

HOUSE COMMITTEE ON HUMAN RESOURCES

January 19, 1999 Hearing Room HR E

1:00 PM. Tapes 2 - 4

MEMBERS PRESENT: Rep. Jeff Kruse, Chair

Rep. Kitty Piercy, Vice-Chair

Rep. Betsy Close, Vice-Chair

Rep. Tim Knopp

Rep. Jerry Krummel

Rep. Mike Lehman

Rep. Bill Morrisette

Rep. Jackie Taylor

Rep. Jackie Winters

STAFF PRESENT: Janet L. Carlson, Administrator

Diane M. Lewis, Administrative Support

MEASURE/ISSUES HEARD: Informational Meeting

Overview of the Department of Human Resources

Long-Term Care

Substance Abuse

Service Integration

TAPE/#	Speaker	Comments
TAPE 2, A		
005	Chair Kruse	Opens the meeting at 1:03 PM
010	Chair Kruse	<p>Hands out committee overview (EXHIBIT A) and discusses subcommittee activity.</p> <p>Explains that the schedule may be subject to change as session progresses.</p> <p>Anticipates subcommittees beginning their work the week of January 25,1999 and states that rooms have not been assigned.</p> <p>Comments that the committee needs to pay attention to what the Senate Health and Human Services Committee is working on, and explains that any significant bills regarding mental health, developmental disabilities, and/or the Oregon Health Plan will be coordinated with Senator Fisher, so they may be heard in the Senate committee.</p> <p>Emphasizes that if members of the committee have specific issues that they are concerned might get lost in the shuffle, please speak with Chair Kruse.</p>
039	Rep Taylor	Asks about her subcommittee assignment.
041	Chair Kruse	<p>Explains that Rep. Taylor will sit on Boards and Licenses.</p> <p>Reads the list of Human Services subcommittee members and Boards and Licenses subcommittee members.</p>
065	Rep. Morrisette	Asks for a copy of the subcommittee list.
067	Chair Kruse	<p>Replies he will provide committee members with lists.</p> <p>Opens the informational meeting.</p>
<u>INFORMATIONAL MEETING</u>		
Overview of Department of Human Resources		
081	Gary Weeks	<p>Director, Department of Human Resources (DHR), Introduces Bob Mink, Deputy Director, DHR. Submits and presents DHR progress reports, missions and goals (EXHIBIT B).</p> <p>Explains that the Progress Report document is a report on the key initiatives of the agency. It is focused on client services. In the back of the report in a listing of all the offices that DHR has by county. The report is available on the internet.</p> <p>Comments that the mission and goals folder is the one that Weeks will work from</p>

		in this presentation.
121	Chair Kruse	States that the committee rule of no interruptions of witnesses does not apply to Mr. Weeks or Mr. Mink. Please get the Chair's attention and ask questions as they come up.
130	Weeks	<p>Explains that DHR was formed in 1971. Six (6) divisions were brought together to form the department. Since then some divisions have been added and others have been removed; i.e., the Employment Department had been a part of DHR originally and as of 1995 became its own department. States that in 1997, within what used to be Children's Services Division, the legislature broke out juvenile corrections and created the Oregon Youth Authority. Senior and Disabled Services Division was created to accommodate a growing population of people in need of assistance. Explains that some programs have been elevated to a higher status, i.e., Alcohol and Drug Abuse and the Oregon Health Plan.</p> <p>Explains that DHR has about 9,000 employees with a budget of a little over six billion dollars. The department's strength is the ability of the divisions within it to work together. Points to welfare reform as a good example. Discusses how the department was created to provide opportunities to share staff and resources across divisional lines. Clients frequently come to the agency with more than one problem.</p>
200	Bob Mink	Deputy Director, Department of Human Resources, states that 80 % of the pay-outs of the six (6) billion dollar budget the department works from goes to outside service providers that provide services for DHR; i.e., doctors and nurses in nursing homes, foster parents, residential treatment facilities and group homes, etc.
210	Weeks	<p>Explains that upon the acceptance of his position at DHR he and the Governor agreed on three agenda items for the department:</p> <ul style="list-style-type: none"> • Making the department an integrated and collaborative unit • Strengthening community partnerships with local communities • Making the department more "outcome" focused
270	Rep. Winters	Comments that she was working for the department in 1971 and remembers that the issue of confidentiality was a problem within a structure that was collaborative. Asks how DHR is handling the issue of confidentiality today.
285	Weeks	Concedes that DHR is still struggling with this issue. Explains that in the last four (4) years the department has written a confidentiality statement about how data will be shared within the divisions. He would like to share more information with provider networks.
295	Rep. Winters	Asks if there is a release form or authorization procedure for the client to give permission, in writing, so that their information can be shared.
300	Mink	Responds that DHR has worked with the attorney general to draft statements for the release of information. 80% are willing to sign these releases.

326	Rep. Winters	Comments that she is a little disconcerted that DHR is still looking to fully integrate confidentiality standards.
340	Weeks	States that the legislators must be the ones to send the message that they want the department to continue moving in a specific direction.
370	Rep. Piercy	Comments that the child link project in Lane County is struggling with this issue of confidentiality and is involved in discussions with the ACLU.
390	Weeks	Talks about the strategic framework of DHR involving the mission, values, goals, outcomes, and strategies of the department. This framework was developed with a lot of public input.
TAPE 3,A		
020	Weeks	Discusses the organization chart provided to the members.
042	Mink	States that DHR field offices are spread all over the state.
047	Weeks	Explains that the charts in EXHIBIT B reflect how divisions and services are brought together and work interdependently, i.e. mental health services are critical to the success of the alcohol and drug treatment programs and vocational rehabilitation programs.
050	Rep. Morrisette	Asks about the Welfare-to-Work program and wonders why it is not included in EXHIBIT B. Asks if there are competitive federal grants for this program.
057	Weeks	Responds that the fundamental goal in Adult and Family Services (AFS) is to get people off assistance and get them working. Welfare-to-Work is a federal program. Oregon got one of the first waivers to change the way Oregon structured its welfare program.
062	Rep. Morrisette	Comments that in Lane County he has had problems trying to coordinate between AFS and other support agencies such as St. Vincent dePaul. There was a seeming lack of interest from AFS to be involved.
070	Weeks	<p>Explains that he has been in Lane County and met with the same people Rep. Morrisette is talking about. Does not want to lose any opportunity to move a Welfare-to-Work agenda. Oregon has been a leader in moving people off welfare and into the workforce.</p> <p>Indicates that he would be happy to arrange a meeting with Rep. Morrisette through his staff.</p>
080	Weeks	Explains that families come to DHR with multiple needs which is why integration within the departments divisions is so important.

		<p><u>Individual Programs:</u></p> <p>Explains that the Office of Alcohol and Drug Abuse Programs budget includes 20 million dollars which is the single largest influx of money to alcohol and drug abuse programs in the state. Drug and alcohol abuse problems are connected to issues facing other divisions within DHR.</p> <ul style="list-style-type: none"> • 65% of foster kids come from a family where alcohol and/or drugs are a problem. • 80% of kids violate their probation with alcohol and/or drugs. • 50% of child deaths are alcohol and drug-related. • Senior citizens have issues around alcohol and drug abuse, so a collaborative effort exists between the Alcohol and Drug and Senior and Disabled Services.
140	Weeks	Describes Adult and Family Services (AFS) programs: temporary assistance to needy families (TANF), the Jobs program, JOBS Plus, food stamps, child support collection, employment related daycare.
180	Chair Kruse	Asks if there been a reduction of case workers, since the JOBS program has been such a success, and if case workers have been reassigned.
190	Weeks	Replies that DHR hasn't had a reduction in case workers. Explains that clients that have multiple issues need lots of case management. Case workers have been completely retrained to be case management people. Case workers are working across divisional lines.
216	Mink	Reminds the committee that as welfare needs go down, employment- related daycare needs go up.
225	Chair Kruse	Remarks that because people get off welfare they don't leave the system. Asks about the collaborative effort AFS has with the Employment Department.
240	Weeks	Asserts that the Employment Department is using the JOBS Plus program for people that have never been on welfare. The Employment Department has the Child Care Commission that partners with employment-related daycare benefits. States that the ultimate goal has always been to get people living independently with work related health care benefits and the ability to afford daycare.
280	Rep. Winters	Asks for the percentage of clients that reach this goal.
284	Weeks	Promises to provide this information to the committee.
298	Rep. Piercy	Comments that sometimes people find themselves off of subsidies and out in the work force living off of less income.
308	Weeks	Concurs with Rep. Piercy's comments. Oregon has gone from 44,000 and people

		on welfare to 16,000. The system must be continually watched. Emphasizes that children must be protected.
340	Weeks	Describes the State Office for Services to Children and Families (SCF). SCF is the child protective services organization, identifying children that are abused or neglected. Explains that the Safe Families Act passed by the federal government in 1997 requires that a child may not be in foster care for 15 months in a 22-month period. The policy of this country is that we are not going to warehouse children in foster care.
390	Rep. Taylor	Asks if legislation passed in the 1997 session regarding the best interest of the child has served the state well.
395	Weeks	Responds that the National Adoptions and Safe Families Act parallels closely with Oregonis actions giving the state a jump on implementing new requirements.
407	Winters	Comments that putting children in permanent placement was her program when she was at CSD. Asks if 33 months for a case to work through the system is the current average.
419	Weeks	Responds that 33 months sounds like it is in the ball park.
422	Rep. Winters	Asks if an analysis has been done on the financial impact of federal requirements.
428	Mink	Explains that an analysis has been done but they do not have figures with them. There is a financial impact on the court system also.
430	Weeks	States that the Governoris budget does include additional funds for SCF.
435	Weeks	Describes Community Safety Net initiative. Explains that SCF gets about 28,000 calls a year. The division looks closely at about 18,000 of those. Roughly nine thousand children actually enter the system. States that the intent of the community safety net is to have a place in a county where SCF can refer a child and a family who seems to need some support from the community
055	Chair Kruse	Asks about the differences between the community safety net and the integrated service delivery system that is in HB 2004 through the Commission on Children and Families.
070	Week	Responds that there are 23 counties that have an active safety net, and in some of those counties they are managed by the local commissions.
TAPE 3, B		

005	Chair Kruse	States that he is looking at potential, similar delivery systems that are not connected.
007	Weeks	Responds that the safety net is a delivery system that is locally designed and is not a state-designed system.
020	Chair Kruse	Asks how much is in the budget for safety nets and what the funds cover.
021	Weeks	Responds that the Governor's recommended budget includes \$1 million to support the development of data bases and referral systems to track families referred from SCF.
039	Chair Kruse	Asks if any of the one million is federal or is it all General Fund.
040	Weeks	Replies that it is all general fund.
041	Chair Kruse	Asks if the \$250,000 was a one time shot.
042	Weeks	Explains that the \$250,000 was a federal Community-Based Family Resource grant which DHR may receive again.
046	Rep. Morrisette	Asks for comparisons between different county commissions and what they're doing.
048	Weeks	Responds that he will provide an overview of safety nets.
052	Chair Kruse	Explains that the committee will get an overview of commissions on Thursday, 1/21/99.
055	Weeks	<p>Describes the Health Division as DHR's health entity.</p> <p>Explains that the Health Division has federal dollars and operates on fees. Research projects are funded by federal grants. Tobacco prevention is also managed by the Health Division.</p>
082	Weeks	<p>Describes Mental Health and Developmental Disability Services (MHDDSD) institutions:</p> <ul style="list-style-type: none"> • Fairview • State Hospital • Eastern Oregon Psychiatric Center • Oregon Training Center in Pendleton <p>Explains that Fairview is scheduled to close in July 2000. There are about 280 residents left in Fairview. States that community homes are being built and regional centers for providing services for the developmentally disabled are being developed. The closure of Fairview is also related to the ability to address the</p>

		3,000 person "wait list" of families and children that are waiting for services while being raised at home.
100	Rep. Winters	Asks how Corrections and Mental Health work together.
112	Weeks	Explains that the Department of Corrections delivers its own mental health services which are in part developed by MHDDSD. States that the issue is not the mental health services that are provided in the correctional facility, but the mental health services that people aren't receiving that may have contributed to their entrance into the correctional system.
110	Rep. Knopp	Notes that on the Biennium Budget Comparison (EXHIBIT B), MHDDSD had a total fund budget of \$911 million with around 3,000 FTE and the Governor's recommended budget has \$1.3 billion with 2,400 FTE. Asks why the FTE is less in the Governor's budget and not more.
135	Weeks	Responds that the FTE is related, almost entirely, to the closure of Fairview.
144	Mink	Discusses how mental health dollars were transferred from the Office of Medical Assistance Programs into MHDDSD to provide mental health services within the Oregon Health Plan. This explains the large dollar increase noted by Rep. Knopp.
146	Weeks	Comments that DHR has made a commitment to the 1,100 employees at Fairview to help them get placed in new jobs.
157	Rep. Winters	States that she has talked with some of the staff at Fairview and knows that many of them are concerned about their continued employment.
160	Weeks	Explains that 200 people recently received lay-off notices that are required under the contract with the unions 6 months ahead of time. Those 200 people are not out of work. Up to this date only 4 people have left Fairview without a job. One-third of the group homes will be state-operated and staffed by people from Fairview.
178	Winters	Asks if the group homes will be statewide.
180	Weeks	Responds affirmatively.
182	Rep. Krummel	Asks about the location of the facility in Portland.
184	Weeks	Responds that the old Providence facility at Holladay Park is the location.
186	Rep. Krummel	Asks when the Portland facility was brought in line.
188	Weeks	Explains that DHR leased that property at the time the state began to close

		Dammasch.
194	Mink	Comments that this took place at the end of Governor Robertsí term about 5ñ6 years ago.
197	Rep. Krummel	Understands one of the reasons for closing Dammasch was to "deinstitutionalize" people who were mentally ill and put them out into the community into group home type settings. States that it appeared to the Wilsonville community that Mental Health wanted out of Dammasch. Asks if Fairview is going to be like Dammasch.
225	Weeks	Responds that DHR leased the property at Holladay Park because they needed a facility in Multnomah County. There was a lot of criticism of DHR for not having a hospital setting for mental health crisis services.
243	Minks	Describes his review of the Dammasch closure decision. Found not many people needed the kind of hospitalization that was provided at Dammasch. Explains how the building is not configured well and was not conducive for mental health care. DHR built group home beds in the community with acute care facilities nearby.
285	Weeks	Explains that Fairview is a very valuable piece of property and there is legislation being proposed by DHR, and supported by the Governor, that would dedicate the proceeds from the sale of Fairview to a trust fund to assist people with developmental disabilities.
306	Chair Kruse	Comments that this committee would support that kind of legislation.
310	Weeks	Describes Senior and Disabled Services Division (SDSD), the newest division to the department. States that Oregon has a national model continuing to support people in their own home first, then adult foster care, assisted living facilities, and finally nursing homes. The number of people in nursing homes today is fewer than it was 10 years ago.
350	Chair Kruse	Asks if there is a strategy for increased equity for SDSD and wonders how the minimum wage increase has affected the budget while maintaining adequate wages for people working in this industry.
381	Weeks	Responds that last session a wage increase for people working in the assisted living industry was supported by the legislature. Explains that the increase made SDSD employment more competitive. In the mental health system they will pay close to \$8 per hour. Care providers will make at least \$1 over minimum wage. The Governorís budget includes a 2% increase for all providers across the board.
395	Rep. Lehman	Asks about the anomaly of the JOBS Plus program moving people out of the welfare program into \$10 per hour jobs, and mental health paying something like \$8 per hour.

400	Weeks	Responds affirmatively.
415	Rep. Taylor	Asks if General Fund monies are being used for Oregon Project Independence and if there is anything that can be done to maximize it.
423	Weeks	Explains that Oregon Project Independence is designed to try to keep people living on their own. It is a seniors program that has always been supported with General Fund by the legislature. States that DHR has never discovered how to match federal funds to General Fund for this program.
TAPE 4, A		
001	Rep. Morrisette	Asks for clarification about the availability of federal funds for Project Independence.
003	Weeks	Replies that federal funds are not available for Oregon Project Independence. States that there are funds for the Older Americans Act.
008	Weeks	Describes Vocational Rehabilitation Division (VRD). VRD provides vocational counseling, guidance, training, and re-training.
016	Weeks	Describes Office of Medical Assistance Programs (OMAP). The Governor has made reductions in the Oregon Health Plan (OHP). The Children's Health Insurance Program (CHIP) increased the number of children that could get insurance.
031	Rep. Taylor	Asks if this program was partly funded with tobacco money.
032	Weeks	Responds affirmatively.
033	Rep. Taylor	Asks about the Family Health Insurance Assistance Program (FHIAP).
038	Week	Explains that FHIAP is not part of OMAP. Explains that it is handled by the Department of Consumer and Business Services.
040	Weeks	Describes Departmentwide Support Services.
045	Mink	<p>Discusses legislation that DHR has submitted in the 1999 session.</p> <p>SB 303</p> <ul style="list-style-type: none"> • Changes the name of the Department of Human Resources to the Department of Human Services • Allows the Director to organize and manage the department for the best outcome of the clients

		<ul style="list-style-type: none"> Clarifies the authority and functions of the Director
100	Mink	<p>Describes SB 405.</p> <ul style="list-style-type: none"> Allows the department to use proceeds from the sale of state property to invest in the development and maintenance of community care settings Allows department to own property and work with contractors to develop group homes
125	Mink	<p>Continues describing legislation that DHR has submitted.</p> <p>HB 2168 ñ treatment for those who drive under the influence of intoxicants</p> <p>HB 2171 ñ transfer of Childrenís Ombudsman Office</p> <p>SB 306 ñ For Childrenís Health Insurance Program and hospital reimbursement, changes statute to fit the Governorís budget plan for Type B hospitals</p>
155	Mink	SB 408 ñ Federal Adoptions and Safe Families Act.
158	Rep. Winters	Asks how many dollars the federal government is going to provide Oregon to implement this act.
160	Weeks	Explains that this is an unfunded mandate.
165	Mink	<p>Discusses the Governorís priorities.</p> <p>Education ñ DHR plays a role in making sure that kids are healthy and fed when they enter the classroom</p> <p>Juvenile Crime Prevention - mental health and alcohol and drug issues need to be addressed</p> <p>Protecting Oregonís quality of life with investments in rural economies, affordable housing, and transportation ñ for people transitioning out of treatment programs, 2 million dollars of alcohol and drug money is set aside to work with the state housing agency. Also, one of the biggest transportation systems in the state is the volunteer transportation system,</p>
209	Rep. Krummel	Asks how volunteers are paid for mileage for making a trip with a DHR client.
215	Mink	Explains that a volunteer is reimbursed for mileage if they take their own car. If a trip takes most of the day then meals can be reimbursed.
227	Chair Kruse	Asks about accessing large vehicles, i.e., school buses, that arenít in continual use for DHR transportation needs.
235	Mink	States that the department is in the process of looking into those possibilities.

260	Chair Kruse	Wonders what kind of federal regulations could prohibit the department from making use of alternative vehicles.
266	Rep. Morrisette	Comments on difficulties in housing location and transportation. Desires to involve non profits into the big picture and hopes the committee will talk more about how this can happen.
291	Taylor	Talks about a model program in Columbia County for seniors and after school children.
304	Weeks	<p>Describes new DHR budget initiatives.</p> <ul style="list-style-type: none"> • Employment of people with disabilities -\$2 million in the budget plus a federal match <p>Two grants also in this budget:</p> <ul style="list-style-type: none"> • Robert Wood Johnson Foundation (\$450,000) • Rehab Services Grant for three years <p>Explains the budget includes continuing the long-range plan for people with developmental disabilities, the closure of Fairview, addressing families on the wait list, adequate wages for staff in community homes.</p>
328	Mink	States that if the Adoptions and Safe Families Act is not implemented, Oregon is in jeopardy of losing Title IV-E funds.
341	Weeks	Explains that DHR is trying to restructure a child care system that is not just the standard 8 AM to 5 PM time frame.
360	Rep. Winters	Asks if DHR is working with secondary schools to provide daycare.
365	Weeks	Responds that DHR is not working directly with the colleges to provide daycare.
370	Rep. Winters	States that in the colleges the waiting list for daycare is 1 1/2 years long. Comments that the funding is all federal and wonders when the state is going to become a player in the provision of daycare for its students preparing to enter the work force.
385	Weeks	Replies that the Employment Department may have more information on this subject.
401	Weeks	<p>Describes Oregon Health Plan (OHP) changes:</p> <ul style="list-style-type: none"> • Reducing the OHP benefit package from line 574 to 564 • Changing eligibility date for new eligibles ñ no more retrospective payment of health care • Reductions in reimbursement for Type B hospitals

		States that the federal government has to agree to these changes.
460	Weeks	<p>Discusses the continuation of the tobacco tax surcharge related to the continuation of:</p> <ul style="list-style-type: none"> • CHIP program • No reduction in fee for service reimbursement • Cost-based service for Type A hospitals • Culturally competent interpreters
TAPE 4, B		
003	Rep. Lehman	Asks if Weeks is describing a surcharge or a tax.
004	Weeks	Explains it is a tax.
015	Chair Kruse	<p>Thanks Weeks and Mink for presenting before the committee.</p> <p>Adjourns the meeting at 3:05 PM.</p>

Submitted By, Reviewed By,

Diane M. Lewis, Janet L. Carlson,
Administrative Support Administrator

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EXHIBIT SUMMARY

A ñ House Human Resources full committee and subcommittee focus areas, Staff, 1 p.

B ñ Department of Human Resources Progress Report, Mission, and Goals, Gary Weeks, 93 pp.