Collaborate with the Contractor People Readiness team to plan the people transition to Integrated ONE by providing input into and approval of the People Readiness and Communications Support Plan (PR&CSP) deliverable. - Collaborate with the Contractor People Readiness team to provide input into the ongoing quarterly updates of the PR&CSP - Lead the people readiness activities, per the strategy defined in the People Readiness and Communications Support Plan - Identify stakeholders with knowledge and availability to execute the people readiness activities, per the strategy defined in the People Readiness and Communication Support Plan - Develop and maintain primary responsibility for executing an Integrated ONE system Communications Plan - Provide guidance and requested information (demographics, facilities, technical, current skills) as input to Training Plan - Support development of training material based upon the approved Training Plan and identify resources for any review or dry-runs of content under development - Provide support for determination of training data - Identify and staff sufficient trainers to receive train-the-trainer training - Conduct sufficient instructor lead training deliveries to support the approved IPS - Provide Learning Management System (LMS) or other training materials storage and delivery	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.2 of this SOW #2 - Lead development of the People Readiness and Communications Support plan deliverable - Collaborate with the State People Readiness team to provide quarterly updates of the PR&CSP - Collaborate with the State by attending events and meetings where People Readiness activities are occurring - Collaborate with the State People Readiness Team on the execution of the people readiness activities, such as providing feedback on State People Readiness materials - Develop Training Plan, describing the approach, the curriculum (including description, durations, delivery method, audience, and learning objectives of each course); includes train-the-trainer approach and roles and responsibilities for training material development and training delivery; materials to be provided from the Integrated ONE perspective and designed to be incorporated into State's comprehensive training that combines information technology, policy, and practice - Develop training material based upon the approved Training Plan and schedule reviews or dry-runs of content under development - Coordinate the identification and population of training data - Leverage State designated storage and delivery mechanisms for training

Project Area	Agency Responsibilities	Contractor Responsibilities
	mechanism and any system requirements needed for coordinated development • Provide Train-the-trainer and End User Training scheduling tools; manage registration for TTT and End User Training class delivery; train Contractor resources on provided tools; and monitor and confirm WBT training compliance • Participate in a pilot of the Training program prior to Train-the-trainer launch • Provide the necessary facilities, network access, printed materials and tools to support Train-the-trainer and End User Training sessions • Deliver end user training based upon the approved IPS and communicate feedback on training results and issues • Provide and prepare 1 business process and policy SME for each class during Train-the-trainer and end user training sessions • Collaborate with the Contractor People Readiness team in the development of the Phased Rollout Support Plan deliverable • Provide access to accurate and timely data on headcount in each of the on-site support offices for planning and deployment • Deploy State resources to support the delivery of on-site support 4 weeks after Pilot and for each go-live, per Contractor and State agreed upon support resources and timeframes • Collaborate and Coordinate with the Contractor People Readiness Team to prepare resources to provide onsite support	materials and web-based training content • Leverage provided Train-the-trainer scheduling tool to schedule Train-the-trainer sessions • Deliver a pilot of the train-the-trainer program to designated State trainers, prior to UAT as per the Accepted Training Plan Deliverable. • Deliver Train-the-trainer training to designated State trainers, prior to Pilot go live as per the Accepted Training Plan Deliverable. • Provide feedback to the State regarding document training delivery logistics checklist, which defines requirements on facilities, printed materials, and tools • Collaborate with State to address issues related to the training environment and questions about the training materials during End User Training • Provide TTT reference materials and conduct a review session to prepare State business process and policy SMEs who will participate in training delivery • Lead the development of the Phased Rollout Support Plan deliverable. Collaborate with the State Business Transition Team to plan on-site support needs prior to, during and immediately after go-live • Deploy Contractor resources to support the delivery of on-site support for the duration of the Pilot and 4 weeks after go-live for each wave, per Contractor and State agreed upon support resources and timeframes. The following number of contractors will be deployed: ○ Pilot + ONE Upgrade: up to 11 ○ Wave 1: up to 31 ○ Wave 2: up to 33 ○ Wave 3: up to 26

Project Area	Agency Responsibilities	Contractor Responsibilities
		• Prepare State and Contractor resources in the activities to be performed at each site
System Implementation	Participate in and support timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.3 of this SOW #2 • Establish criteria for go/no-go implementation decisions and make go/no-go implementation decisions as appropriate • Provide resources to support the development of cutover plan • Provide resource to support the approved cutover plan • Provide a Command Center Manager with the authority to make decision while the Command Center is effective	Perform timely and satisfactory completion of all Contractor Tasks included in the scope described in Section 2.7.3 of this SOW #2 • Participate in and make recommendations as input into go/no-go decisions • Develop cutover plan in collaboration with State • Lead execution of cutover based upon approved cutover plan • Provide leadership presence onsite for command center meetings.

Table 4: Responsibilities

Parking Lot

Integrated ONE System Functionality includes:

- Workflow automation inside the Worker Portal
- Automated business rules using Corticon Rules Engine – including real time eligibility determination to support the Applicant Portal
- Automated notice generation using HP ExStream
- Address validation service using Melissa Data
- Automated verification interfaces with the Federal Data Services Hub, the state Medicaid Enrollment System (MMIS), and the Oregon Employment Department
- Automated Bi-Directional Account Transfer with the FFM & Minimum Essential Coverage check for Medicaid benefits
- Integration with the existing document management service provided by DHS Imaging and Records Management System
- Integration of Computer Associates Identity & Access Management Solution to provide single sign-on integration with OHA's Active Directory

3.6.2 Key Performance Indicators: Measures of Business Success

The following Key Performance Measures are routinely collected by DHS's Performance Excellence Office. Implementation of a new Integrated Eligibility system is expected to "move the needle" on these indicators in the desirable direction:

- Customer Satisfaction: % of DHS Customers that rank the quality of DHS Service as good or excellent
- Employee Engagement: % of DHS staff that report medium-high or high level of engagement
- Accuracy:
 - o % of SNAP PER QC reviews for SSP branch offices where accuracy measures 95% or better
 - o % of TANF QC reviews for SSP branch offices where accuracy measures 95% or better
 - o % of ERDC QC reviews for SSP branch offices where accuracy measures 95% or better
 - o % of APD QC and QA reviews for APD branch offices where accuracy measures 95% or better
- Timeliness:
 - o % of new SNAP Expedited and Non-Expedited applications meeting processing timelines
 - o % of new SNAP Benefits issued within 0-1 days
 - o % of APD cases with a redetermination date that is current or less than 1 month overdue compared to the total cases with a review date

3.6.3 Measures of Project Success and Completion

Project Success Measures:

-
- Project is completed on time in comparison to the latest approved baseline schedule.
- The last approved baseline schedule does not deviate by more than 10% from the schedule projected at Stage Gate 3.

- Project is completed within budget in comparison to the latest approved baseline budget.
- The latest approved baseline budget does not deviate by more than 10% from the budget projected at Stage Gate 3.
- The system satisfies all of the requirements in the Requirements Traceability Matrix at Stage Gate 3 as subsequently modified through the project's change management criteria.
- At the close of the warranty period, there are no Critical or Major defects remaining and the ratio of Minor defects remaining to the size of the system is below industry averages.

Project Completion Criteria

The project will be complete when all of the following are true:

- System has been in production through a six-month warranty period
- All contracted work has been completed and accepted, and final payments have been made to all vendors
- The Office of the State Chief Information Officer and the Legislative Fiscal Office have approved the project's Stage Gate 4 submission
- A steward for Operations and Maintenance is identified and has formally accepted handoff of the system
- The position responsible for post-project monitoring and reporting on measures of success has been identified and its occupant has formally accepted the handoff
- Final reports required by funders of the system, if any, have been delivered and accepted
- Project documentation has been assembled and archived consistent with agency and state records retention policies

*Department of Human Services
Major Equipment Financing
Placeholder*

*DHS is not planning on purchasing major equipment in the 2019-21 biennium outside of
Project expenditure authority.*

Human Services, Department of

Annual Performance Progress Report

Reporting Year 2018

Published: 10/1/2018 1:45:15 PM

KPM #	Approved Key Performance Measures (KPMs)
1	OVRs CLOSED - EMPLOYED - The percentage of Office of Vocational Rehabilitation Services (OVRs) consumers with a goal of employment who are employed.
2	TANF FAMILY STABILITY - Rate per 1,000 of TANF recipient children entering child welfare (foster care or in home)
3	TANF RE-ENTRY - The percentage of Temporary Assistance for Needy Families (TANF) cases who have not returned within 18 months after exit due to employment.
4	SNAP (Supplemental Nutrition Assistance Program) UTILIZATION - The ratio of Oregonians served by SNAP to the number of low-income Oregonians.
5	SNAP (Supplemental Nutrition Assistance Program) ACCURACY - The percentage of accurate SNAP payments
6	ENHANCED CHILD CARE - The percentage of children receiving care from providers who are receiving the enhanced or licensed rate for child care subsidized by DHS
7	ABSENCE OF REPEAT MALTREATMENT - The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization.
8	TIMELY REUNIFICATION - The percentage of foster children exiting to reunification within 12 months of foster care entry.
9	TIMELINESS OF ADOPTION ONCE LEGALLY FREE - Percent of Legally free children adopted in less than 12 months
10	LTC NEED PREVENTION - Percentage of seniors (65+) needing publicly-funded long term care services.
11	LTC RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES - The percentage of Oregonians accessing publicly-funded long-term care services who are living outside of nursing facilities.

KPM #	Approved Key Performance Measures (KPMs)
12	DEVELOPMENTAL DISABILITY SUPPORT SERVICES - The percentage of eligible adults who are receiving adult support services within 90 days of request.
13	PEOPLE WITH DISABILITIES LIVING AT HOME - The percentage of individuals enrolled in the Intellectual/Developmental disabilities program who are receiving services in their own home.
14	SUPPORTED EMPLOYMENT - Increase the number of individuals who receive developmental disability services in supported employment.
15	ABUSE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES - The percentage of people with developmental disabilities experiencing abuse.
16	Abuse Investigation Timeliness - Percent of abuse reports assigned for field contact that meet policy timelines.
17	CUSTOMER SERVICE - Percentage of customers rating their satisfaction with DHS above average or excellent: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
18	Disparity in foster youth achieving permanency within 2 years by race/ethnicity - Disparity is calculated by taking the ratio of two percentages: Percent of Non-White & Hispanic children achieving permanency goals / Percent of Non-Hispanic White children achieving permanency goals. The permanency goal is the percent of foster youth achieved permanency within 24 months (of those that entered 24 months ago)
19	CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME - The percent of children served in Child Welfare on an average daily basis (In Home and Foster Care) who were served while residing in their parent's home.
20	TANF JOBS PLACEMENTS - The percentage of clients who achieve job placement each month compared to those anticipated to achieve placement.

Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	57.89%	21.05%	21.05%

KPM #1	OVRS CLOSED - EMPLOYED - The percentage of Office of Vocational Rehabilitation Services (OVRS) consumers with a goal of employment who are employed.
	Data Collection Period: Oct 01 - Sep 30

* Upward Trend = positive result

Report Year	2014	2015	2016	2017	2018
OVRS CLOSED - EMPLOYED					
Actual	60%	62.44%	62.34%	60.20%	57%
Target	66%	66%	66%	66%	63%

How Are We Doing

We have missed this target since Federal Fiscal Year 2013. The state target is optimistic for our program.

Factors Affecting Results

In preparation for implementing the sizable increase in data reporting required for the Workforce Innovation and Opportunity Act (WIOA), which began July 1, 2017, we asked staff to review cases in plan who were not progressing. This resulted in a sizable increase in case closures from plan during State Fiscal Year 2018(SFY). Since the denominator of this KPM is based on the number of clients closing from plan, this decreased our performance on this KPM considerably, dropping it from 60% to 57% from SFY17 to 18. From SFY17-18, the clients rehabilitated declined 3.56% versus a 2.9% increase in the number of cases closed from plan.

KPM #2	TANF FAMILY STABILITY - Rate per 1,000 of TANF recipient children entering child welfare (foster care or in home)
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = negative result

Report Year	2014	2015	2016	2017	2018
TANF FAMILY STABILITY					
Actual	No Data	3.40	3.70	4.30	3.40
Target	TBD	TBD	TBD	TBD	TBD

How Are We Doing

This measure tracks children living in extreme poverty who are receiving Temporary Assistance to Needy Families (TANF) and have child welfare involvement in the final month of a three-month timeframe. Our objective is to decrease the percentage of child TANF recipients needing to be placed in foster care. However, in State Fiscal Year (SFY) 2015, 3.4 per 1,000 of child TANF recipients had been receiving TANF cash assistance prior to entering foster care. In SFY 2016 there was an increase to 3.7 per 1,000 children, and an increase to 4.3 per 1,000 children in SFY 2017. In the most recent year, SFY 2018, the rate was 3.4, down almost a full percentage point from 4.3 the previous year.

Factors Affecting Results

There may be multiple child abuse risk factors present in families such as, domestic violence, alcohol or drug abuse, parental involvement with law enforcement, homelessness, previous child welfare involvement and unemployment. Often there are several of these factors in families of child abuse/neglect victims. While Oregon's overall economy is improving, the recovery has been

inconsistent across the state, and some populations, accounting for both geographic and demographic factors, are still experiencing high rates of unemployment and poverty.

The Self-Sufficiency programs are intended to provide a safety net, family stability, and a connection to careers that guide Oregonians out of poverty. Part of the TANF service array includes Family Support and Connections which provides supports to prevent children in at-risk TANF families from entering the child welfare system. Home and community-based services are used to guide interventions that build on family strengths and address family functioning issues. The services are designed to strengthen and support families by increasing parental protective factors and addressing risk factors related to child abuse. Temporary Assistance for Domestic Violence Survivors (TA-DVS) provides temporary financial assistance and support services to families with children who need to flee and stay free from domestic violence.

KPM #3	TANF RE-ENTRY - The percentage of Temporary Assistance for Needy Families (TANF) cases who have not returned within 18 months after exit due to employment.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = negative result

Report Year	2014	2015	2016	2017	2018
TANF RE-ENTRY					
Actual	61.40%	68.10%	65.10%	63.46%	62.51%
Target	65%	65%	65%	65%	66%

How Are We Doing

Our objective with this measure is to increase the number of former TANF participants who do not require future TANF cash assistance after leaving the program due to unsubsidized employment. In State Fiscal Year 2016 (SFY), 63.5 percent of TANF participants did not return to TANF in the 18 months after leaving TANF due to employment. This is slightly below the target and is a small decrease from the previous year of 65.1 percent. In State Fiscal Year 2017 (SFY) the re-entry rate was 63.46% but dropped almost a full percentage point to 62.51% for State Fiscal year 2018 (SFY).

Factors Affecting Results

This measure may be affected by several things, including the status of the economy, the availability of jobs, and industry or employment sector factors. It can also be affected by the structure of the Job Opportunity and Basic Skills (JOBS) program and the effectiveness of other agency and community partnerships that help connect TANF recipients into jobs. The effects of the TANF program reinvestment in 2015 have begun to impact this measure, particularly the focus on early family assessment and working

with families on plans that are driven by their own goals. Though the overall TANF caseload has slightly reduced with the improved economy, those on the current caseload come with complex needs and higher levels of acuity. In turn, this may impact the ability to both secure and retain employment. The recent data shows the agency is meeting its target which may be due in part to a strong, stable economy.

KPM #4	SNAP (Supplemental Nutrition Assistance Program) UTILIZATION - The ratio of Oregonians served by SNAP to the number of low-income Oregonians.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result

Report Year	2014	2015	2016	2017	2018
SNAP UTILIZATION					
Actual	96.40%	93.20%	94.20%	98%	No Data
Target	90%	90%	85%	85%	90%

How Are We Doing

Due to the recession, SNAP participation had increased during the past decade, however, it has steadily, yet slowly declined over the most recent four years. In July 2016, 703,552 people received SNAP benefits in Oregon and that number decreased to 664,402 people by July 2017. This trend continued in July 2018 with 626,038 people receiving SNAP benefits.[\[1\]](#) The decline in the program is likely due to the slowly improving economy in Oregon (1 in 7 state residents are SNAP participants[\[2\]](#)). The DHS SNAP program has received twelve federal participation bonuses for ranking in the top states nation-wide.

In 2016, the most recent federal data available, Oregon was ranked number 3 in SNAP participation according to the Program Access Index (PAI).[\[3\]](#) In 2008, 2009 and 2012, Oregon was ranked second in the nation in SNAP participation based on the PAI and has remained one of the highest ranked states. This FNS ranking is based on the number of potentially eligible people compared to the number receiving benefits.

[1] Oregon Department of Human Services (DHS), Supplemental Nutrition Assistance Program (SNAP) July 2018 available at: <https://www.oregon.gov/DHS/ASSISTANCE/Branch%20District%20Data/SNAP%20Flash%20Figures%20for%20July%202018.pdf>

[2] United States Census Bureau, Oregon population estimates, July 1, 2017 available at: <https://www.census.gov/quickfacts/fact/table/or/PST045217>

[3] United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), “Calculating the Supplemental Nutrition Assistance Program (SNAP) Program Access Index available at: <https://www.fns.usda.gov/ops/supplemental-nutrition-assistance-program-snap-research>

Factors Affecting Results

Oregon has had great success in easing access to SNAP benefits. One effort has been encouraging the use of the on-line application. Another has been serving clients within the same or next work day after they apply for benefits. Oregon continues to expand outreach efforts to reach difficult to serve populations by providing information on the benefits of qualifying for and maintaining SNAP eligible,

dispelling myths, providing application assistance, advocating on behalf of participants, and numerous other strategies to reach vulnerable populations which include identifying and removing barriers to the SNAP program across all populations. We currently collaborate with 15 different community agencies who serve as Oregon SNAP outreach partners.

The recession created critical need for necessities, such as food, in households which never expected to ask for help. During the recession we saw a rise in our caseload. As the economy has been improving the number of people receiving SNAP benefits in July 2018 has decreased to 77% of the highest number in 2012. The number of people receiving SNAP benefits continues to be

more than before the recession hit. The number of people receiving benefits during July 2018 is 143% of the number during July 2007.

*Note: Actual data has a two-year lag from the USDA FNS.

KPM #5	SNAP (Supplemental Nutrition Assistance Program) ACCURACY - The percentage of accurate SNAP payments
	Data Collection Period: Oct 01 - Sep 30

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
SNAP Accuracy					
Actual	95.83%	96.56%	94.50%	93.87%	92.23%
Target	98%	98%	98%	96.60%	95%

How Are We Doing

The most recently completed federal fiscal year is FFY 2017 where Oregon reported a payment accuracy rate of 94.08%. FFY 2018 reviews are ongoing. Oregon has reported a 92.23% payment accuracy rate through April 2018. The error rate is currently above the national average and a plan is being developed by the Accuracy Committee to improve accuracy. The plan involves internal measures to improve staff performance as well as measures to reduce client caused errors.

Factors Affecting Results

During FFY 2018 agency caused errors increased. The most common agency error causes are failing to act on reported information or failing to follow up on inconsistent or incomplete information. Client caused errors continue to contribute to the overall error rate and most often are due to information not being reported to DHS.

KPM #6	ENHANCED CHILD CARE - The percentage of children receiving care from providers who are receiving the enhanced or licensed rate for child care subsidized by DHS
	Data Collection Period: Oct 01 - Oct 31

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
Enhanced Child Care					
Actual	61.80%	64.70%	63.70%	70.90%	77.60%
Target	60%	60%	65%	65%	65%

How Are We Doing

There has been a major swing in the percentage of children receiving care from license-exempt enhanced providers and licensed providers from the two-year period coving 2016 to 2018. The average increase is just under 7% per year. Policy changes and increased regulation for license-exempt providers had a direct impact on the percentage of children in licensed care.

DHS offers a higher payment rate to license-exempt providers who complete additional training as a way of incentivizing higher quality care. Subsidy rates for providers were increased in January 2018 based in the 2016 Oregon Child Care Market Price Study; however, limited funding meant DHS was unable to maintain the 75th percentile for all provider types in statewide. Additional payments to star rated Spark providers were added to the full-time monthly rate in April of 2016 as a way of incentivizing high-quality providers to serve DHS subsidy families. Since September 2016, families opting to use a Spark provider received a lower copay. This offered a parent incentive to choose quality care. A pilot began in July 2018 to pay certified child care centers in advance to help increase capacity for DHS subsidized families.

DHS continues to partner with 211Info, Child Care Resource & Referral Agencies (CCR&R), Service Employees International Union Local 503 (SEIU), American Federation of State, County and Municipal Employees Local 132 (AFSCME) and the Oregon Registry. 211Info provides consumer education and helps parents with child care referrals. CCR&R's address provider quality through required trainings to become DHS listed, meet regulated subsidy standards, secure qualify for the DHS enhanced rate, become licensed with the Office of Child care and receive a Spark star rating. Provider unions offer guidance and training to home based license-exempt (SEIU) and licensed (AFSCME) family providers. Oregon Registry documents provider training records and maintains online trainings such as Introduction to Child Care Health and Safety, and DHS Provider Requirements. DHS coordinates with partners to publicize training and resources available.

A child care orientation is required for all new license-exempt providers. Provider requirements changed in November 2017 for non-relative license-exempt providers (a.k.a. regulated subsidy) to complete trainings that must be taken before they are approved to provide care. These include an online Introduction to Child Care Health and Safety, and Recognizing and Reporting Child Abuse and Neglect. In addition, providers must have a current Infant/Toddler First Aid and CPR certificate. Regulated subsidy providers must have a pre-service site visit to verify the safety of the home where care is provided. Relative providers are required to take the pre-service Introduction to Child Care Health and Safety training only. Relative providers include grandparents, great grandparents, aunts, uncles and adult siblings who live outside the home of the child in care.

DHS collaborates with the Early Learning Division (ELD) on Early Head Start Child Care Partnerships to build stronger provider networks and increase quality. Increasing quality and gaining a Spark star rating is a priority for Partnership providers.

Informing parents and providers of the importance of high-quality child care and training continues to be a priority. DHS will continue to work with partners to promote provider training and the professional development continuum for exempt providers. This will foster greater access to required trainings to earn the enhanced rate, qualify for licensing and elevate their Spark star ratings.

Factors Affecting Results

The 2015 Legislature (HB 2015) made a significant investment into the child care program to support state's efforts to meet new requirements of the Child Care Development Fund reauthorization of 2014. This provided funding for rate increases in 2016, incentives to Spark rated providers, lower copays for subsidy families choosing a Spark rated provider, and increased training requirements for license-exempt regulated subsidy providers.

There has been a steady increase in the percentage of children receiving care from providers that receive the enhanced or licensed rate. *Actuals* have significantly surpassed *Targets* for the past two years and will be adjusted accordingly. Policy decisions and resources have focused toward increasing quality of care and consumer education. Both parents and DHS field workers consistently receive information regarding the two-generation approach of the child care program. This multigenerational approach place strives to stabilize employment for adults and keep children in stable, high-quality, educational settings. Rate increases in 2013, 2016 and 2018 helped keep provider rates more in line with current market rate studies and supports the goal of a child care subsidy system that is child-focused, family friendly and equitable for providers. Incentives for accessing Spark rated providers have encouraged providers to increase the quality of care and prompted parents to choose quality care.

KPM #7	ABSENCE OF REPEAT MALTREATMENT - The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization.
	Data Collection Period: Oct 01 - Sep 30

* Upward Trend = positive result

Report Year	2014	2015	2016	2017	2018
ABSENCE OF REPEAT CHILD MALTREATMENT					
Actual	95.50%	95%	94.60%	93.87%	92%
Target	96%	96%	96%	96%	96%

How Are We Doing

The outcome of 92% is Federal Fiscal Year 2017 data, for Report Year 2018. Over the past two years of this measurement Oregon has seen an overall decrease of 2.6%, however this falls short of the 96% target. Oregon continues its commitment to not only ensure the number remains consistent moving forward, but to make continued efforts to improve.

Factors Affecting Results

The Child Safety Program is currently in process of developing focused efforts (training, case reviews, group supervision, safety plan sufficiency reviews, etc) with targeted districts that have struggled to meet both the state and federal standard for recurrence of maltreatment over a consistent period of time. Child Safety Consultants continue to closely monitor data and provide monthly reports to leadership in all 16 districts on areas needing improvement to impact this measurement. Root cause analysis continues to identify insufficient safety planning during trial home visits, inaccurate safety decisions at the close of assessments and lack of comprehensive information gathering and safety planning on cases involving domestic violence. One additional factor that may also

impact this measurement is high turnover in Child Protective Services (CPS) and lack of casework experience for a large population of our workforce. Due to the large number of new casework staff, Oregon's Executive Leadership team is committed to ensuring all caseworkers receive regular one on one clinical supervision to ensure safety outcomes improve and new staff have the support necessary to make sound child safety decisions.

Recent Appellate Court decisions have also impacted caseworkers ability to seek legal intervention which may result in closing cases prematurely resulting in recurrence of maltreatment in some instances. Full representation for casework staff is hoped to result in better support in ensuring cases have the legal sufficiency when court intervention is necessary.

Much work continues in the Child Safety Program surrounding Continuous Quality Improvement. Child Safety Consultants are nearing completion of CPS Fidelity Reviews and have completed 13 of 16 districts statewide with a goal of completing all districts by end of 2018. Action Plans are developed following each review and while each district is able to individualize their plans, all districts have similar elements of focus including but not limited to: ensuring all required interviews are completed, making sufficient collateral contacts, gathering comprehensive safety related information and accurately applying the safety threshold criteria. All of these identified efforts should positively impact this measurement.

KPM #8	TIMELY REUNIFICATION - The percentage of foster children exiting to reunification within 12 months of foster care entry.
	Data Collection Period: Oct 01 - Sep 30

** Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
Timely Reunification					
Actual	66%	62.90%	66.10%	73.70%	71.60%
Target	TBD	66%	70.60%	75.20%	75%

How Are We Doing

The outcome of 71.6% is Federal Fiscal Year 2017 data, for Report Year 2018. Oregon decreased in performance by 2.1% percentage points on this measure this past federal fiscal year. Oregon is 3.4 percentage points short of the target for this year

Factors Affecting Results

There are multiple systemic factors that affect this result. Availability of targeted services and community resources to assist in children safely reunifying varies by area across the state. Additionally, reunification for this measure is defined by the DHS custody case being dismissed; in cases where children are returned and the agency is continuing to work with the family, the foster care episode does not close until the children have been in home for six months.

Over the last year, permanency caseworkers and supervisors across the state have participated in training that focused on fidelity to the Oregon Safety Model (OSM). The training focused on honing staffing skills in all elements of the model, including protective capacity assessments (PCAs) and creating and monitoring conditions for return. These two elements are important in timely

reunification. PCAs identify protective capacities that need to change from diminished to enhanced in order for parents to be able to ensure their children's safety. Conditions for return outline what needs to be in place in a home, with some combination of a willing parent and/or safety service providers, in order for children to reunify with their parent(s). When these pieces of work are done to fidelity, children can reunify in a safe and timely way. Over the course of the next year, continued focus on training and coaching to fidelity of the OSM should continue to impact this measure in a positive direction.

KPM #9	TIMELINESS OF ADOPTION ONCE LEGALLY FREE - Percent of Legally free children adopted in less than 12 months
	Data Collection Period: Oct 01 - Sep 30

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
Timeliness of Adoption Once Legally Free					
Actual	42.60%	44.30%	46.10%	48.50%	42.10%
Target	TBD	42.70%	48.20%	53.70%	53.70%

How Are We Doing

The outcome of 42.1% is Federal Fiscal Year 2017 data, for Report Year 2018. Oregon decreased in performance by 6.4% percentage points on this measure this past federal fiscal year. Oregon is 11.6 percentage points short of the target for this year.

Factors Affecting Results

There are multiple factors affecting the results of this measure - staff turnover, the crisis nature of casework that often puts paperwork lower in priority, field manager's focus on timeliness, and additional time for supervision and finalization for children placed out of state. With the additional staff that has been allocated, along with the implementation of the Program Improvement Plan that has several interventions directed at increasing timeliness, Oregon expects to see a positive impact on this measure moving forward.

KPM #10	LTC NEED PREVENTION - Percentage of seniors (65+) needing publicly-funded long term care services.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = negative result*

Report Year	2014	2015	2016	2017	2018
LTC NEED PREVENTION					
Actual	3.13%	3.07%	3.09%	3.12%	3.05%
Target	TBD	5%	5%	3.10%	3.10%

How Are We Doing

In 2018, only 3.05% of Oregonians 65 or older needed assistance with publicly funded long term care. This is a noticeable downward trend that exceeds legislative targets. Oregon is generally meeting the legislatively established targets. APD believes the targets will continue to be met in the future due to programmatic modifications made in the 2017-2019 biennium.

Factors Affecting Results

Oregon has adopted the Community First Choice Model, also known as the K Plan. This is a big driver in these results as the K Plan has numerous tools that are designed to keep people independent. Additionally, the success of the Area Agencies on Aging (AAA) network administering Oregon Project Independence, Older Americans Act programs and the Aging and Disability Resource Connection contribute towards keeping older adults independent. More preventative programs should be considered to ensure targets continue to be met, ultimately resulting in system sustainability.

KPM #11	LTC RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES - The percentage of Oregonians accessing publicly-funded long-term care services who are living outside of nursing facilities.
	Data Collection Period: Jul 01 - Jul 31

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
LTC RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES					
Actual	85.10%	86.10%	86.90%	87.20%	87.40%
Target	84.09%	85.96%	85.96%	87%	88%

How Are We Doing

APD is generally meeting the legislative targets established. However, recent programmatic changes designed to promote sustainability have resulted in increased acuity levels of individuals served. As a result, continued progress towards decreasing the number of individuals served outside of nursing facilities will be challenging. APD exceeded the legislative target of 87%. APD is making steady, continued progress at serving seniors and people with disabilities in settings less restrictive than nursing facilities. This is a key outcome in ensuring Oregon's system of long term care.

Factors Affecting Results

Hospitals continue to discharge patients "sicker and quicker". In many cases, hospitals prefer to discharge older adults needing additional care to nursing facilities. Institutional care may be appropriate for certain individuals for short periods of time. DHS must continue to aggressively ensure that seniors are appropriately transitioned from nursing facilities when their care can be supported in less restrictive and costly settings. Doing this will allow DHS to continue meeting our targets.

KPM #12	DEVELOPMENTAL DISABILITY SUPPORT SERVICES - The percentage of eligible adults who are receiving adult support services within 90 days of request.
	Data Collection Period: Jun 01 - Jul 31

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
DD Adult Support Services					
Actual	56%	43.93%	61.84%	55.22%	72.16%
Target	98%	98%	98%	98%	86%

How Are We Doing

Services were designed differently when this measure was proposed, but with changes in K plan and how services are now delivered, it is no longer relevant. New performance measures have been designed that are more relevant to track people getting services in a timely fashion.

Factors Affecting Results

While this is important, the strategy for collecting the data was limited to people that experienced this event within a very narrow timeframe AND were part of a statewide sample the ODDS Quality Assurance (QA) team pulled. For instance, only 24 instances across the state were reviewed for Q3 2017. The lack of a centralized electronic system is a factor in not being able to review 100% of people who received a service within 90 days of being notified of their eligibility for I/DD services.

Data comes from Express Payment & Reporting System (eXPRS). The reporting cycle is fiscal year. The calculation is: Number of adults receiving adult support services within 90 days of request divided by the number of adults who were eligible and referred for adult support services.

KPM #13	PEOPLE WITH DISABILITIES LIVING AT HOME - The percentage of individuals enrolled in the Intellectual/Developmental disabilities program who are receiving services in their own home.
	Data Collection Period: Jan 01 - Dec 31

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
PEOPLE WITH DISABILITIES LIVING AT HOME					
Actual	No Data	72.14%	73.52%	74.32%	75.26%
Target	TBD	80%	80%	80%	80%

How Are We Doing

Nationally, Oregon continues to be a leader in serving people with Intellectual and Developmental Disabilities (I/DD) in their homes in the community. By comparison, research available to us through the Institute on Community Integration, through the University of Minnesota (data provided was for fiscal year 2014) indicates the following:

For FY 2014, 46 states responded. The numbers reflect individuals that received one or more long term support services (LTSS) where the residence type was known:

Total number of people receiving one or more LTSS (nation-wide): 1,167,384 total recipients

Living in home of family member: 661,442 individuals (56.66%)

Living in home they own or lease: 133,584 individuals (11.44%)

Factors Affecting Results

The measure reflects the fact that the majority of adults and children with I/DD live with their families or own home in Oregon. Each individual receiving services in Oregon has the choice of location and setting where they receive their I/DD services. Case Managers review these choices annual and inform each recipient of all of the alternative options available to them.

KPM #14	SUPPORTED EMPLOYMENT - Increase the number of individuals who receive developmental disability services in supported employment.
	Data Collection Period: Oct 01 - Sep 30

* *Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
INTEGRATED EMPLOYMENT SETTINGS					
Actual	No Data	1,947	2,971	3,007	3,012
Target	TBD	TBD	0	3,000	3,020

How Are We Doing

For Fiscal Year 2019 we provided supported employment services to 3,012 individuals and continue to be in compliance with Lane v. Brown. DHS continues to grow competitive integrated and supported employment for individuals who have I/DD as required by Lane v. Brown, as well as state initiatives. Although we came close to the target for 2018, the growth indicates that DHS continues to move in the right direction around supported employment service.

Factors Affecting Results

Supported employment providers in the state are continuing to make significant changes as they transform from traditional facility based services to community services. Additionally, many individuals who have had job coaching supports have moved to natural supports or other supports on the job. This likely contributes to the plateau currently being reflected in the data. However, DHS is on target to continue to grow supported employment services for those with I/DD. Executive Order 15-01 and the Lane v. Brown Settlement Agreement require DHS to provide employment services to at least 7,000 individuals by 2022. This means that by 2017

at least 3,000 individuals should have received an employment service; by 2018 3,800; 2019 4,600; 2020 5,400; 2021 6,200; and 2022 7,000. DHS continues to be in compliance with this requirement.

KPM #15	ABUSE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES - The percentage of people with developmental disabilities experiencing abuse.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = negative result

Report Year	2014	2015	2016	2017	2018
ABUSE OF SENIORS AND ADULTS WITH DISABILITIES - b) people with developmental disabilities					
Actual	2.47%	2.11%	1.83%	2.10%	2%
Target	2.20%	2.20%	2.20%	2.20%	1.80%

How Are We Doing

The abuse rate of people with intellectual/development disabilities (I/DD) enrolled in services has continued to trend downward. This is particularly noteworthy given that the number of people enrolled for services has increased 7.4% since the last reporting year and a policy change in March 2017 that greatly increased the number of investigations assigned.

Prior to March 2017 a trust relationship needed to exist between the alleged victim and the alleged perpetrator for an incident to be assigned for investigation. Following the policy change, such a relationship ceased to be required; if an incident met the definition of abuse, it was assigned for investigation. This resulted in an 18% increase in the number of allegations investigated.

Because of a lack of national abuse data it is a challenge drawing comparisons to the IDD abuse rate targets. Targets are currently based on trends of historical data.

Oregon is in the process of developing a Centralized Abuse Management (CAM) information system that will allow for enhanced tracking and monitoring of abuse referrals and investigations. IDD service cases will be included in the second phase of implementation scheduled for 2019/2020. The implementation of CAM will enhance access and availability of information across the state and greatly improve the ability to make data informed decisions. Strategies to maintain and improve performance on this measure includes continued and enhanced prevention initiatives, increased training opportunities, and coordination with partners and stakeholders. The development of centralized abuse data will also provide opportunity for proactive data driven actions and greater ability to analyze risk factors associated with abuse.

Strategies attributed to the decreased abuse rate include:

- Diligence in monitoring and promoting safety in licensed settings for people with intellectual/developmental disabilities.
- Continued coordination between licensing, abuse investigation and program staff to better identify areas of concern and respond effectively.
- Ongoing outreach to increase public awareness of abuse issues facing individuals with intellectual/developmental disabilities.
- Ongoing collaboration with community partners, including brokerages serving people with intellectual/developmental disabilities living in their own homes.
- Enhanced training to abuse investigators, service coordinators, personal agents, direct service providers and facility staff.

Factors Affecting Results

Abuse rates for people with intellectual/developmental disabilities can be affected by many factors, including:

- The high acuity and service needs of residents being served in community-based care settings.
- High turnover rate of treatment and support staff in all settings.
- An adult's right to make decisions about their living situation, companions, etc.

- Barriers to the reporting of abuse by cognitively impaired clients.
- Limited resources available to respond and support people with intellectual/developmental disabilities who are abused (e.g. domestic violence shelters, counseling resources, etc.).
- Current data systems do not have the capacity to clearly identify risks associated with reports of abuse.

What needs to be done in this area includes:

- Ongoing training for service coordinators, personal agents, personal support workers, direct support providers, service providers and facility staff in recognizing, reporting, and preventing abuse.
- Research and collaboration with community response systems and resources, including domestic violence interventions, sexual assault response, mental health services, housing, etc.
- Coordination and participation with local area multidisciplinary teams and coordinated care organizations.
- Increased investigator access to content experts such as forensic nurses, psychologists and other health care professionals.

KPM #16	Abuse Investigation Timeliness - Percent of abuse reports assigned for field contact that meet policy timelines.
	Data Collection Period: Jan 01 - Dec 31

** Upward Trend = positive result*

Report Year	2014	2015	2016	2017	2018
Abuse Investigation Timeliness					
Actual	No Data	No Data	No Data	97.70%	97.82%
Target	TBD	TBD	TBD	TBD	95%

How Are We Doing

We have met the KPM target and have exceeded last year's performance by a very slight percentage. This measure applies to over 16,000 investigations during the reporting period.

This measure is related to how quickly Adult Protective Service (APS) Specialists respond or intervene to protect people when they receive a report of abuse. The specific response times are governed by the nature and severity of the complaint and rules that apply. APS investigators take the responsibility to assure the safety of the reported victim within the assigned timeline extremely seriously and this is reflected in the percentage being reported this year.

Factors Affecting Results

This is a blended rate of abuse investigations in both facility and community (non-facility) settings. Since there are different timelines for response in these settings and community investigations are double the number of facility investigations, it is difficult to universally apply the reported percentage across all cases. In addition, current data systems make it difficult to assess the

response time applied to each individual investigation. Therefore, certain default assumptions need to be utilized. The legislative investment in a statewide abuse data management and report writing program is now in the implementation phase and will result in a higher level of case specific data and a greater ability to report on this measure.

KPM #17	CUSTOMER SERVICE - Percentage of customers rating their satisfaction with DHS above average or excellent: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
	Data Collection Period: Jan 01 - Jan 31

Report Year	2014	2015	2016	2017	2018
Timeliness					
Actual	76%	74%	74%	79%	73.80%
Target	75%	75%	75%	75%	75%
Accuracy					
Actual	No Data	85%	84%	89%	78.80%
Target	75%	75%	75%	75%	85%
Overall					
Actual	86%	83%	82%	88%	75.70%
Target	75%	75%	75%	75%	82%
Helpfulness					
Actual	84%	No Data	83%	No Data	No Data
Target	75%	75%	75%	75%	85%
Expertise					
Actual	No Data	85%	84%	88%	78.50%
Target	75%	75%	75%	75%	85%
Availability of Information					
Actual	No Data	86%	No Data	90%	No Data
Target	75%	75%	75%	75%	88%

How Are We Doing

DHS experienced a decrease among all elements from our Customer Service survey, most notably around Accuracy, Expertise and Overall Satisfaction. No data are available for Helpfulness and Availability of Information.

Factors Affecting Results

We are currently refining our survey efforts to ensure we're reaching an adequate number of customers that are representative across the various DHS programs, and getting a satisfactory response rate. We will also ensure we're asking all the required questions and potentially including additional follow-up questions to help provide more context and inform actions to be taken.

KPM #18	Disparity in foster youth achieving permanency within 2 years by race/ethnicity - Disparity is calculated by taking the ratio of two percentages: Percent of Non-White & Hispanic children achieving permanency goals / Percent of Non-Hispanic White children achieving permanency goals. The permanency goal is the percent of foster youth achieved permanency within 24 months (of those that entered 24 months ago)
	Data Collection Period: Oct 01 - Sep 30

Report Year	2014	2015	2016	2017	2018
Disparity of Non-Hispanic African American Youth					
Actual	No Data	No Data	No Data	0.80	0.70
Target	TBD	TBD	TBD	TBD	1
Disparity of Non-Hispanic Asian/Pacific Islander Youth					
Actual	No Data	No Data	No Data	1.30	0.90
Target	TBD	TBD	TBD	TBD	1
Disparity of Non-Hispanic White Youth (always=1)					
Actual	No Data	No Data	No Data	1	1
Target	TBD	TBD	TBD	TBD	1
Disparity of Non-Hispanic Native American/Alaska Native Youth					
Actual	No Data	No Data	No Data	1	1
Target	TBD	TBD	TBD	TBD	1
Disparity of Hispanic (any race) Youth					
Actual	No Data	No Data	No Data	1	1
Target	TBD	TBD	TBD	TBD	1

How Are We Doing

Factors Affecting Results

KPM #19	CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME - The percent of children served in Child Welfare on an average daily basis (In Home and Foster Care) who were served while residing in their parent's home.
	Data Collection Period: Oct 01 - Sep 30

* Upward Trend = positive result

Report Year	2014	2015	2016	2017	2018
CHILDREN RESIDING AT HOME IN LEAST RESTRICTIVE SETTING					
Actual	25.80%	25.20%	23.90%	25.40%	23.80%
Target	TBD	27%	30%	33%	33%

How Are We Doing

The outcome of 23.8% is Federal Fiscal Year 2017 data, for Report Year 2018. From 2015 to 2016, Oregon saw a slight increase in this performance measure of 1.5 percent. Then a decrease from 2016 to 2017 of 1.6%.

The state child welfare program has been working toward the vision of Safe Equitable Foster Care Reduction. One way to achieve this vision is through serving children safely in their own home. Several strategies have been involved to help achieve this vision.

One of these strategies is the continued practice of the Oregon Safety Model (OSM). OSM requires workers to determine if a child is safe through a larger lens than incident based investigations and necessitates a comprehensive examination of the family. This comprehensive assessment process provides valuable information that informs the case worker how best to serve the family by identifying what is making the child(ren) unsafe and thus ameliorate these issues through adequate safety planning, and referrals to appropriate interventions.

As a part of assuring DHS Child Welfare is practicing OSM consistently, statewide fidelity reviews are being conducted. These reviews are led by Consultants with the inclusion of Child Welfare managers. In addition leadership has implemented an intentional facilitation of group supervision throughout districts that allows local leadership to focus on key safety concepts.

Following these reviews, debriefing sessions with District Managers and Consultants are utilized to create action plans geared at improving identified gaps in OSM fidelity. By continuing to provide fidelity reviews, Consultants then aim to improve case workers consistency in practice and decision making, identify gaps in knowledge and provide updated training, and identify skills and tools to support an engagement model of family centered practice.

Determination of support systems and services to keep children safe is key in Strengthening, Preserving and Reunifying Families (SPRF). DHS Child Welfare works with an extensive network of community providers which have been contracted to specifically address the needs of children and families in order to maintain a child safely in their home or allow for a child to exit the foster care system sooner. Each county regularly assesses their SPRF service array, to determine gaps in service provision and use of current services. In an effort to assure these contracts are effective in the keeping children safe with their parents, or allowing children to leave foster care sooner, DHS has implemented the first step toward a system of Performance-Based Contracting, in collaboration with our SPRF contractors. Current SPRF contracts now include performance-based contract language and outcomes. Upon execution of the contracts, the contractor submits reports through the invoicing process which identifies one of three outcomes for each client: 1) Achieved 2) Partially Achieved 3) Not Achieved.

Oregon continues to work collaboratively with Portland State University to implement updated curriculum and hands-on training for new case workers and supervisors. These updates will include more real life experiences through the use of a mock court room, mock interview process that are recorded and reviewed, increased oversight of new employees, and continued reinforcement of the OSM.

Factors Affecting Results

The assessment of a child abuse/neglect report requires time in order to fully engage and understand a family. The issues affecting families of abused and neglected children include dynamics of drug/alcohol abuse, domestic violence, parental involvement with law enforcement, and mental health issues. Frequently these are co-occurring in families and fully understanding how these issues impact child safety is complicated. Staffing and issues related to retention of staff is one of the largest issues affecting the ability to adequately assess safety of children. As a result workers may miss key information or not have time to provide the family with needed safety interventions. The hiring of MAPS (Mentoring, Assisting and Promoting Success) and development of consistent onboarding practices statewide are a priority.

KPM #20	TANF JOBS PLACEMENTS - The percentage of clients who achieve job placement each month compared to those anticipated to achieve placement.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result

Report Year	2014	2015	2016	2017	2018
TANF JOBS PLACEMENTS					
Actual	No Data	126.50%	122.40%	122.70%	110.40%
Target	TBD	100%	100%	100%	100%

How Are We Doing

Our objective is to maintain the percentage of Temporary Assistance to Needy Families (TANF) participants successfully obtaining unsubsidized employment. However, factors described below may have a negative impact on this measurement.

Factors Affecting Results

Oregon's economy has continued to improve over the past several years. Oregon's seasonally adjusted unemployment rate remains low, over the past few months the rate has fallen slightly, decreasing by 0.2% from 4.1 in May 2018 to 3.9 in July 2018.

Over the past six years, the number of TANF cases has significantly decreased. Those who were ready or near ready for employment have found jobs in the stronger economy. Those remaining on assistance have more significant challenges to becoming employed. The percentage of individuals with mental health, substance use, and physical health records is significantly

higher than it was just a few years ago. These individuals will need greater supports, additional services, and increased case management to help reduce the impact of the challenges they are facing.

The need to access more intensive stability focused services may have an impact on the percentage of those finding employment, and this measure may be affected by this situation. There may also be an impact due to the availability of jobs as the economy growth levels out. Changes made to the TANF program over the 2017-19 biennium are beginning to help assess and determine strategies for assisting individuals to find appropriate employment. These programmatic changes may cause the length of time needed to move an individual into employment to increase.

The Self-Sufficiency programs are intended to provide a safety net, family stability, and a connection to careers that guide Oregonians out of poverty. With respect to this KPM, the programs will work in partnership with other workforce system agencies and community partners to help Oregonians connected to our programs exit poverty along a career path. The program will continue to monitor the measure and targets. The targets this measure compares to are updated as needed during program planning processes.



PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, the Department of Human Services presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2019-2021 biennium.

Supervisor Ratio based on CHRO data:

The agency actual supervisory ratio as of is 1: 10 as of August 2018.

The Agency actual supervisory ratio is calculated using the following calculation;

$$\frac{870}{\text{(Total supervisors)}} = \frac{809}{\text{(Employee in a supervisory role)}} + \frac{62}{\text{(Vacancies that if filled would perform a supervisory role)}} - \frac{1}{\text{(Agency head)}}$$

$$\frac{8698}{\text{(Total non-supervisors)}} = \frac{7787}{\text{(Employee in a non-supervisory role)}} + \frac{911}{\text{(Vacancies that if filled would perform a non-supervisory role)}}$$

The agency has a current actual supervisory ratio of-

$$1:10 = \frac{8698}{870}$$

(Actual span of control) (Total non - Supervisors) (Total Supervisors)

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.

← Narrow Span		Wide Span →	
High	RISK TO PUBLIC/EMPLOYEE SAFETY	Low	
Dispersed	GEOGRAPHIC LOCATION(s) OF SUBORDINATES	Assembled	
Complex	COMPLEXITY OF DUTIES/MISSION	Not complex	
Low	BEST PRACTICES/INDUSTRY STANDARDS	High	
Small	AGENCY SIZE/HOURS OF OPERATION	Large	
Many	NON AGENCY STAFF/TEMPORARY EMPLOYEES	Few	
High	FINANCIAL RESPONSIBILITY	Low	
← More Supervisors		Fewer Supervisors →	

Ratio Adjustment Factors

Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DHS is responsible for the safety of many vulnerable Oregonians in Child Welfare, Self Sufficiency, Aging and People with Disabilities, Individuals with Intellectual Disabilities and Vocational Rehabilitation programs. Due to safety concerns and industry best practices in both Child Protective and Adult Protective Services a higher than 1:11 MSR is appropriate. DHS has many supervisors that are working clinical supervisors responsible for the supervision of case managers that have an industry standard much higher ratio than 1:11 in order to maintain the safety of Oregonians and keep reasonable workloads.

DHS houses the Stabilization and Crisis Unit (SACU) a series of 24/7 homes for people with developmental or intellectual disabilities who are in crisis. Currently the staff to supervisor ratio is below the 1:11 ratio. This is not an ideal ratio to begin with due to the acuity of the clients in the homes and the fact that currently DHS has supervisors that cover more than one house. 1:7 is a more reasonable target for a supervisory ratio and DHS is using this as its "target" ratio for SACU employees who are now all in the police and fire designation due to difficulty, stress and potential danger of the positions working with difficult clients.

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DHS has over 180 offices statewide including many smaller offices in very rural parts of Oregon. Many supervisors must travel long distances to interact with their staff and have smaller offices. Because of these geographic limitations a higher than 1:11 MSR is appropriate.

DHS has, without double counting staff, 879 employees in non-urban settings of these areas the ratio ranges from 1:5 and 1:13.67, this includes 86 supervisors and 793 non-supervisors. DHS believes a reasonable target ratio for these rural areas should be 1:8. The remaining urban employees are proposed to be 1:11 where they are currently running at 1:11.75. This does not include CW staffing mentioned in the child welfare section of the "industry standards" section.

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DHS is comprised of 5 major programs the smallest of which is over \$100 million TF. The largest is over \$3.5 billion TF. In addition to Central Services DHS also houses Shared Services that support both DHS and OHA. In each major program area there are multiple sub programs that must be managed each with its own set of complexities from federal reporting to limitations on how grants can be spent to complex eligibility determinations. In addition, each of these programs have impacts on each other making the interaction and complexity of DHS much higher than most agencies. In many parts of the agency Supervisors are responsible not just for the management of staff but also for policy and procedure questions and providing final guidance on how cases are managed. In other words, they are working supervisors not just supervisors. This is the case in most of DHS as there are very few supervisory positions that don't also do policy or technical work in addition to their supervisory duties. There is also a concerted effort to work across programs to become more focused on wrapping services around families for better outcomes at the lowest level. For DHS working across programs is like working across agencies due to the size and complexity of the current 5 major program areas. The smallest "program area" in DHS is larger than most state agencies. DHS also houses Shared Services that support both DHS and OHA this means juggling the needs of each organization for tasks like accounting and overpayment recovery. This adds to the complexity of the organization. These two factors justify a higher MSR than one to eleven.

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Child Welfare working supervisors, based on a January 2018 Casey Family Programs issue brief entitled *Healthy Organizations* (citing both Child Welfare League of America. (n.d.) *Standards of excellence for child welfare services*. Retrieved from <http://www.cwla.org/our-work/cwla-standards-of-excellence/standards-of-excellence-for-child-welfare-services> and the Council on Accreditation. (n.d.) *Standards for public agencies: PA-PDS 3: Leadership support of supervisors*. Retrieved from <http://coanet.org/standard/pa-pds/3/>, para. 7), have an industry best practice of 1:5/7 for supervisors providing clinical support to caseworkers. This is in addition to their supervisory duties. DHS is using 1:5 as the target ratio.

Adult Protective services, based on a 2017 National Adult Protective Services Association nationwide survey the average ratio of caseworkers to supervisors in Adult Protective Service programs is 1:5.65. While this has not yet been published, according to H. Ramsey-Klawnsnik, Ph.D., NAPSA Director of Research, NAPSA is planning to publish it as findings from the 2017 National Survey of State APS Programs at their next NAPSA conference.

Vocational Rehabilitation also has working supervisors that provide clinical supervision.

In all three cases these managers are also doing case worker clinical type supervision of the actual work not just "supervising" employees. All three cases justify a higher ratio than 1:11 due to clinical supervision duty needs that help with the overall safety of these vulnerable populations.

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio?
Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

While not yet fully implemented, DHS is moving towards a fully staffed 24-hour child welfare hotline which will justify a higher MSR than 1:11. DHS is also reviewing its field structure and footprint and may be moving to more smaller locations across the state which may change the geographic footprint of the agency.

In addition, DHS runs a 24/7 crisis service through the Stabilization and Crisis Unit (SACU). This provides services to those with Intellectual and/or developmental disabilities in crisis. There are over 750 positions at SACU with some supervisors having to cover multiple houses and as necessary providing direct services to clients to ensure proper staff to client ratios based on the needs of the client. Staffing ratios have been below 1:11 which is not a reasonable ratio considering the acuity of clients and the 24/7 nature of the business. SACU should be at a higher ratio such as 1:7 to be more appropriately staffed in a 24/7 environment.

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

On average DHS has over 300 volunteers than need some level of supervision. These positions are not in the "system" per se, at this point but do require some level of supervision. This justifies a higher ratio than 1:11.

In addition, all supervisors but the director have supervisors and supervisors should be included as supervised employees in the denominator of the calculation. This would also justify a higher than 1:11 MSR. This should be taken into consideration on the ASR calculation but is not currently part of the calculation of the ASR.

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

DHS is responsible for serving over 1 million Oregonians per year encompassing over \$11.5 billion-dollar total fund budget. This comes with more than 126 funding streams each with their own limitations, rules and reporting requirements. There are 5 major program areas each bigger than most agencies. Within each program are multiple sub programs again each with their own rules, funding sources and complexities. Most of this funding is spent in the community through hundreds of contracts, thousands of providers and multiple interagency agreements. Each program comes with its own eligibility criteria, usually having multiple different factors. Each sub program usually has its own set of eligibility criteria and there is not continuity between program eligibility due to federal regulations. Employees must know each separate sub program and their supervisor must also be able to guide the employee or answer questions they may have as to how to apply the criteria etc. In addition, the central office staff for each program must keep up with ever changing federal regulations and state changes that must then be distributed out to our many field offices. These changes can be weekly or even daily sometimes meaning employees and managers need to keep up with a myriad of process or policy changes every day. This justifies a higher ratio than 1:11.

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: 8.39.

Unions Requiring Notification: SEIU; AFSCME; ONA

Date unions notified: SEIU 10/11/18; AFSCME 12/12/18; ONA 12/17/18 _____

Submitted by: Eric Moore, CFO

Date: January 2019

Signature Line 

Date 1/8/19

Print Name: Fariborz Pakseresht, Director

Signature Line 

Date 1/8/2019

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Date 01/9/2019

Print Name: Michelle Johnson, DHS/OHA HR Shared Services Administrator