

## HOUSE COMMITTEE ON AGENCY PERFORMANCE & OPERATIONS

February 11, 1999 Hearing Room E

8:00 a.m. Tapes 15 - 16

**MEMBERS PRESENT:** Rep. Kathy Lowe, Vice-Chair

Rep. Betsy Close

Rep. Tim Knopp

Rep. Jeff Kruse

Rep. Bob Montgomery

Rep. Kitty Piercy

**MEMBER EXCUSED:** Rep. Jane Lokan

Rep. Dan Gardner

**STAFF PRESENT:** Pat Zwick, Administrator

Susan M. Pettey, Administrative Support

**ISSUE HEARD:** Overview of State Agency Participation in Housing Issues

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

| TAPE/#     | Speaker         | Comments   |
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| TAPE 15, A |                 |  |
| 003        | Vice-Chair Lowe | Opens meeting at 8:12 a.m., and opens informational meeting. |
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**INFORMATIONAL MEETING: OVERVIEW OF STATE AGENCY PARTICIPATION IN HOUSING ISSUES**

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| 007 | Gary Weeks      | Director, Department of Human Resources (DHR). Comments about the importance of safe, affordable housing as a support to clients served by DHR.  |
| 042 | Kay Toran       | Administrator, State Office for Services to Children and Families (SCF). Submits written testimony and reads ( <b>EXHIBIT A</b> ). Explains mission of agency is to protect abused and neglected children and provide them with safe, permanent homes. Discusses lack of affordable housing and areas of need. Cites SCF expenditures on housing/board for children ( <b>EXHIBIT A, pg. 3</b> ). |
| 079 | Rep. Piercy     | Inquires whether SCF would remove a child because of homelessness.   |
| 088 | Toran           | Responds negatively, explaining the agency would look for resources to assist the situation. Provides an example of a family with children living in an automobile until necessary resources were available.   |
| 089 | Vice-Chair Lowe | Asks how long the family lived in an automobile, and how frequently this happens.  |
| 091 | Toran           | Responds that the child lived in that situation for approximately five days, and explains it happens infrequently.   |
| 093 | Rep. Piercy     | Comments about transient lifestyle contributing to unsafe living conditions for children.  |
| 102 | Vice-Chair Lowe | Asks how much is budgeted for housing services provided by DHR.  |
| 120 | Weeks           | Explains the figure is a difficult number to break out because housing allowance is included in a grant.   |
| 129 | Vice-Chair Lowe | Asks how many full-time employees (FTEs) work on housing issues.   |
| 135 | Weeks           | Responds that all employees work on housing issues.  |
| 140 | Vice-Chair Lowe | Asks what can be done to streamline.   |
| 145 | Toran           | Responds that the agency is unable to serve all needs even with increased budget.  |
| 157 | Weeks           | Comments that resources in place need to be maximized. Discusses Housing & Community Services contribution.  |
| 162 | Vice-Chair Lowe | Inquires how many children are left at risk under the present budget, and how the  |

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|     |                 | number could increase.  |
| 168 | Toran           | Explains that agency response has increased to 67 percent from 52 percent.  |
| 173 | Rep. Piercy     | Asks if leveraging housing capacity includes shelter for young people.  |
| 181 | Weeks           | Responds affirmatively.   |
| 189 | Sandy Hoback    | Administrator, Adult & Family Services (AFS). Addresses temporary assistance to needy families program with regard to self-sufficiency. States that the agency provides support services through housing authorities or community action agencies. Comments about partnership with Oregon Housing & Community Services (OHCS). Gives example of teen parent program, in partnership with Shangri-la. Discusses similar projects in Klamath Falls, Eugene, and Medford.  |
| 233 | Hoback          | Discusses \$1 million in federal funds in 97-99 budget for homeless emergency assistance, which flowed through community action programs. Notes that the agency has no direct FTE working on housing. Supports leveraging concepts to make dollars go further, taking limited resources and making the most of it through creative strategies.  |
| 259 | Barry Kast      | Administrator, Mental Health and Developmental Disability Services (MHDDS). Explains that the agency currently provides institution-based care for individuals with severe mental and developmental disabilities. States that in the late 1950s, 10,000 Oregonians were living in institutions; currently the figure is under 1,000. Explains that the agency has moved from institution-based care to community-based care, accounting for 90% of resources. States that there are over 4,000 developmentally disabled individuals in state-funded residential care.   |
| 310 | Vice-Chair Lowe | Asks how many developmentally disabled individuals in Oregon are not being served.  |
| 320 | Kast            | Responds that there is a waiting list of 3,000 who may need some service. Addresses support system which allows modification of a family home to allow persons to be cared for by family. Claims that the agency is reaching 2/3 to 3/4 of those needing services. Discusses Fairview Training Center closure scheduled for July 2000. Adds that Fairview has a current population of 200 residents. Comments that Oregon Housing & Community Services (OHCS) has the bond and housing trust funds to assist in developing specialized housing. Explains there are currently 12 agencies prepared to build and manage housing. States that there is plenty of money out there for housing if some of the risk can be removed. Explains the non-profit service provider role in housing. |
| 356 | Kast            | Comments that mental health is a changing population requiring flexible housing to move them to independence. Explains that since 1989, the agency has developed 1,100 units dedicated solely to people with psychiatric disabilities. Discusses state investment of \$2.1 million, with each dollar leveraging an additional \$13.50.  |
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| 395               | Rep. Piercy      | Expresses concern about mentally ill in prison system and accessibility to housing. Requests further information.  |
| 415               | Kast             | States that the most important factor in reducing the population of mentally ill people in the prison system is early intervention. Discusses Department of Corrections' work with the Department of Psychiatry at the Health Sciences University to define some of the causes. Speculates that lack of affordable housing is a key factor. Describes need to coordinate housing, work, and treatment.   |
| <b>TAPE 16, A</b> |                  |  |
| 002               | Vice-Chair Lowe  | Asks if the agency needs legislative authority to streamline or mesh the concept of services.  |
| 006               | Kast             | Discusses SB 405, which addresses strategy 16 of the <u>Report to the Governor on Safe, Affordable Housing</u> . Explains that the agency is limited in how funds can be used from the sale of Fairview and Dammasch State Hospital, explaining the funds can only be used to enhance or build state-owned facilities. Points out that Mental Health is not a housing agency, and does not own housing. Explains working partnerships with other state agencies. |
| 022               | Rep. Piercy      | Comments about displacement of housing for a certain population.   |
| 035               | Kast             | Discusses income levels of special needs population relative to housing, indicating housing cost consumes 80-90 percent of income.   |
| 047               | Vice-Chair Lowe  | Comments on Clackamas County mentally-ill homeless statistics, and high suicide rate. Asks about Sheriff's Office mental health clearing house.  |
| 058               | Kast             | Responds that Clackamas County is currently training a crisis intervention team. Offers to provide further information. States that on any given night, one-third of homeless people have a serious mental illness, with concurrent alcohol and drug problems.   |
| 067               | Barbara Cimaglio | Assistant Director, Department of Human Resources (DHR), Office of Alcohol and Drug Abuse Programs. Submits written testimony and summarizes <b>(EXHIBIT B)</b> . Describes agency function. Comments that individuals treated in the system have no funds to afford stable housing to maintain recovery.  |
| 097               | Vice-Chair Lowe  | Asks for data on recidivism rate.  |
| 100               | Cimaglio         | Responds that it is difficult to link data with all state agencies, and a complete picture is not available. Comments that about one-third to one-half of people coming through treatment have been there before, many having been involved multiple times. Leveraging is used to help stem recidivism, coupled with services and case management.   |
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| 112 | Vice-Chair Lowe | Asks if recidivism is reduced when a housing component is added.   |
| 114 | Cimaglio        | Responds that limited research done in this area indicates yes.  |
| 122 | Vice-Chair Lowe | Asks if housing component reduces some of the capital outlay for the state to provide services. Wants to know if data can be provided.   |
| 136 | Weeks           | Comments that the Governor has recently requested DHR to coordinate meetings with other state agencies such as Youth Authority, Department of Education, Commission on Children and Families, that have money for treatment, intervention, and/or prevention, but have never linked together.  |
| 156 | Vice-Chair Lowe | Asks about possibility of cost savings through state agency coordination.  |
| 171 | Weeks           | Comments that DHR will look for redundancies. States that huge cost savings are possible if recidivism is reduced.   |
| 180 | Vice-Chair Lowe | Requests data on housing/recidivism relationship.  |
| 183 | Cimaglio        | Discusses funding for high-end residential treatment designated for housing to be built by local community partners.   |
| 199 | Weeks           | Discusses different ways to deliver services. Comments that moving to non-residential care is not popular with all parties.  |
| 211 | Rep. Piercy     | Comments that some security needs to be built into the system to provide services. Discusses the need for coordination at the state and local level.   |
| 232 | Cimaglio        | <p>Expresses need for stable environment to eliminate crisis situations. Discusses two successful models.</p> <ul style="list-style-type: none"> <li>• Revolving loan fund (\$100,000) 1988 Federal Anti-Drug Abuse Act: Start-up money for 42 Oxford Houses, self-run and self-supporting. Three or four people per house. Agency oversees development.</li> <li>• Multi-year demonstration program: Transitional housing supported with case management, i.e. Shangri-la.</li> </ul> |
| 271 | Cimaglio        | Comments that agency has a program coordinator working with OHSC to develop models to assist partners in accessing funds to build affordable housing. States that the Governor has requested \$2 million in funds devoted to housing and leveraging models. Explains that the investment will allow streamlining and housing at the local level. Emphasizes that affordable housing is the primary need, according to clients.   |
| 335 | Rep. Montgomery | Asks about an increase in gambling addiction.  |
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| 345               | Cimaglio        | Responds that problem gamblers often have alcohol and drug issues.  |
| 379               | Dan Kaplan      | Deputy Administrator, Senior & Disabled Services Division (SDSD). Submits written testimony and summarizes <b>(EXHIBIT C)</b> . Discusses need for safe, affordable housing for seniors and people with disabilities. Notes that the agency regulates long-term care providers and purchases services for over 30,000 Medicaid long-term clients. Explains coordination with housing agencies.  |
| 402               | Kaplan          | Explains there is no housing money in the budget. Acknowledges the agency has one full-time employee (FTE), a housing policy person, who advocates for better housing for seniors and persons with disabilities. Notes that the physically-disabled programs were added to Senior Services Division in 1990.  |
| <b>TAPE 15, B</b> |                 |   |
| 048               | Vice-Chair Lowe | Expresses concern that more money is paid for nursing home care than for in-home care. Discusses high turnover rate in personal caregivers, causing people in the disabled community to complain about disruption in life management. Inquires how the problem can be fixed.  |
| 078               | Kaplan          | Comments that Oregon is the first state to use nursing facility waiver to fund community-based long-term care. Notes that the agency serves a continually increasing number of clients outside of nursing facilities. Discusses Project Independence, which began in the 1970s, and provides low level services to people who are not Medicaid-eligible.  |
| 108               | Kaplan          | Discusses turnover rate among health care providers working with long-term clients in their own homes. Indicates that the 1997 legislature approved an expenditure that allowed the agency to bring client-employed provider wages to \$7.80 per hour. Notes that getting and keeping quality long-term care providers is the biggest challenge currently.  |
| 159               | Weeks           | Comments that this is a wage issue that goes far beyond SDSD. Describes difficulties in working with this population. Talks about the state's contribution to the work done at the local level. Describes transfer of work and funds to the counties. Discusses Area Agency on Aging (AAA) money transfers from personal services in the budget, with a cost shift to contracted services/supplies with the counties. Explains that the November E-Board approved \$3 million earmarked for county systems. |
| 220               | Vice-Chair Lowe | Asks if there is any way to streamline what is done administratively that might result in greater parity for the counties.  |
| 223               | Weeks           | States that the counties' AAA solution is to bring about parity in wages, but 100 percent parity will probably not be reached.  |
| 239               | Rep. Montgomery | Comments that 100 percent of nothing is nothing. Asks what it means to be four or five percent off.   |
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| 244 | Kaplan          | States that the estimated size of the gap between 90 and 100 percent funding is approximately \$8 million of total funds, just short of \$4 million in general funds.   |
| 265 | Rep. Close      | Asks who are agency clients.  |
| 270 | Kaplan          | Responds that clientele is people with long-term care needs, defined in financial terms and inability to function in daily living.  |
| 282 | Rep. Close      | Asks if agency serves those with HIV.   |
| 290 | Kaplan          | Indicates yes, in the latter stages of the disease.   |
| 293 | Mickey Lansing  | Deputy Director, Oregon Commission on Children & Families. Comments that the agency mandate is to send dollars to local communities for a comprehensive plan of services existing in particular communities. Describes community mapping process.   |
| 324 | Lansing         | Cites examples of counties that take dollars and leverage with other entities to provide a service identified as a great need. Discusses Klamath County where 70 percent of first-birth mothers are under the age of 19 years, creating difficulty in the area of housing teen moms.  |
| 335 | Rep. Montgomery | Asks how many first-birth moms under age 19 in Klamath County are married.  |
| 339 | Lansing         | Offers to provide that information. Comments that Klamath County is working with Adult and Family Services (AFS) to address Youth Investment (formerly Level 7 Youth), for abused and neglected 13-17 year olds who are acting out but are non-delinquent. Emphasizes this is an area of great need. Explains Multnomah County's efforts on continuum of care for runaways and homeless. Discusses Polk County shelter community program, where churches provide shelter for homeless kids and families. Refers to Deschutes County, where 66 percent of the homeless population are children and families. |
| 386 | Montgomery      | Asks how many people 66 percent represents.   |
| 394 | Lansing         | Indicates that information will be provided. Comments on what local communities are doing with dollars to provide housing. Explains that Oregon has a real problem with lack of affordable housing, with people continuing to pay more than 30 percent of income for housing. Notes that the agency is developing a template for all counties to compile information.   |
| 429 | Vice-Chair Lowe | Asks for total budget figure.   |
| 441 | Lansing         | Indicates a \$60 million agency budget, which includes general and federal funds. Notes that Youth Investment budget is approximately \$12.2 million, Title XX federal funds.   |
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| 451               | Vice-Chair Lowe | Asks how much goes to direct services.   |
| 460               | Lansing         | Indicates that 96 percent goes to local commissions, with a state administration fee of 4 percent. Explains that local administration costs can be 10 percent, plus 2 percent for evaluation.  |
| <b>TAPE 16, B</b> |                 |  |
| 044               | Lowe            | Asks what happens to the balance of the money.   |
| 046               | Lansing         | Responds that it goes to direct-service providers. Discusses Marion County progress teams, which is a group made up of professionals and local citizens. Notes that the agency does not provide direct services. Adds that the rule is to build that community to be supportive to everything that occurs. States that the local Commission on Children and Families decides where the money goes.   |
| 076               | Rep. Close      | Describes contact with a constituent complaining that local commissions are too political and have personal agendas.   |
| 081               | Lansing         | Responds that local commissions are made up of 51 percent lay persons, defined as one who does not receive more than 50 percent of income from working in a youth-serving agency. Explains that as information is collected, the commission looks at what kind of policy is necessary based on input from the community. States that the information is gathered and priorities are established for allocation. Comments that local commissions are much like the legislature, making public policy decisions on behalf of the citizens of Oregon. |
| 104               | Rep. Piercy     | Describes experience with Lane County Children & Families Commission. Comments that Lane County wants greater representation from rural Lane County.   |
|                   |                 | Material from Barbara Cimaglio received after the meeting is submitted for the record <b>(EXHIBIT D)</b> .   |
| 134               | Vice-Chair Lowe | Closes informational meeting. Adjourns meeting at 9:55 a.m.  |

Submitted By, Reviewed By,

Susan M. Pettey, Pat Zwick,

Administrative Support Administrator



## **EXHIBIT SUMMARY**

**A ñ Housing, written testimony, Kay Toran, 3 pp.**

**B ñ Housing, written testimony, Barbara Cimaglio, 4 pp.**

**C ñ Housing, written testimony, Dan Kaplan, 2 pp.**

**D ñ Housing, document entitled "Effectiveness of Housing in Treating Persons in Recovery," Barbara Cimaglio, 22 pp.**