

Addictions & Mental Health Division (AMH)

Governor's Recommended Budget

The following is a summary of the packages and adjustments that were incorporated in the development of the 2007-09 budget for the Addictions and Mental Health Services Division. Descriptions of each category listed in the display below and additional information regarding the budget follow this display.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Pos	FTE
Base Budget:	376,348,700	8,819,158	42,149,841	201,126,680	628,444,379	1,478	1,435.44
Essential Packages:							
10-Vacancy Factor/Non-PICs	169,197	-	128,278	325,895	623,370	-	-
21-Phase Ins	12,391,173	50,244	832,433	12,974,246	26,248,096	7	6.50
22-Phase Outs	(123,593)	-	(7,575,919)	(8,836,381)	(16,535,893)	-	-
30-Inflation and CPI	10,922,429	279,561	926,070	6,326,614	18,454,674	-	-
40-Mandated Caseloads	21,805,207	-	-	23,102,639	44,907,846	5	5.00
50-Fund Shifts	1,485,046	-	124,163	(1,609,209)	-	-	-
60-Technical Adjustments	346,966	-	9,490	2,394,775	2,751,231	-	-
70-Revenue Shortfalls	-	-	-	-	-	-	-
Total Essential Packages:	46,996,425	329,805	(5,555,485)	34,678,579	76,449,324	12	11.50
Adjustments to Achieve the Governor's Recommended Budget:							
84-Dec E-Board	8,288,389	-	-	901,155	9,189,544	-	-
Administrative Reductions	(20,645)	-	-	-	(20,645)	-	-
Adjust for Increased Lottery	-	2,883,628	-	-	2,883,628	-	-
90-Analyst Adj	(20,645)	2,883,628	-	-	2,862,983	-	-
Total Adjustments:	8,267,744	2,883,628	-	901,155	12,052,527	-	-

	General Fund	Lottery Funds	Tobacco Tax	Other Funds	Federal Funds	Total Funds	Pos	FTE
Policy Packages included in the Governor's Recommended Budget:								
101-7 Improved Addictions Treatment Access	-	-	-	10,400,000	822,128	11,222,128	-	-
103-39 Equitable Alcohol & Drug Treatment	4,021,920	-	-	-	-	4,021,920	-	-
104-43 State Hospital Master Plan for Expanded Community Services and Administration	9,947,602	-	-	-	-	9,947,602	3	2.25
104-44 Harmon Settlement - (Fed Lawsuit)	11,382,805	-	-	-	4,239,466	15,622,271	127	112.29
104-45 Early Assessment & Support Teams (EAST)	-	-	4,328,140	-	-	4,328,140	3	2.50
104-46 State Hospital Facility & Data Systems Replacement	-	-	-	545,898	-	545,898	3	2.67
106-61 OSH & SPD MMA Implementation	414,929	-	-	-	-	414,929	3	3.00
107 Youth Substance Abuse Prevention	-	-	-	3,046,000	-	3,046,000	1	1.00
111 Funding for Drug Courts (Transfer in from OLCC; and Transfer out to CJC)	-	-	-	-	-	-	-	-
Total Policy Packages:	25,767,256	-	4,328,140	13,991,898	5,061,594	49,148,888	140	123.71
Additional Dollars Currently Included in AMH Budget:								
Office of Investigations & Training (This funding will be moving to ASD for 2007-09)	2,879	-	-	196	286	3,361	-	-
Central Health Services (Office dissolved, will be incorporated into appropriate Division for 2007-09)	48,684	-	-	17,009	10,421	76,114	-	-
Total Additional Dollars Currently Included in AMH Budget:	51,563	-	-	17,205	10,707	79,475	-	-
Governor's Recommended Budget:	457,431,688	12,032,591	4,328,140	50,603,459	241,778,715	766,174,593	1,630	1,570.65

Base budget: This is the 2005-07 Legislatively Approved Budget as of the April 2006 Emergency Board.

Package 010 Vacancy Factor and Non-PICS Personal Services Adjustments: The Vacancy Factor calculation projects budget changes related to staff turnover and position vacancy in the 2007-09 biennium. Non-PICS Personal Services inflation includes any items not part of the PICS generated totals. These include unemployment assessment, overtime, temporary services, shift differential, and Mass Transit Tax. The general inflation factor of 3.1% was applied to these Non-PIC's Personal Service items.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Non-PICs Personal Services Inflation for Temporary and Differentials	187,125	30,368	31,336	248,829
Vacancy Factor	(130,633)	47,578	112,766	29,711
PERS/Pension Bond	112,705	50,332	181,793	344,830
Total Package 010	169,197	128,278	325,895	623,370

Package 021 Phased-In programs & one time costs - This package is related to new programs and expansion of mandated programs funded for less than 24 months during the 2005-07 biennium, but needing a full 24 months in the 2007-09 biennium. The costs for the additional months of funding needed to achieve the 24-month funding level are included in this package.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Phase-in of 05-07 Management actions from April 2006 Special Session	167,449	-	(11)	167,438
Phase-in of 9 months of inflation reduced in the 05-07 budget	39,840	16	17,257	57,113
Phase-in of 05-07 COLA delay from the 090 and the 812 Pkg (includes 07-09 General Inflation)	1,989,421	240,109	1,225,869	3,505,643
Phase-in of Limited Duration positions established in 2005-07 Special Session to Permanent Full time positions in 2007-09 personal services and supplies and services budgets	657,585	-	-	657,585
Phase-in of OSH Action to improve patient Safety and Quality of Care by the development of 71 community-based placements	4,642,942	-	5,884,628	10,527,570
Phase-in of Synetics SOMMS Grant (new grant, number not assigned as of 4/4/06)	-	253,846	-	253,846
Phase-in of Synetics SEOW Grant (new grant, number not assigned as of 4/4/06)	-	338,462	-	338,462
Phase-in cost additional increases in AMH, Civilly Committed Beds and Wards	504,717	-	2,560,048	3,064,765
Phase-in of additional increases in AMH, Forensic Beds and Wards	4,419,004	-	3,286,455	7,705,459
Phase-in of two months of Enhanced Care Funding From AMH to SPD (Ref. 100-50-021-08 SPD) (Apr'06 E-Board)	(29,785)	-	-	(29,785)
Total Package 021	12,391,173	832,433	12,974,246	26,248,096

Package 022 Phased-Out programs & one time costs - This package is related to any programs permanently eliminated during the 2005-07 biennium, to remove costs in the base budget for the months the program operated during 2005-07. Phase-outs are also related to decreased costs resulting from discontinuation of pilot project programs and other one-time costs that will not be continued in the 2007-09 biennium.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Phase-out of Medicaid and Medicaid match for 200 beds at Multnomah County Corrections, as funded through AMH	-	(7,575,919)	(7,263,381)	(14,839,300)
Phase-out State Mental Health Data Infrastructure Grant for Quality Improvement (Grant Number 271101), as funded through AMH	-	-	(200,000)	(200,000)
Phase-out State Data Infrastructure Grant (Grant Number 237000), as funded through AMH	-	-	(300,000)	(300,000)
Phase-out Real Choice Systems Change for Community Living (Grant Number 272101), as funded through AMH	-	-	(166,750)	(166,750)
Phase-out of the State Incentive Grant (200209) Early Childhood Prevention, as funded through AMH	-	-	(906,250)	(906,250)
Phase-out of the Meth Pilot Program (Packages 823 from 05-07)	(75,000)	-	-	(75,000)
Phase-out of Eastern Oregon Hospital Energy Loan	(48,593)	-	-	(48,593)
Total Package 022	(123,593)	(7,575,919)	(8,836,381)	(16,535,893)

Package 030 Inflation and Price List Adjustments – This package includes 3.1 percent for biennial general inflation and for non-state employee personnel costs (contract providers), and 5.4 percent for biennial medical services inflation factors for 2007-09. A biennial inflation rate of 14 percent was allowed for the Attorney General’s services.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
General Inflation for Program Support expenditures (3.1% one-time increase)	27,833	28,163	73,679	129,675
General Inflation AMH (2.1% 1st Yr, 2.1% 2nd Yr)	5,930,560	654,781	4,509,754	11,374,656
General Inflation for Institutions (3.1% one-time increase)	1,042,003	214,440	403,453	1,659,896
Medical Inflation AMH (Increase above General Inflation by 1.5% 1st Yr, 1.4% 2nd Yr)	3,922,033	28,686	1,339,728	5,290,447
Total Package 030	10,922,429	926,070	6,326,614	18,454,674

Package 040 Mandated Caseload - This package includes only programs that have been designated as “mandated” in the DAS budget instructions. Mandated caseload costs reflect the changing costs from caseload and/or cost-per-case fluctuations, plus related inflation.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Forecasted Increase in AMH, Forensic mandated caseload including General Inflation (50 individuals over the biennium)	3,610,371	-	2,370,438	5,980,809
Forecasted Increase in AMH Civil mandated caseload including General Inflation (150 individuals for the biennium)	16,237,080	-	18,471,480	34,708,560
Forecasted Increase in AMH, Juvenile PSRB mandated caseload including General Inflation (20 new cases for the biennium)	1,937,045	-	2,260,721	4,197,766
Incremental Medical Inflation Rate applied to AMH, Civil mandated caseload (Increase above General Inflation by 1.5% 1st Yr, 1.4% 2nd Yr)	20,711	-	-	20,711
Total Package 040	21,805,207	-	23,102,639	44,907,846

Package 050 Fund Shifts – This package includes fund shifts for shortfalls related to increased cost per case, inflation, or reduced federal funds in many CAF programs. It also adjusts for changes in the Federal medical assistance percentage (FMAP) rate from 61.34 percent to 60.89 percent.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Fund Shift-Change in the Federal Medical Assistance Percentage (FMAP) for AMH (This package includes General Inflation of 2.1% 1st Yr, 2.1% 2nd Yr)	1,485,046	-	(1,485,046)	-
Synetics Grants DASIS, SOMMS, and SEOW moved from Federal Funds to Other Funds	-	124,163	(124,163)	-
Total Package 050	1,485,046	124,163	(1,609,209)	-

Package 060 Technical Adjustments –This package includes a technical adjustment to return funding for specific projects from Administrative Services Division.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Transfer CHS S&S budget to AMH	10,136	9,490	19,435	39,061
This technical adjustment returns funding for specific projects from Agency Support Division - Office of Information Systems (ASD-OIS) to the DHS Divisions that previously transferred funding to ASD-OIS for these projects	336,830	-	2,375,340	2,712,170
Total Package 060	346,966	9,490	2,394,775	2,751,231

Package 070 Revenue Shortfall – This package reflects projected revenue shortfall, if any.

Package 084 – Rollup from December 2006 Rebalance - This package reflects 2007-09 biennium impact of the actions taken at the November 2006 Oregon Legislative Emergency Board meeting.

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
December 2006 E-Board	8,288,389	-	901,155	9,189,544
Total Package 084	8,288,389	-	901,155	9,189,544

Package 090 – This package includes changes made to achieve the Governor’s Recommended Budget. These actions were:

Package Details	General Fund	Other Funds	Federal Funds	Total Funds
Administrative Reductions	(20,645)	-	-	(20,645)
Adjust for Increased Lottery	-	-	-	2,883,628
Total Package 090	(20,645)	-	-	2,862,983

Policy Option Packages (POPs)

On all POPs below, please see Performance Measures section for further details on expected accomplishments.

101-7 Improved Addictions Treatment Access: The services provided to families with alcohol and drug problems who are receiving Temporary Assistance to Needy Families (TANF) supports or who are in danger of having their children removed by child welfare due to parental substance abuse will receive intensive treatment and supports.

As a result of these services, fewer families receiving TANF supports will enter the child welfare system. The current rate is more than 25 percent of families entering child welfare are on TANF. With services, this rate will drop to 15 percent.

As a result of these services, 60 percent of the parents involved in the child welfare system who successfully complete addiction treatment will regain custody of their children. Currently, 50 percent regain custody.

As a result of services, those children who enter child welfare due to parental substance abuse will experience shorter stays. TANF families who receive alcohol and drug treatment will get jobs.

This initiative provided funds to contract for three additional outreach coordinators to assist in the development of Oxford Houses. At least 14 new recovery homes will be developed and available for TANF families.

103-39 Equitable Alcohol & Drug Treatment: This package provides funds to improve the per capita funding for 13 counties and five Tribes that are below the statewide average. This will improve access to treatment for people in these communities. As a result, more people will be employed, fewer families will lose their children to state custody due to parental substance abuse, and there will be a decrease in jail time for this population.

104-43 The State Hospital Master Plan for expanded community services and administration: As a result of increased funding for community crises services, acute psychiatric treatment service, added supported employment/education services and treatment and case management services for people diverted or released from local jails, the following outcomes will be measured:

- Decrease in days in jail.
- Decrease in days homeless.

- Decrease hospital costs.
- Increase days of competitive employment.
- Increase in days without alcohol and drug use.

104-44 Harmon Settlement – (Fed Lawsuit): This package funds intensive community placements for 33 state hospital patients whose illness requires specialized treatment and supports for safe, successful community living.

This package provides resources to open 48 state-operated secure residential treatment beds in three 16-bed facilities. This will allow the safe discharge of 48 OSH patients who require added treatment in a secure environment to be ready for less restrictive community settings. This package adds 17 additional registered nurses to OSH. This will improve the state-to-patient ratio in accordance with the settlement of the Harmon v. Fickle lawsuit. There will be an improved quality of patient care.

104-45 Early Assessment & Support Teams: This package will serve 540 young adults who are experiencing the early symptoms of psychosis. As a result of receiving community services that are evidence-based, these young people will:

- Be employed.
- Have lifetime increase in earnings.
- Have reduced used of alcohol and drugs.
- Increased independent living.

There will be fewer young Oregonians on disability. The families will experience:

- Decreased family burden.
- Increased satisfaction with services.
- Improved quality of life.

104-46 State Hospital facility & data systems replacement: The May 2005 OSH Framework Master Plan Phase I Report identified significant structural issues with the complex on the Salem campus of the Oregon State Hospital. The Phase I Master Plan notes that the existing facilities on this campus have physical limitations that cannot be remediated to provide safe and secure treatment environments. In addition to the facilities replacement needs, the current State hospital has antiquated technology, which no longer meets the business needs of the hospitals. This request will allow for the issuance of a State bond to begin the replacement process.

106-61 OSH & SPD MMA Implementation – on-going workload: This package provides one position for AMH program office to develop, monitor and review contracts with the Part D plans. The person will provide training and support to the two state hospitals to assure that timely, accurate bills are submitted and that payment for services and drugs is provided. This position will assist community programs in assuring continuity of care for patients when there is a change in intensity, level or location of treatment. This package makes two Limited Duration pharmacy technician positions permanent. These positions assist with the work necessary to successfully bill Medicare for medications patients eligible for the Medicare Part D Drug Benefits. One position is added to work with patients upon admission and in preparation for discharge to help them select a plan that covers the medications the individual requires. With these supports OSH will be able to continue signing patients up for the best plan and then billing the plans for medication costs.

107 Youth Substance Abuse Prevention: These resources will be contracted to the counties and Tribes and support 23 additional community prevention coalitions, county prevention staff to work with local communities to implement effective evidence-based services. As a result of these services, there will be a reduction in the percent of 8th graders at high risk for alcohol and drug use. The evidence-based services to strengthen families will result in:

- Decreased family conflict and stress.
- Decreased child depression and aggression.
- Decreased substance use among parents and children.
- Improvements in family environment and parenting skills.
- Increased prosocial behaviors in children.

111 Funding for Drug Courts: These added drug court services will result in more people accessing substance abuse treatment and will increase the percentage of engaged clients who complete drug abuse treatment. These clients will be employed at greater rates than people with untreated substance abuse problems.