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**NOTICE OF PROPOSED RULEMAKING**  
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 944  
OREGON HEALTH AUTHORITY  
DRUG TREATMENT AND RECOVERY SERVICES

**FILED**

07/30/2024 1:21 PM  
ARCHIVES DIVISION  
SECRETARY OF STATE

FILING CAPTION: Processes for application, denials, general criteria, requirements for Drug Treatment and Recovery Services Fund grants.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 09/18/2024 5:00 PM

*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

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Filed By:  
JUAN RIVERA  
Rules Coordinator

HEARING(S)

*Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.*

DATE: 08/16/2024

TIME: 11:00 AM - 12:00 PM

OFFICER: JUAN RIVERA

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 1-669-254-5252

CONFERENCE ID: 1603033207

SPECIAL INSTRUCTIONS:

Join ZoomGov Meeting

<https://www.zoomgov.com/j/1603033207?pwd=YkJCZ1B4VlBrK2IsVTBLWFhwbUI4QT09>

Meeting ID: 160 303 3207

Passcode: 203734

Dial by your location

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NEED FOR THE RULE(S)

Per ORS 430.389(2)(a) the Oregon Health Authority is to adopt rules that establish a grant application process, a process to appeal the denial of a grant.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

These rules are expected to have a positive impact on racial equity across the state, as they establish uniform guidelines for grant application, review criteria, the grant approval process, and standards to appeal a denial of a grant making the process more transparent and accessible.

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FISCAL AND ECONOMIC IMPACT:

The Authority does not anticipate there will be a fiscal impact from these rule changes, as these new rules clarify or align with the existing requirements or rules or are administrative in nature.

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COST OF COMPLIANCE:

*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). OHA does not believe there will be any economic impact.

(2) Effect on Small Businesses: OHA does not believe there will be any effect on small businesses.

(a) Estimate the number and type of small businesses subject to the rule(s); OHA does not believe there will be any small businesses impacted.

(b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); OHA does not believe there will be any small businesses impacted.

(c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s). OHA does not believe there will be any small businesses impacted.

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DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

It is expected that small businesses or representatives of small business will submit comments either through the RAC or public comment phase of this rulemaking

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WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

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RULES PROPOSED:

944-020-0000, 944-020-0010, 944-020-0020, 944-020-0030

ADOPT: 944-020-0000

RULE SUMMARY: Grant application processes for Drug Treatment and Recovery Funds applicants

CHANGES TO RULE:

944-020-0000

## Grant Application Process for Drug Treatment and Recovery Services Funds

(1) The Oregon Health Authority (the Authority) must implement a grant application and award for funding entities to provide services described in OAR 944-010-0030 to 944-010-0080 that includes a competitive application process but can also include direct grant awards. ¶

(2) The Authority must announce the availability of funding from the Drug Treatment and Recovery Services Fund (DTRSF) and provide instructions for applying for such funding. The announcement of funding must include at a minimum: ¶

(a) A description of the fund; ¶

(b) Available funding; ¶

(c) Eligible services; ¶

(d) Term of the grant; ¶

(e) Estimated effective date and allowable cost periods; ¶

(f) Template grant agreement; ¶

(g) Template budget; ¶

(h) Template declaration of covenants to secure property, if applicable; ¶

(i) Minimum application criteria; ¶

(j) Rating criteria; and ¶

(k) Application materials consistent with section (3) of this rule. ¶

(3) An application for DTRSF funding must contain all information required by the Authority, including but not limited to: ¶

(a) A detailed scope of work that provides a description of the services to be offered within the categories listed in ORS 430.389(2)(e). The description must include a plan for how the applicant would use funding to expand applicant's existing service offerings and a detailed staffing plan to provide services, indicating what, if any, services would be subcontracted; ¶

(b) Documentation of the applicant's experience offering the proposed services; ¶

(c) Documentation of the applicant's experience with providing any of the following, as these terms are described in OAR 944, Division 010: ¶

(A) Trauma-informed services; ¶

(B) Culturally and linguistically specific services; ¶

(C) Culturally and linguistically responsive services; ¶

(D) Services to individuals with intellectual and developmental disabilities; ¶

(E) Services to individuals with physical disabilities; ¶

(F) Gender affirming and responsive care; ¶

(G) LGBTQIA2S+ affirming and inclusive services; ¶

(H) Youth friendly and inclusive services; ¶

(I) Services for parents or non-traditional parents with minor children; and ¶

(J) Pregnant persons. ¶

(d) If the applicant is a past recipient of DTRSF funding, a detailed description of the services provided, and the effectiveness of services provided with accompanying documentation; ¶

(e) A detailed operating budget for each proposed service category using the provided template and including a budget narrative; ¶

(f) A detailed budget describing all streams of funding approved to perform current program deliverables; ¶

(g) An operating plan that includes timelines for providing services if funded with DTRSF funds, and the estimated number of individuals to be served over the term of the grant for each service type; ¶

(h) The number of employees and the number of contractors, listed separately currently working for or under contract with the applicant, including but not limited to the qualifications of each employee or contractor involved in providing direct individual services; ¶

(i) Documentation showing if the applicant actively works with other community organizations and if applicable, state, or local government agencies to provide services; ¶

(j) Documentation of the applicant's experience with managing and accounting for grant funds, including but not limited to whether the applicant has an accountant on staff or on contract, and identification of the system used for tracking the receipt of funds and expenditures; ¶

(k) Documentation of the applicant's experience with collecting program and individual data, including but not limited to identification of the system or systems used for collecting program and individual data; ¶

(l) Whether the applicant has experience working with Excel; ¶

(m) If applicant is a non-profit organization, current registration with the Oregon Department of Justice Charitable Activities Division. ¶

(n) Current Secretary of state registration information; ¶

(o) Documentation of current insurance coverage for commercial liability insurance, workers compensation

insurance, and professional liability insurance if currently in business, with coverage limits; ¶

(p) Whether the applicant has the ability to bill Medicaid or other health insurers, and if so, a description of how applicant intends to track funding to ensure it does not supplant insurance; and ¶

(q) Documentation of two years' worth of historical financial information prior to application, in the form of financial statements or tax returns. ¶

(4) Completed applications must be submitted to a Single Point of Contact (SPC) as listed on the Request for Grant Application. ¶

(5) Applications must be reviewed by Authority staff to determine if the applicant meets the initial minimum application criteria. An applicant that does not meet the initial minimum application criteria must be notified in writing and can appeal that decision in accordance with OAR 944-020-0030. ¶

(6) Applications that meet the minimum application criteria must be evaluated by a review panel established by the Director or their designee. The review panel must include at least three members of the Oversight and Accountability Council. All members of the review panel must be screened for conflicts of interest prior to reviewing and rating applications. The review panel must make recommendations for funding decisions to the Oversight and Accountability Council. ¶

(7) Evaluation by the Authority's review panel must be in accordance with OAR 944-020-0010.

Statutory/Other Authority: ORS 430.389(2)(a), 430.390, 413.042

Statutes/Other Implemented: ORS 430.389(2)(a), 430.390

ADOPT: 944-020-0010

RULE SUMMARY: Review criteria for Drug Treatment and Recovery Funds applications

CHANGES TO RULE:

944-020-0010

Grant Application Review Criteria

(1) The Authority's grant review panel will review and evaluate each grant application based on the following criteria:¶

(a) If the grantee has previously received DTRSF funding, the effectiveness of services provided.¶

(b) The demonstrated commitment of the applicant to providing culturally and linguistically responsive or specific services;¶

(c) The demonstrated commitment of the applicant to serve communities most impacted by the war on drugs;¶

(d) The demonstrated commitment to work with other funded organizations proposing to comprise a BHRN in a county;¶

(e) The demonstrated commitment to financial soundness and administrative capacity to fulfill grant requirements, as demonstrated by two-years of financial information. ¶

(f) Feasibility and alignment of the statement of work with ORS 430.383 and OAR 944, Division 10;¶

(g) Clarity of proposed project plan, including but not limited to, number of staff and reasonableness of staff salaries; ¶

(h) Number of proposed individuals to be served is proportionate to the funding request; ¶

(i) Clarity and specificity of the budget and budget narrative; and¶

(j) Whether grantee adhered to all directions in the application, including but not limited to, following word count, submitting all required materials, using all required templates and forms, and meeting all prescribed deadlines. ¶

(2) Each reviewer must complete an evaluation sheet for each applicant that results in a numeric score. ¶

(3) A grant application that does not receive a minimum score must not be considered further and the applicant must be notified in writing and can appeal that decision in accordance with OAR 944-020-0030.¶

(4) Once all the applications have been evaluated and scored the review panel must meet, as many times as is necessary, to provide final funding recommendations to the Oversight and Accountability Council. The review panel must, to the greatest extent practicable, recommend at least one applicant in each service area, in each county.

Statutory/Other Authority: ORS 430.389(2)(a), 430.390, 413.042

Statutes/Other Implemented: ORS 430.389(2)(a), 430.390

ADOPT: 944-020-0020

RULE SUMMARY: Process of approving grants for the Drug Treatment and Recovery Funds funding

CHANGES TO RULE:

944-020-0020

Grant Approval Process

(1) The Oregon Health Authority will present its funding recommendations to the Oversight and Accountability Council following the process outlined in OAR 944-020-0010. ¶

(2) Any applicants not funded by the Council will be notified in writing by the Authority along with information about how to appeal that decision under OAR 944-020-0030.

Statutory/Other Authority: ORS 430.389(2)(a), 430.390, 413.042

Statutes/Other Implemented: ORS 430.389(2)(a), 430.390

ADOPT: 944-020-0030

RULE SUMMARY: Appeals process for the denied Drug Treatment and Recovery Funds

CHANGES TO RULE:

944-020-0030

Appeal of Denial of Grant

(1) An applicant that was notified that they did not meet minimum grant application criteria or did not receive a minimum evaluation score, can submit a written request to the Single Point of Contact (SPC) within five (5) business days after receiving the notice described in OAR 944-020-0000(5) or 944-020-0010(3). A written appeal request must include:

(a) The application and all application materials submitted to the Authority; and

(b) A concise statement explaining why the applicant believes they meet the minimum application criteria or should have received a higher evaluation score.

(2) The Authority Director or designee must approve or deny the request for an appeal submitted under section (1) of this rule and must notify the applicant in writing of the decision to approve or deny the requested appeal within 10 business days of receipt of the appeal. The decision is final.

(3) An applicant that was notified that they were not funded by the Oversight and Accountability Council can submit a written request to the Council or the Council's designee within five (5) business days after receiving the notice described in OAR 944-020-0020(2).

(4) The Council must consider appeals at their next scheduled meeting and must vote to approve or deny the request for an appeal and must notify the applicant in writing of the decision to approve or deny the requested appeal within 10 business days of its decision. The Council can in its discretion delegate decision making authority on an appeal to a subcommittee or to the Authority. The decision by the Council or their designee must be final.

(5) An applicant can not submit any additional materials other than those submitted with the application, when appealing a decision, and the Director, their designee, the Council, or their designee, can not consider additional materials when reviewing an appeal.

(6) The decision to grant an appeal in favor of the applicant for one request does not set a precedent that must be followed by the Authority or the Council when evaluating subsequent requests for appeal.

Statutory/Other Authority: ORS 430.389(2)(a), 430.390, 413.042

Statutes/Other Implemented: ORS 430.389(2)(a), 430.390