

**Local Government Advisory Committee
Room 473, Human Services Building, Salem
June 10, 2005
Minutes**

ATTENDING

Ben Boswell	Wallowa County Commissioner
Ron Dodge	Polk County Commissioner
Jim Edge	DHS – Assistant Administrator – OMAP
Jeremy Emerson	DHS – Administrative Services
Gina Firman	Assoc. of Oregon Community Mental Health Programs
Irene Fischer-Davidson	Clackamas County Human Services
Ramona Foley	DHS – Assistant Director – CAF
David Foster	Oregon Housing and Community Services
Gordon Fultz	Association of Oregon Counties
Robert Furlow	Douglas County Health and Social Services
John Hartner	Oregon Assoc. of Community Corrections Directors
Tony Howell	League of Oregon Cities
Chris Johnson	Yamhill County Health and Human Services
Bryan Johnston	DHS – Interim Director
Barry Kast	DHS – Acting Deputy Director
Linda Modrell	Benton County Commissioner
Anne Peltier	Conference of Local Health Officials
Mary Shortall	Area Agencies on Aging and Disabilities
Vic Todd	DHS – Assistant Director – FPA
James Toews	DHS – Assistant Director – SPD
Jane-ellen Weidanz	DHS – Legislative/Advocacy Coordinator – SPD
Gillian Wesenberg	Commission on Children and Families

WELCOME & INTRODUCTION/APPROVAL OF MINUTES

Linda Modrell called the meeting to order and roundtable introductions were made. The minutes from the May meeting need additional information included. They will be available by the July 8th meeting.

DIRECTOR'S REPORT

Bryan Johnston's presentation was separated into four parts: 1) what's going on at the Department and some other changes; 2) will use Gary Weeks' last report as a springboard and update the issues; 3) will talk about some new issues that have come up and take questions and answers.

Bryan gave a brief work history and how it came about that he was appointed as Interim Director.

DAS is preparing a profile of what they are looking in a new director. The announcement should be out by mid-July, with an offer possibly by September. The process is on going and the search is underway. The Governor made a commitment to Bryan that he is to keep DHS moving forward.

Bryan's goals for the agency:

1. Preparing the agency for the new director
2. Employee morale
3. Credibility at the Legislature
4. Value-driven organization
5. Protection of kids
6. State Hospital System

Bryan appointed Barry Kast as Interim Deputy Director. Barry is helping Bryan maintain continuity and build a bridge between old and new directors. Barry sees his role as internal, working to assist people in getting their jobs done, and making the adjustments necessary to make the organization efficient to respond to the Legislature and to implement the soon-to-be adopted 2005-07 budget.

Barney Speight will be leaving DHS, having accepted a position in Washington State. Lynn Read has been appointed to fill Barney's position.

Bryan responded to questions on a variety of issues, as follows:

Q: Regarding the Community Mental Health System – it would be a good idea to have an opportunity to hear from some of the people in the community.

A: The state hospital has enjoyed more favorable press in the past year. Consequently there could be a rush to build a new state hospital, but building a state hospital without thinking about the whole system would be a disservice. Whether it's the mental health system, providing services to kids or wrestling with supporting contract issues, strengthening the relationship between the activities that occur at the Department, the Legislature, the Governor's Office and the community would be desirable.

Budget

Bryan came to the Department when the re-shoot was due. The Department was in the process of having discussions with the Governor's Office and Budget and Management (BAM) at the Department of Administrative Services and the Legislative Fiscal Office (LFO) about the best way to present this. The terms rebalance and re-shoot are very confusing. Therefore a fact sheet of the process was developed. (See handout #1.)

The second page refers to the content of the re-shoot estimates based on the most current caseload and program data available. The estimate calculates an additional \$66.2 million General Fund is needed to meet the current program included for DHS in the Governor's Recommended Budget (GRB).

Vic Todd reviewed each of the budget items for the individual clusters: Seniors and People with Disabilities; Children, Adults and Families; Department-wide Support Services; and Health Services. The \$66.2 million represents the issues in the GRB that were adjusted. An additional \$24.5 million has been identified as non-mandated, but is equally essential to implement the GRB.

Q: Confused by the wording, "Reduce capacity of medically fragile children's services." There is a cost to that for phasing it out?

A: What that means is there is not as much savings as anticipated. This amount (\$1.8 million) actually results in the program continuing at current levels.

Q: What are you going to do differently, as we look to 2007, and are there any roles the counties play in that and that we need to be concerned about?

A: We have placed all of this information on the net, as we have throughout the budget process. DHS is continuing to look at ways to make the forecast process more transparent to the Legislature. We think that will help in the budget process, because our forecast is a critical component.

Concern was expressed regarding the plan to close three gero wards in OSH. The plan was scrapped on the basis of cost. Care improvement for those individuals and the improvement in their lives would have been worth the additional cost. In the structure of a state hospital, there is no need for a gero ward.

The hospital improvement plan that is in the Phase II process might be able to achieve that in a way that accounts for the capital costs in a different way than competing with other funds in this budget. This may be accomplished in the next 2 to 3 years in a more sophisticated financial way. Those gero beds will have to go somewhere, but not necessarily in the hospital. We are actively working with SPD to find a way to get that done. That project has not been abandoned as a goal.

Q: Under HS the tobacco tax revenue appears to be about an additional 10 million?

A: Yes, this relates to the most recent tobacco tax forecast, which was down. This results in a revenue shortfall for DHS.

CHILDREN'S SYSTEM CHANGE INITIATIVE (Holder Report)

Ramona Foley provided an update on implementation of the findings. The report came out one month ago. DHS is working on a matrix, and will e-mail it to the LGAC when finished. The matrix will include short-term items, things that can be done now, and some longer-term items. Examples are: 1) clarification of policy; 2) consistent interpretation of terms (e.g., Threat of Harm) across the state; and 3) creation of procedures.

The procedures manual is not going to be a new rule; we have 25 pages of rules, but not easy for front-line worker to understand. We will be creating a procedures manual, using a national expert to review that material to make sure that it is consistent; that definitions are consistent with the national standard definitions. After that, we will train all staff around the state – probably using technology. All workers, even though they have been previously trained in child protective services, must understand what we are saying now that is different about child safety throughout the life of the case: 1) safety is still an issue if the child is in foster care, and 2) safety has to be the paramount issue if the child is in a pre-adopt home, not just the permanent plan for the child. This has a lot of influence over our Portland State University contract; they do the training of our front-line staff. The Department has already started meeting with PSU about redoing the curriculum to make sure the curriculum is as current as the new policy and procedure will be.

We are meeting with our external partners, and have set up meetings with the Commission on Children and Families, CASA program, CRB, court system, and the Juvenile Rights Project. We are going out and sitting down with them and

going through the changes, especially around the areas they are interested in. If there are groups we are missing, please let us know.

We are doing a county-by-county analysis of how we are using the staff that we have. That will then put us in a good position before the next session starts to look at the actual caseload. One of the critical issues is the legal representation. We don't know if we are going to get that through this legislative session and if we don't, workers will still be doing those legal tasks, which take them away from child safety work. Before next session, we will know something better about our supervisor to worker ratio, which are also a critical issue as well as caseload size.

A longer-term issue is the precision around child safety: 1) making sure that everyone is using the same model, and 2) that model is used consistently around the state. We will also have a completed analysis probably by the end of '05. Our caseworker to supervisor ratio right now is 1 to 9.5; that's in the legislative formula. The national expert told us is that most states have gone to 1 to 6 (one supervisor to six caseworkers). However, Oregon has CETs (consultants, educators and trainers). They are like super-caseworkers. These positions were designed to offset some of the responsibilities of the supervisors. That is part of the analysis that we are doing. We will then be able to make a valid comparison to what our caseload is, and what our supervisor to worker ratio is.

Another item in the report regards statute changes. The Department did not try, in the last month of session, to make significant statute changes because the things proposed have implications for other parts of the system. All aspects of those issues need to be thought out in time for the next session if we propose statutory changes.

Another longer-term issue is the automated system, the information system called SACWIS. It looks like we will get that policy package. It is something we need to do to be compliant with federal law, and give workers the tools to do child welfare case management.

LEGISLATIVE UPDATE

The DHS budget bill is in front of two budget committees. It has gone through the second phase of the process in joint Ways and Means. No date has been given for the next review of the budget. There are actually three budgets: the Governor's Budget (what the Department just did the re-shot on), a House Budget and a Senate Budget. LFO is taking the numbers that we just gave them and re-shooting the other two budgets.

HB 5039, Vital Records increases the fees charged for birth certificates, death certificates, etc. The bill also addresses the physician visa waiver to help get physicians into underserved areas. HB 5039 also includes ALERT, the statewide immunization registry. This bill is in Ways and Means.

HB 5610 transfers funds to the Master Plan. This bill is in the Senate Budget Committee and is scheduled for hearing on 6/15/05.

HB 2171, the Safe Drinking Water Supplier Fee bill, responds to the direction from 2003 legislature over water inspection rates. It is in the House Budget Committee.

HB 3108 adds clawback language related to the Medicare Modernization Act (MMA).

SB 88, also about implementing the Medicare Modernization Act, is up for hearing. This is the bill that implements the provisions to stop paying for drugs covered in the MMA. Jane-ellen Weidanz will talk about that.

HB 2141 will allow transfer of a youth from OYA to the new Secure Adolescent Inpatient Program. This bill has passed the House and passed to the Senate Floor.

SB 1059 will allow youth under the PSRB system to be placed in a secure adolescent inpatient program rather than OSH.

HB 5077 enacts the DHS rebalance for '03-'05 and is now awaiting the Governor's signature.

SB 98A is the Adult Foster Homes bill. This was pre-session filed by DHS/SPD. The bill has passed both chambers and is awaiting the Governor's signature.

SB 855 will allow DHS to contract with Tribes to provide public health services. This bill was heavily amended, but passed both chambers and is awaiting the Governor's signature.

SB 232 is problematic. This is the Juvenile PSRB bill. Currently includes both DD kids and those who have mental illness. A meeting of all parties was held this week. SB 232: This is Senator Brown's go home issue and has fiscal impact. DD kids may be amended out.

MEDICARE MODERNIZATION UPDATE

Jane-ellen presented an update on MMA (see handout #2). This is a draft of the enrollment assistance plan. She would love to get feedback.

DHS funding is included for temporary staff in the Governor's re-shoot, to assist all dual eligible clients. Four centralized staff will start Wednesday, June 15.

The Department will start doing regional training this summer. Given the timelines from the feds, that's the best we can do.

Cindy Becker is doing statewide outreach program over at DAS. She is coordinating the broader aspects of this.

Q: Drug classes were 5 now 6.

A: There are 6 classes of drugs that CMS has told the plans must be covered in their entirety – substantially all of them must be covered. DHS is working on a chart and will send it out when finalized.

Q: Are you aware of any states that aren't playing ball?

A: Some are doing minimal compliance. New Hampshire may refuse to pay the "clawback."

COUNTY CONTRACT UPDATE

There was much discussion over the time it takes DHS to send out the new Intergovernmental Agreements (IGAs) to the counties and the time it takes the counties to sign those contracts. A meeting between DHS and county representatives is scheduled for Tuesday, June 14, 2005.

Jeremy Emerson of DHS Office of Contracts and Procurement discussed the status of the '05-'07 IGAs with counties. The LPHA IGAs were sent out to county representatives on May 27, 2005 and he hopes to have the MCHP IGAs out by next Friday, June 17, 2005.

There was more discussion of the IGAs and the possibly of extending the current '03-'05 IGAs for a period of 90 days through an amendment. This was recognized as being problematic due to the new payment system eXPRES being implemented and the old language in the '03-'05 that would remain in effect if the '03-'05 IGAs were extended.

County representatives reiterated their concern that has been made clear in multiple venues that they require more time to review and sign the agreements.

Bryan Johnston offered to county representatives that counties may change the term of the '05-'07 IGAs to 90 days if they choose. Those counties that sign the IGAs without changing the term will be afforded an amendment that contains any additional negotiated changes to the general provisions of the '05-'07 IGA.

FUTURE AGENDA ITEMS

The next meeting of LGAC will be on July 8, 2005.

Agenda topics include:

Contracts

Director of Public Health

State Hospital Master Plan Update

Medicare Modernization Update either written or verbal

Child System of Care

MMIS Update

Meeting adjourned at 11:14 a.m.