

SENATE COMMITTEE ON  
HUMAN RESOURCES/AGING

3:00 p.m.  
June 23, 1981

Hearing Room C  
State Capitol

Tapes 1, 2 and 3

MEMBERS PRESENT: Senator Lenn Hannon (3:12)  
Senator Ruth McFarland  
Senator Rod Monroe  
Senator Frank Roberts (3:32)  
Senator John Kitzhaber, Vice-Chairperson (3:14)  
Senator Bill McCoy, Chairperson

MEMBERS EXCUSED: Senator L.B. Day

STAFF PRESENT: Jim Havel, Administrator  
Nancie Fadeley, Research Assistant  
Julie Tippens, Assistant

WITNESSES: SB 955

Lee Johnson, Executive Assistant to Governor Atiyeh  
Leo Hegstrom, Director of Department of Human Resources  
Walter McGettigan, Governor's Commission on Aging  
Richard Ladd, Manager of Fig/Waiver-Systems Development  
Robert Zeigen, Administrator of Office of Elderly Affairs  
Ed Sage, Marion-Polk-Yamhill Area Agency on Aging  
Marge Patton, Klamath Basin Senior Citizens' Council  
Barbara Patrick, Portland/Multnomah County Area Agency on Aging  
Cynthia James, Oregon State Employees Union  
Sally Still, Oregon State Employees Union

Tape 1-A

003 CHAIRPERSON BILL MCCOY called the meeting to order at 3:09 p.m., noting that it was convening as a subcommittee and opened the hearing on SB 955.

Senate Bill 955

010 LEE JOHNSON, Executive Assistant to Governor Atiyeh, presented written testimony in support of the bill (see Exhibit A).

077 SENATOR HANNON asked Mr. Johnson if he had assisted in drafting the bill and then questioned section 5 of the bill on the definition of "local government" and who would be responsible for area agencies on aging. Mr. Johnson told him he had not aided in drafting the bill and that another witness would be able to answer his questions.

096 LEO HEGSTROM, Director of Department of Human Resources, presented written testimony in support of SB 955 (see Exhibit B).

233 CHAIRPERSON MCCOY questioned where those presently employed by AFS would be working for the state or for the county and was told the county governments would have the right to exercise an option to either the leave the system as it now exists with employees working for the state or for the employees to work for the area agency on aging, technically not part of the county.

248 CHAIRPERSON MCCOY then asked how the welfare stigma could be removed with the funds flowing from the state to the county. Mr. Hegstrom told him that programs from the area agencies on aging would be viewed in a different light than those under the Adult and Family Services Division. Under further questioning, Mr. Hegstrom agreed that when the county opts to have their services remain under AFS, the stigma would remain, except that it would then come from the Senior Services Division.

285 SENATOR HANNON asked what the fiscal impact would be on AFS with funds passing back to the counties and was told that an appropriate amount would be transferred to the counties from AFS funds for the administration of the programs and the funding of the programs, with no anticipation of further reduction of numbers of case workers.

303 SENATOR HANNON then questioned whether the bill would improve services or whether funds would still be consumed by administrative costs and was told that administrative costs would not change considerably. After continued discussion, Mr. Hegstrom agreed to provide the committee with information on the ratio of administrative costs versus service costs for funding of programs.

365 WALTER H. MCGETTIGAN, Chairer of Governor's Commission on Aging and Ad Hoc Task Force, presented written testimony in support of SB 955 (see Exhibit C) in which he reviewed the background of the development of the bill.

Tape 2-A

045 SENATOR MCFARLAND questioned the input from the public during the drafting of the bill, noting she has received several letters in opposition to it. She was told by Mr. McGettigan that many concerns were addressed in the amendments to be proposed that day, after some of those concerns came to their attention. He noted that the bill may be seen as a threat to the existing programs in certain parts of the state, such as in eastern Oregon. He added he felt the proposed amendments speak directly to those concerns, but noted there is still a concern with contaminating the area agencies with the stigma of welfare.

079 CHAIRPERSON MCCOY noted he had also received several letters from all over the state in opposition to the bill. He also pointed out that the people have not had a chance to respond to the proposed amendments, which had been drafted that morning.

099 DICK LADD, Manager of Fig/Waiver-Systems Development and staff to Ad Hoc Task Force, presented testimony in support of the bill and began to summarize the bill (see Exhibit D).

110 SENATOR HANNON stopped Mr. Ladd as he explained Section 1 and asked for a more clear definition of "local government".

118 MR. LADD told him that there are currently 18 area agencies in Oregon, six being non-profit, the rest being funded by county, city or COG's, and so the language is vague in order to allow each one of those to be considered a local government.

126 SENATOR HANNON then questioned the option available to opt for local rather than state funding, wondering who will be responsible for the control of programs now being enjoyed.

135 MR. LADD told Senator Hannon that his concerns had been addressed in the proposed amendments to be explained later. He then continued to read from his written statement outlining the bill.

179 SENATOR HANNON questioned the responsibility of local governments in Section 5 of the bill, asking if an area agency could enter into a contractual agreement with the local government held accountable for the actions of that area agency and was told they could. Senator Hannon commented that many of those concerned with the bill are afraid some of their services are being taken away by the merger into the new division.

213 MR. LADD continued to read from his written testimony and was reminded by the Chairperson that the bill was summarized in the staff measure analysis.

250 CHAIRPERSON MCCOY questioned Sections 21 and 22, with regard to who receives what information in terms of handling the confidentiality aspect. He was told it would be handled the same way other matters are handled, such as in the Mental Health Division where there is an agreement as to what information is passed back and forth, with most information being retained at the local level.

278 MR. LADD continued with his written testimony.

322 CHAIRPERSON MCCOY questioned the inclusion of the disabled in Section 1(3) of the bill in terms of funding programs to aid them and was told that most disabled programs would remain under AFS. Senator McCoy then asked which of the disabled are eligible for services under this Act and was told that the disabled population under AFS that are not clients of the Mental Health Division need to receive certain services.

382 SENATOR ROBERTS questioned the philosophy of combining senior services programs with disabled services programs.

397 BOB ZEIGEN, Administrator of the Office of Elderly Affairs, explained the proposed amendments attached to the testimony presented by Mr. Ladd (see Exhibit D). He noted the definition of "disabled" on page one of the bill would thus be deleted as questioned by Senators McCoy and Roberts.

Tape 1-B

003 SENATOR ROBERTS asked Mr. Zeigen what specific kinds of care for persons 60 years of age or older and what kinds of handicapped conditions were being addresses.

007 MR. ZEIGEN cited several examples of kinds of services now received, noting that many people now receive alternate care from AFS which is similar to that received by older persons through Oregon Project Independence. He said it is the intent of the new Division not to administratively segregate those receiving similar services, such as in nursing homes, from those 65 and older.

025 SENATOR ROBERTS then asked if the dividing line between those services is a fuzzy and was told by Mr. Ladd that there are many clients fit into more than one category, thus creating a fuzzy area. Senator Roberts asked if a fairly comprehensive list could be prepared of individuals who fall into only one class and not into others, noting that that would have to be done in order for the committee to understand the distinction being made.

052 JIM HAVEL questioned the use of age 60 as a reference to the elderly with regard to a memorial passed by the committee citing 55 as elderly for Native Americans. Mr. Zeigen told him that age 60 is consistent with the Older Americans Act, with the basic program dealing with area agencies, operating under a current charter of that Act. He agreed another age may be useful in dealing with American Indians and possibly other minorities.

083 MR. ZEIGEN continued to explain the proposed amendments with regard to the deletion of the disabled and went on with other amendments found in Exhibit D.

152 CHAIRPERSON MCCOY questioned the proposed amendments in Section 5(4), stating they may do away with local control if there is a violation of the direction of either the state or federal government. He clarified that there will no more be complete local control under this bill than there is now.

164 MR. ZEIGEN pointed out that local governments do the planning, determine the prioritization of services to be provided.

176 SENATOR HANNON asked what types of rules a local agency on aging could violate, as mentioned in the proposed amendments to Section 5(4) of the bill and was told that it was difficult to conceive of a circumstance where this section would have to be applied. Mr. Zeigen noted that in a case where the director of an area agency attempts to serve everyone with a need and exceeds the allocation, this may need to be applied.

218 SENATOR HANNON rephrased his question, noting there may be quotas on the number of a type of patient a long term care facility must take and asking if that facility did not abide by a rule of the area agency whether the area agency may be in jeopardy of losing state certification, based on someone else's violation of a rule. Mr. Zeigen told him that the contract existing with the facility would be at the local level, between the area agency and the home, and would state that the facility must comply with all state and federal regulations. He said it would be the responsibility of the area agency to make sure those requirements are being met.

247 SENATOR ROBERTS questioned the intent of the proposed amendment to Section 5(4), wondering if it was the responsibility of the area agency to show a facility was not meeting state or federal requirements and was told he was correct.

266 MR. ZEIGEN continued with his explanation of the proposed amendments, beginning with Section 5(6) of the bill. He noted that in Section 5(7) was a follow-up on the definition of the Type A Area Agencies on Aging. He also pointed out that the amendments to Section 6(1) may clear up Senator Hannon's questions on the responsibilities and definition of local governments.

338 SENATOR HANNON questioned the new language proposed to Section 10(1) of the bill and was told that "disabled" was eliminated by the way "elderly" was defined to include persons who are receiving similar services to those provided to persons over the age of 60, thus eliminating any reference to the disabled within the bill.

346 CHAIRPERSON MCCOY clarified that the disabled are still included in service delivery and was told by Mr. Zeigen that the exclusion of the disabled by name was proposed by advocates for the disabled.

352 MR. ZEIGEN continued to explain the proposed amendments, commencing with those proposed to Section 10(2) of the bill.

374 NANCIE FADELEY read into the record a memo from Donald E. Clark to Barbara Patrick (see Exhibit E).

386 ED SAGE, Chief Planner for Marion-Polk-Yamhill Area Agency on Aging, presented written testimony in support of SB 955 (see Exhibit F).

Tape 2-B

043 MARGE PATTON, Executive Secretary of Klamath Basin Senior Citizens' Council, told the committee that her organization had been working with the Ad Hoc Task Force from its inception last year. She noted she had had serious concerns with the original bill, but offered support for the bill as amended under the proposed amendments explained by Mr. Zeigen.

062 SENATOR MCFARLAND asked Ms. Patton if she was opposed to the bill prior to the amendments and was told that was correct. Ms. Patton said her prime concern was that non-profit agencies be controlled by the board of directors rather than by a government unit.

076 SENATOR ROBERTS asked what specific proposed amendment accomplished what Ms. Patton wished to have corrected in the original bill. She told him that that amendment was in the definition of a Type A and a Type B area agency on aging. She said it was hoped that the bill would free up funds to increase service to the elderly in her community through existing services.

090 BARBARA PATRICK, Director of Portland/Multnomah County Area Agency on Aging, presented written testimony in support of the concept of the creation of a Senior Services Division (see Exhibit G).

147 CYNTHIA JAMES, Oregon State Employes Union, presented testimony expressing concern with SB 955 (see Exhibit H).

237 SALLY STILL, Oregon State Employes Union, continued reading that written testimony which she prepared in conjunction with Ms. James.

299 MS. JAMES completed the presentation of their written testimony.

336 SENATOR ROBERTS questioned the specific reference in the bill to the assertions the witnesses had made that something had been left out of the bill.

345 MS. JAMES responded, stating that AFS serves a great number of adults and that this bill is looking at only the needs of the elderly and those whose needs are like the elderly, and thus excludes some people from services.

362 SENATOR ROBERTS repeated his request for the witnesses to indicate which portion of SB 955 show that some people now served by AFS would have their services removed by the implementation of the bill.

368 MS. STILL told Senator Roberts that AFS now serves all persons over 18 years of age who cannot support themselves because of a handicap and said the bill does not address what will happen to those not receiving a service similar to those provided to the elderly.

380 MS. JAMES told the committee that the problem is that all service staff will be transferred to the Senior Services Division. In continued discussion with Senator Roberts, Ms. James noted that it had been proposed to transfer all adult service staff to the new division.

402 SENATOR ROBERTS noted that in Section 23 of the bill, certain powers would be transferred under this Act and asked if powers would be transferred that have to do with all disabled people or only those who require a certain kind of service. He suggested that the witnesses help the committee pinpoint the areas of the bill they find vague so the bill can be amended so as to eliminate that vagueness.

436 NANCIE FADELEY pointed out that the concerns of Ms. James and Ms. Still had been discussed in the drafting of the proposed amendments.

Tape 3-A

001 SENATOR ROBERTS explained his request for a specific list of those who would be served by the new division, in order to respond to the question of these two witnesses as to whether there would still be adequate personnel for the group of people not covered. He said his intent was to eliminate overlapping of services while making sure all those in need are served in one way or another.

026 MS. JAMES noted that one problem was in determining what service staff would be needed after the proposal to split the service staff had failed.

034 SENATOR MCFARLAND questioned Section 24 of the bill, noting she felt that was part of the problem the witnesses were addressing.

044 NANCIE FADELEY commented that the budget for this bill will be discussed when the committee hears from the disabled scheduled to testify on the bill.

052 MS. JAMES noted that Mental Health Division would have to take on different services than they now provide under the transfers provided for in SB 955.

064 CHAIRPERSON MCCOY requested that the others scheduled to testify on the bill return at a later date and adjourned the meeting at 5:12 p.m.

Respectfully Submitted,

  
Julie N. Tippens  
Committee Assistant

EXHIBIT SUMMARY:

- A - Prepared testimony of Lee Johnson, SB 955
- B - Prepared testimony of Leo Hegstrom, SB 955
- C - Prepared testimony of Walter J. McGettigan, SB 955
- D - Prepared testimony of Dick Ladd, SB 955
- E - Memo from Don Clark to Barbara Patrick, SB 955
- F - Prepared testimony of Edward N. Sage, SB 955
- G - Prepared testimony of Barbara Patrick, SB 955
- H - Prepared testimony of Cynthia James and Sally Still, SB 955

- 038 There being no objection to Senator Day's motion, it was so ordered.
- 039 MOTION: SENATOR L.B. DAY moved the committee rescind the adoption of the amendments previously adopted to HB 2617. There being no objection, it was so ordered.
- 044 MOTION: SENATOR L.B. DAY moved the committee adopt amendments 2617-3 and 2617-4 to the bill. There being no objection, it was so ordered.
- 050 SENATOR DAY asked that the bill be added to the July 2 work session agenda in order to give committee members time to review the adopted amendments.

Senate Bill 955

- 058 NANCIE FADELEY told the committee that they were receiving a hand-engrossed version of the bill with several sets of amendments as labeled on the bill (see Exhibit B). She also indicated she had received a petition passed out during a rally on the capitol steps that day (see Exhibit C), a letter from Region X (see Exhibit D), and a copy of "The Older Oregonian" (see Exhibit E).
- 077 SENATOR DAY left at 3:13.
- 083 CECIL SLY, Central Oregon Council on Aging, presented testimony expressing concern with SB 955 (see Exhibit F).
- 155 LOREN SIMONDS, Oregon Architectural Barriers Council, read a statement prepared by that Council (see Exhibit G). He went on to testify that he felt the bill included handicapped people as an afterthought. He said he supported the intent of the bill in trying to cut down on the duplication of services and offered support for the inclusion of handicapped people into types of services for which they had a common need, but asked for further study on their inclusion.
- 245 SENATOR MCFARLAND asked Mr. Simonds if he believed this bill could not be changed during the legislative session and was told he felt further study was needed than could come about through amendments to the bill. Senator McFarland commented that the committee had received support for the bill from a wide range of people and asked Mr. Simonds to consider amendments to address his concerns.
- 301 JAMES TOEWS, Oregon Association of Retarded Citizens, presented testimony expressing concern with SB 955 (see Exhibit H). He said he wanted to see the bill do some good things for the disabled as well as for the elderly within existing dollars.
- 388 SENATOR MCCOY asked Mr. Toews if he had discussed with representatives of the Department of Human Resources how the staff and funds for programs would be transferred. Senator McCoy then asked if any of the AAA's had experience with the handicapped and was told that they did only indirectly. Mr. Toews added his concern with the transfer of services for the mentally ill.
- 432 SENATOR ROBERTS commented that one of the main problems is in dealing with people under one agency who need similar care facilities, and that the problem is in defining that similar care.

454 SENATOR ROBERTS continued, noting that the bill defines that concern with the language "or persons with physical or mental handicaps who require services similar to those required by persons 60 years of age or older." He expressed concern with the assumption that all services are identical and asked for a more explicit definition and possible reclassification of recipients of services.

Tape 2-A

021 MR. TOEWS agreed with Senator Roberts, stating that he did not wish for the Division of Senior Services to be seen as the primary agency for services for the disabled, as it was in the original bill.

032 SENATOR MCCOY asked Mr. Toews to discuss with Mr. Hegstrom of the Department of Human Resources where everyone would be under this bill.

044 MR. SIMONDS commented that he would support any attempt to clarify who would be served where, so that the handicapped could develop a means of becoming independent rather than having their situation maintained.

064 EILEEN DONALDSON, Central Oregon Council on Aging, presented testimony in opposition to SB 955 (see Exhibit I).

119 SENATOR MCFARLAND assured the witnesses that the committee wished to address all the concerns expressed on the bill and asked Ms. Donaldson if she would support the bill with the proposed amendments. The witness told her one more amendment would be needed, that being prior approval of contracts.

139 SENATOR MCFARLAND said that complaint had been expressed by others and said others felt the amendments sufficiently addressed that concern. She asked Ms. Donaldson exactly what it would take to address her concerns and was told that there were so many questions, they did not support the entire concept.

156 JOHN DEGROOT, Oregon Association of Staffs of Area Agencies on Aging, offered support for SB 955 with the inclusion of the amendments proposed by the Adhoc Committee. He gave the AAA's reasons for supporting the bill.

197 MADELINE HILL, Jackson County Area Agency on Aging, told the committee that her group supported SB 955, noting the bill would increase flexibility in southern Oregon.

242 ROLLEN REYNOLDS, District 12 Area Agency on Aging, told the committee that his concerns with the bill had been favorably answered by the amendments and distributed a statement in support of the bill (see Exhibit J).

286 SENATOR ROBERTS asked the witness to address the question of the ability of the local agency to properly include the problems of physically or mentally handicapped persons. Mr. Reynolds said they had not come up with all the answers to that, noting that his area included the state hospital in Pendleton. Senator Roberts then asked Mr. Reynolds how his board would change so as to include a number of advocates of various groups and was told there would be no problem with that, noting that was a valid concern.

332 PAUL JONES, Former Morrow County Judge, offered support for the bill and commented on the inclusion of the handicapped within the bill, noting that one of the first actions of his board had been to include Indian members.



402 MERLE JACKSON, Klamath Falls, expressed concern with the bills, stating that many state employees would be moved from his area and questioned where money could be saved. Senator McCoy told him there would be no moving of families, since employees for the new Division would be those now working for Adult and Family Services.

Tape 1-B

012 LOUIS COSTLY, Klamath Falls, expressed concern with the validity of the petition submitted to the committee in support of the bill and with the bill. He said he feared those now receiving services would have to go through too much red tape to continue receiving those services under the new division. He questioned the language in the bill concerning a lien for services rendered, wondering if all services would have to be paid for under Section 25 of the original bill.

057 SENATOR ROBERTS told the witness that the bill simply stated that any person that now has an obligation will continue to have that same obligation. He and the witness continued to discuss the matter, with the Senator pointing out that no services are terminated, but are transferred.

099 NANCIE FADELEY pointed out that Mr. Costly's concern had been expressed by others and noted that the Multnomah County proposed amendments would address that language in Section 25 specifically.

111 THERESA DIXON, National Association of Social Workers, presented testimony expressing concern with portions of the bill (see Exhibit K).

171 SENATOR ROBERTS asked Ms. Dixon to describe the present situation as she saw it in the Portland. He indicated he wanted to know what services she felt were now being performed and what significant changes were perceived as a result of the passage of SB 955. Ms. Dixon told him she felt there would be more state control on the local level.

230 MARGIE PATTON, Klamath Basin Senior Citizen Council, addressed concerns of her group with the bill with the proposed amendments, noting that all dollars would be pooled in the determination of what services would be needed by a given client. She said she was concerned with the application of a lien on homes, stating that some services would be refused in lieu of that happening. She also addressed the possibility of transferring 300-375 AFS employees, noting that job security would only be assured for one year. She added that her area agency had voted "NO" on supporting the bill.

317 SENATOR ROBERTS asked Ms. Patton to identify the item in the bill which brought her to believe all funds would be pooled so as to force anyone taking assistance through an Area Agency to be receiving welfare funds and would be committed to a lien against their property.

326 MS. PATTON told him that is not what she said, but that monies would be pooled to provide alternative services for those people. She noted that that language was found in the original bill on line 33, page 2. She and Senator Roberts continued to discuss her reservations with the bill, with Senator Roberts stating he wanted to be sure concerns expressed were covered in the amendments and that the statements of concern were not mere speculation. Ms. Patton concluded by stating that the bill was extremely complex in what it does not say.

Tape 2-B

003 NANCIE FADELEY noted she had been corrected in referring to the amendments in Exhibit "B" as those from Multnomah County, since the County itself has not taken a stand on the bill.

010 BARBARA PATRICK, Portland/Multnomah Area Agency on Aging, presented testimony in support of the bill with its proposed amendments (see Exhibit L).

050 MICHAEL SASLOW, Portland/Multnomah Area Agency on Aging, highlighted his testimony addressing proposed amendments to the bill (see Exhibit M).

146 SENATOR MCFARLAND questioned Mr. Saslow on whether he felt the bill with its amendments sufficiently provided for the handicapped. Mr. Saslow noted that the Portland area task force had handicapped people involved, but that he too had concern with the provision for the handicapped. Sen. McFarland then asked the opinion of those handicapped involved in the proposing of Mr. Saslow's group's amendments and was told they were in agreement with the amendments.

182 JILL BILLS, Association of Area Agency on Aging Agencies, presented testimony in support of SB 955 with the amendments recommended by the Governor's Commission on Aging Task Force and those proposed by the Portland/Multnomah Ad Hoc Task Force, as outlined by Mr. Saslow (see Exhibit N).

224 SENATOR MCFARLAND clarified that the amendments for which Ms. Bills offered support were both those of the Governor's Commission and of the Portland/Multnomah group.

232 NANCIE FADELEY read into the record a letter from Margaret D. Strachan, Portland City Commissioner in support of SB 955 (see Exhibit O).

241 LELA HUMISTON, Citizens Advisory Committee on Aging, Lane County, presented testimony in support of SB 955 with the amendments proposed by the Governor's Commission (see Exhibit P).

319 CLAYTON NYBERG, Washington County Council on Aging, expressed concern with the bill, stating he felt many volunteer programs would be lost, but offered support for the bill with the proposed amendments.

387 MAXINE NIGHTINGALE, Linn-Benton Area Agency on Aging Advisory Board, stated she had followed the bill from its beginning and expressed confidence that the provisions of the bill would be carried out to the benefit of all those involved.

Tape 3-A

010 GEORGE SIMMONS, Oregon State Council for Seniors, offered support for the bill with the proposed amendments and for the inclusion of the handicapped within the bill.

028 WICKES BEALE, Governor's Commission on Aging, told the committee she had wished to explain the origin of the bill, in that seniors throughout the state are not satisfied with the present system. She offered to return another time to complete her testimony on the bill.

049 CHAIRPERSON BILL MCCOY thanked all those who testified that day and adjourned the meeting at 5:07 p.m.

Respectfully Submitted,

*Julie N. Tippens*  
Julie N. Tippens  
Committee Assistant

EXHIBIT SUMMARY:

- A - Memo by Jim Havel concerning amendments to HB 2617
- B - Hand-engrossed SB 955 with 3 sets of amendments
- C - Petition in support of SB 955
- D - Correspondence from Region X, SB 955
- E - "The Older Oregonian", SB 955
- F - Prepared testimony of Cecil M. Sly, SB 955
- G - Prepared statement of Loren Simonds for OABC, SB 955
- H - Prepared testimony of James Toews, SB 955
- I - Prepared testimony of Eileen Donaldson, SB 955
- J - Statement in support of SB 955, District 12 AAA
- K - Prepared testimony of Theresa Dixon, SB 955
- L - Prepared testimony of Barbara Patrick, SB 955
- M - Prepared testimony of Michael Saslow, SB 955
- N - Prepared testimony of Jill Bills, SB 955
- O - Correspondence from Margaret Strachan, SB 955
- P - Prepared testimony of Lela Humiston, SB 955

SENATE COMMITTEE ON  
HUMAN RESOURCES/AGING

July 9, 1981  
3:00 p.m.

Hearing Room C  
State Capitol

Tapes 1 and 2

MEMBERS PRESENT: Senator L.B. Day  
Senator Lenn Hannon  
Senator Ruth McFarland  
Senator Frank Roberts  
Senator Rod Monroe  
Senator John Kitzhaber, Vice-Chairperson (3:15)  
Senator Bill McCoy, Chairperson

STAFF PRESENT: Jim Havel, Administrator  
Nancie Fadeley, Research Assistant  
Julie Tippens, Assistant

WITNESSES: SB 955

Wickes Beal, Governor's Commission on Aging  
Walter McGettigan, Governor's Commission on Aging  
Cecil Posey, United Seniors  
W.L. VanLoan, AAA Council of Governments #4  
Maxine Selling, Metropolitan Family Service  
Eileen Donaldson, Central Oregon Council on Aging  
Jim Wilson, Adult and Family Services Division  
Ted Hughes, Oregon Association of Residential Care Facilities  
Leo Hegstrom, Administrator, Department of Human Resources  
Dick Ladd, Department of Human Resources  
Mike Saslow, Portland/Multnomah Area Agency on Aging

HB 2858

Dr. W.E. Hammerick, Langell Valley Vector Control  
Michael Morstad, Klamath Vector Control District  
John Callicrate, Oregon Vector Association  
C. Eric Hamrin, Jackson County Vector Control

Tape 1-A

006 CHAIRPERSON BILL MCCOY called the meeting to order at 3:12 p.m. and opened the hearing on SB 955.

Senate Bill 955

012 NANCIE FADELEY told the committee that SB 955 would create a Division of Senior Division and indicated that the involved parties had discussed possible amendments to the bill, thus producing the bill with amendments 955-8 (see Exhibit A). She indicated as well that there were disagreements between the handicapped and the Department of Human Resources. She said agreement had been reached on the 955-8 amendments, but not on the 955-9 amendments (see Exhibit B), nor on the 955-7 amendments (see Exhibit C). She noted the committee should consider the transfer rights of employes, as indicated by the Attorney General's office. She went on to explain that the 955-7 amendments were proposed by the handicapped representatives, stating that Mr. Hegstrom had objection to those.

056 WICKES BEAL, Governor's Commission on Aging, told the committee she had worked on the bill since its origin, noting that the present system does not sufficiently provide for older people. She added that access is now difficult and that older persons do not always know what services are available. She concluded by stating that a single point of entry is needed, thus resulting in Senate Bill 955.

082 WALTER MCGETTIGAN, Governor's Commission on Aging, spoke for himself as a senior citizen and presented written testimony (see Exhibit D).

144 CECIL POSEY, United Seniors, distributed a series of articles concerning the bill (see Exhibit E) and presented written testimony in support of it (see Exhibit F).

259 NANCIE FADELEY commented that Mr. Posey had given her a packet of petitions signed by those in support of SB 955 (see Exhibit G).

269 W.L. VAN LOAN, AAA Council of Governments #4, presented testimony in support of SB 955 (see Exhibit H).

304 MAXINE SELLING, Metropolitan Family Service, presented testimony in support of SB 955 (see Exhibit I).

344 EILEEN DONALDSON, Central Oregon Council on Aging, presented testimony expressing concern with the benefits the bill would provide to the handicapped (see Exhibit J).

383 JIM WILSON, Adult and Family Services Division, commented on the innovative concept of developing SB 955, stating he felt it would help Oregon to be well positioned to take advantage of the changes occurring at the federal level. He went on to explain some of those federal programs and the advantages to Oregon.

Tape 2-A

027 TED HUGHES, Oregon Residential Care Facilities, addressed the 955-7 amendments, defining who would be served, along with a procedure for handling the handicapped. Nancie Fadeley explained that the definition for who would be served was included in the 955-8 amendments, but that there was question with the 955-7 amendments dealing with the actual procedure.

049 SENATOR DAY questioned Mr. Hughes on whether there would be younger people that require long term care and would need the services of the new Division and was told that that was correct. Mr. Hughes continued, commenting that his organization did not feel the search for those to be served was all-inclusive enough, with the intent to include those elderly now inappropriately placed.

068 SENATOR MCFARLAND asked Mr. Hughes if he otherwise supported the bill and was told he absolutely did.

072 LEO HEGSTROM and DICK LADD, Department of Human Resources, offered to respond to questions regarding the proposed amendments of the handicapped.

078 SENATOR DAY asked Mr. Hegstrom if he supported the bill and if the Governor supported the bill and received an affirmative response to both questions. He further questioned Mr. Hegstrom as to which proposed amendments he would support.

085 MR. HEGSTROM commented on the amendments, stating he was in agreement with their objective, but expressed concern with over complicating the bill and stated his interest was in seeing the bill expedited.

120 SENATOR MCCOY asked Mr. Hegstrom if an agreement had been reached with the handicapped people and was told that was true, but that a question had been raised as to whether their concerns needed to be put into law. Senator Day clarified that the amendments being discussed were the 955-7 amendments.

127 SENATOR DAY recognized that there was concern with getting the bill moving and indicated he would like to adopt the 955-8 amendments, but expressed concern with whether the handicapped were sufficiently provided for. He noted that an Attorney General's opinion was needed before the bill could reach the floor, but indicated he would like to report the bill out of committee.

141 NANCIE FADELEY asked Senator Day if his motion was subject to editing and was told it would be subject to editing, conflicts, and to the Chairman reviewing that it was in the proper form.

148 MOTION: SENATOR DAY moved the committee adopt the 955-7 and 955-8 amendments, subject to the Attorney General's opinion and the Chairman's review of the bill.

154 NANCIE FADELEY told the committee that she had discussed with the Attorney General's office the fact that the language in question could easily be changed and asked Senator Day if his motion could include the right to change the language as suggested by that office. Senator Day indicated that would be acceptable, within the discretion of the Chairman.

163 There being no objection, the motion of Senator Day was so ordered.

164 MOTION: SENATOR L.B. DAY moved SB 955 to Ways and Means with a "Do Pass as Amended" recommendation, subject to the Chairman's review and editing by the Attorney General.

172 SENATOR ROBERTS questioned the 955-9 amendments and was told by Nancie Fadeley that that was an attempt to deal with the employe transfer problem.

179 MIKE SASLOW, Portland/Multnomah Area Agency on Aging, came forward to address those amendments, stating that the existing language in Section 9 (1) and (2) of the bill involve the use of the word "transfer" in two different senses, once to include employe transfers and contracts for services, and once to mean transfers only. He stated that the reason for the 955-9 language was to clean up that problem.

205 SENATOR DAY said he had no problem with adopting that amendment in concept, giving the Chairman the authority to resolve that with the Attorney General's office. There being no objection to that amendment, it was so ordered.

213 SENATOR DAY repeated his motion to send SB 955 to Ways and Means.

218 VOTE: In a roll call vote, the motion passed with all members present voting "AYE".

Testimony by Lee Johnson  
Senate Bill 955  
Senate Human Resources Committee  
Tuesday, June 23, 1981

My name is Lee Johnson, executive assistant to Governor Vic Atiyeh, and I am here to testify in support of Senate Bill 955.

The Governor supports SB 955 because it is a step forward in providing needed services to the elderly in Oregon. The bill was developed by the elderly, for the elderly, and contains what they and the Governor see as positive steps to involve the elderly more broadly in determining what kinds of services they need and how those services are delivered in their local area.

The Reverend Walter McGettigan, chairman of the Governor's Commission on Aging, is here this morning to explain this proposed legislation in detail and to indicate why the Commission strongly supports it. Without going into all the detail, let me just say that the bill proposes to combine the following into one Senior Services Division:

- Oregon Project Independence, which now is administered by local Area Agencies on Aging around the state through the Office of Elderly Affairs.

- Programs financed by the federal Older Americans Act, which also are administered by AAA's through the Office of Elderly Affairs.

- The nursing home program and the alternates to nursing home program, which now are administered by the Adult and Family Services Division.

What exists now is a dual service delivery system -- one administered by the state, the other by the local area. It is not only confusing to the elderly, but also inefficient. SB 955 will combine these two systems into one, and provide a focal point in each community where the elderly can readily obtain the help they need.

The elderly are saying that we have placed too many people in nursing homes who do not need that kind of care. About 5 per cent of those over 65 years of age in Oregon are receiving nursing home care, and the elderly maintain this is too high.

Some of them point to states such as Florida where the percentage of elderly in nursing homes is half what it is in Oregon.

SB 955 responds to this concern in several ways. It continues the "Pre-Admission Screening" program which attempts to divert elderly persons from nursing home care before they enter the home. It also capitalizes on the experience gained in a three-year demonstration project in Southern Oregon which has stopped the growth of nursing home cases in that part of the state by providing a mechanism for generating new alternate services.

Both of these programs have proved their worth by showing that nursing home use can be controlled and reduced.



While we want to control nursing home use, we also recognize that some elderly persons need that kind of care. But many nursing home residents are isolated from their communities and often lack the personal interaction and involvement that the rest of us enjoy. SB 955 attempts to deal with this isolation by placing the nursing home program under local administration, thereby providing a higher potential for local volunteerism and involvement. The goal is to let nursing home residents know they are still a part of the communities in which they reside.

The elderly are saying that local communities are best able to plan and develop services that meet local elderly needs. They have seen local involvement work in Oregon Project Independence and programs financed by the federal Older Americans Act. SB 955 aims to capitalize on this and expand local control over all services to the elderly now provided by the Department of Human Resources.

The issue of how to organize these services has been studied for more than a year. The Governor's Commission on Aging, with the help of more than 90 elderly persons, has worked intensively on this project for the last six months. The result of that work is before you.

To be sure, no proposal for change is perfect, and we welcome constructive amendments to this legislation that will improve it. You will hear several such amendments this morning from Reverend McGettigan, and the Governor supports each one of them. One would explicitly allow Area Agencies on Aging to retain

administration of Oregon Project Independence and the Older Americans Act, even if they do not want to take over administration of the other programs now in the Adult and Family Services Division.

I appreciate the short time remaining to act in this Legislative Session. But I do not think we can afford to wait any longer to position the state to respond to the needs of one of the fastest growing segments of our population -- the elderly. There cannot be a higher objective than the care of the elderly, and this is the objective of SB 955. On behalf of the Governor, I urge you to give it your highest priority attention in the remaining days of this session.

SENATE HUMAN RESOURCES AND AGING COMMITTEE

JUNE 23, 1981

LEO HEGSTROM, DIRECTOR

DEPARTMENT OF HUMAN RESOURCES

PRESENTATION: SB 955 (SENIOR SERVICES DIVISION)

I AM HERE THIS AFTERNOON TO TESTIFY IN SUPPORT OF SENATE BILL 955, WHICH CREATES A SENIOR SERVICES DIVISION IN THE DEPARTMENT OF HUMAN RESOURCES.

I WANT TO FOCUS MY COMMENTS ON THE BROAD PURPOSE OF CREATING THIS NEW DIVISION, NOT ON THE SPECIFIC STRUCTURE IT SETS UP. REVEREND WALTER McGETTIGAN, CHAIRMAN OF THE GOVERNOR'S COMMISSION ON AGING WHICH DRAFTED THIS LEGISLATION AFTER NEARLY SIX MONTHS OF INTENSIVE STUDY, IS HERE AND WILL DESCRIBE IN DETAIL FOR YOU THE CHANGES THIS BILL MAKES.

THIS IS A PROPOSAL FROM THE ELDERLY, NOT FROM THE DEPARTMENT OF HUMAN RESOURCES, NOR FROM AREA AGENCIES ON AGING. THE DEPARTMENT'S OWN PROPOSAL, WHICH MANY OF YOU KNOW WAS WITHDRAWN IN AN APPEARANCE BEFORE THE HOUSE INTERIM COMMITTEE ON AGING LAST FALL, INCREASED STATE CONTROL. THE PROPOSAL BEFORE YOU TODAY INCREASES LOCAL CONTROL.

IT WOULD BE LEGITIMATE THEN FOR YOU TO ASK WHY I AM SUPPORTING THIS PLAN. THE REASON IS THAT I BELIEVE IT IS CRITICAL FOR THE STATE OF OREGON TO LAY THE FOUNDATION FOR THE FUTURE FOR THE ELDERLY. ORIGINALLY, WE PROPOSED TO PUT THE EXISTING TWO SYSTEMS OF SERVICE FOR THE ELDERLY -- FOR THOSE ON WELFARE AND THOSE NOT ON WELFARE -- UNDER THE SAME ORGANIZATION, BUT NOT TO MERGE THEM. WE EXPECTED THAT THIS WOULD EVOLVE INTO A SINGLE SYSTEM EVENTUALLY.

THE BILL BEFORE YOU TAKES THE LOGIC ALL THE WAY AND CREATES A SINGLE SYSTEM TO SERVE THE ELDERLY. THE PRESENT STRUCTURE SEPARATES SERVICES TO THE ELDERLY BETWEEN WELFARE AND NON-WELFARE. THIS DISTINCTION SERVES NO PURPOSE, FOR AT TODAY'S COSTS THE ELDERLY ARE JUST A NURSING HOME AWAY FROM WELFARE.

ALL FORMS OF 24 HOUR RESIDENTIAL CARE (HOSPITALS, INSTITUTIONS, NURSING HOMES, ETC.) ARE BECOMING COST-PROHIBITIVE. MOST PERSONS DO NOT HAVE THE RESOURCES TO REMAIN IN A NURSING HOME FOR ANY DURATION WITHOUT DEPLETING THOSE RESOURCES AND BECOMING DEPENDENT ON FINANCIAL ASSISTANCE FROM THE STATE. THE FUTURE MAY BE INDICATED BY THE CONDITIONS IN ALASKA, WHERE NURSING HOME COSTS ARE MORE THAN \$100 PER DAY AND 99 PER CENT OF THE RESIDENTS ARE WELFARE.

THIS BILL REMOVES THE STIGMA OF WELFARE FROM THE SERVICES PROVIDED TO THE ELDERLY BY TRANSFERRING THOSE SERVICES FROM THE ADULT AND FAMILY SERVICES DIVISION TO A NEW DIVISION OF SENIOR SERVICES. THIS WILL, I BELIEVE, ENABLE THOSE ELDERLY WHO CANNOT FINANCE THE COST OF THEIR CARE TO MAINTAIN THEIR DIGNITY AND THEIR PRIDE. I WOULD EXPECT THEY ALSO WOULD BE MORE WILLING TO ACCEPT SERVICES BEFORE THEIR CONDITION BECOMES SEVERE. HOPEFULLY, THIS WILL CONTRIBUTE TO THEIR ABILITY TO REMAIN IN THEIR OWN HOME FOR A LONGER PERIOD OF TIME.

I BELIEVE IT IS CRITICAL THAT WE BEGIN TO LAY THE FOUNDATION FOR THE FUTURE FOR THE ELDERLY. I SAY THIS BECAUSE THE PROBLEMS OF THE ELDERLY ARE INCREASING IN SIGNIFICANCE. THEIR POPULATION IS INCREASING 50 PER CENT FASTER THAN THOSE UNDER 65. THE COST OF CARE OF THE ELDERLY, THROUGH MEDICARE AND MEDICAID, IS A TREMENDOUS SUM.

YET, THOUGH GOVERNMENT IS SPENDING HUGE SUMS FOR THEIR CARE, THE ELDERLY ARE INCREASINGLY DISSATISFIED WITH THE ADEQUACY AND ACCEPTABILITY OF THE QUALITY OF THEIR LIFE IN THEIR LAST YEARS. WHEN YOU VIEW THE PROSPECT OF SPENDING YOUR LAST YEARS IN A HOME FOR THE AGED OR A NURSING HOME, YOU CAN'T BLAME THE ELDERLY FOR BEING DISSATISFIED.

FOR ME, THE PROSPECT IS TOTALLY UNACCEPTABLE. IT ISN'T THE LENGTH OF LIFE THAT IS IMPORTANT; IT IS THE QUALITY OF LIFE THAT IS IMPORTANT.

TO ME, THE QUALITY OF LIFE MEANS CARING FOR MY ORCHARD AND ENJOYING THE FRUIT IT PRODUCES. IT MEANS PLANTING MY GARDEN AND WATCHING IT GROW. IT MEANS WALKING MY DOG DOWN ALONG THE LITTLE PUDDING RIVER. IT MEANS RESTORING OLD CLOCKS AND ANTIQUES.

BUT YOU CAN'T DO ANY OF THESE THINGS IN A HOME FOR THE AGED OR A NURSING HOME.

THE PROBLEM ISN'T THAT WE ARE NOT SPENDING ENOUGH MONEY ON SENIOR SERVICES. THE PROBLEM IS THAT WE AREN'T BUYING WHAT THE ELDERLY WANT OR WHAT IS MEANINGFUL TO THEM. THE PRIMARY OBJECTIVE OF THIS NEW DIVISION SHOULD BE "TO IMPROVE THE QUALITY OF LIFE FOR THOSE ELDERLY WHO CAN'T CARE FOR THEMSELVES ENTIRELY DURING THE LAST YEARS OF THEIR LIFE."

I AM NOT HERE TO TELL YOU THAT WE WILL BE ABLE TO IMPROVE THE QUALITY OF LIFE FOR THE ELDERLY IN THE SHORT TERM SIMPLY IF WE CREATE A NEW DIVISION. BUT, I DO EXPECT THAT THE NEW DIVISION WILL LAY THE FOUNDATION TO RESPOND MORE EFFECTIVELY TO THE NEEDS AND DESIRES OF THE ELDERLY IN THE LONG TERM.

FIRST, IT WILL PLACE IN A SINGLE SYSTEM BOTH THE NURSING HOME PROGRAM AND THE ALTERNATE CARE PROGRAMS. FOR THE FIRST TIME IN MY EXPERIENCE, WE HAVE BEGUN TO FIND WAYS TO CONTROL THE GROWTH OF THE NURSING HOME CASELOAD IN OREGON. THE PRE-ADMISSION SCREENING PROGRAM TRIES TO KEEP ELDERLY PERSONS OUT OF NURSING HOMES WHO DO NOT NEED THAT KIND OF CARE AND COULD REMAIN INDEPENDENT WITH SOME HELP. A THREE-YEAR DEMONSTRATION PROJECT IN SOUTHWESTERN OREGON HAS TAUGHT US SOMETHING ABOUT GENERATING RESOURCES IN THE COMMUNITY TO MAKE SURE THERE ARE ALTERNATIVES TO PLACEMENT IN A NURSING HOME.

SECOND, THE NEW DIVISION WILL GIVE THE ELDERLY A VISIBLE PLACE TO MAKE THEIR FEELINGS KNOWN ABOUT THE FULL RANGE OF SERVICES THE STATE AND LOCAL AREAS PROVIDE. HOW MUCH INFLUENCE DO THE ELDERLY HAVE NOW ON HOW THE STATE USES ITS RESOURCES DEVOTED TO THEM? THE TRUTH IS, RELATIVELY LITTLE. THEY ARE INVOLVED IN INFLUENCING HOW STATE DOLLARS ARE SPENT UNDER THE OREGON PROJECT INDEPENDENCE PROGRAM, AND HOW FEDERAL DOLLARS ARE SPENT IN OREGON UNDER THE OLDER AMERICANS ACT. BUT THIS AMOUNTS TO ONLY 10 PER CENT OF WHAT IS SPENT BY THE DEPARTMENT OF HUMAN RESOURCES EACH YEAR ON SERVICES FOR THE ELDERLY.

THE VAST MAJORITY OF SERVICES FOR THE ELDERLY -- ABOUT 80 PER CENT, IN FACT -- ARE ADMINISTERED BY THE ADULT AND FAMILY SERVICES DIVISION. AND THOSE ARE THE EXACT SERVICES WE ARE PROPOSING TO MERGE WITH PROJECT INDEPENDENCE AND THE OLDER AMERICANS ACT IN THE SENIOR SERVICES DIVISION.

THE POINT I AM TRYING TO GET ACROSS IS THAT WHAT IS IMPORTANT IS NOT THE PRECISE STRUCTURE WE ARE LOOKING AT IN THIS PROPOSAL. WHAT IS IMPORTANT IS THAT WE PUT THE RESOURCES TOGETHER WHERE THE ELDERLY CAN HAVE SOME INFLUENCE ON THE PRIORITIES FOR THEIR USE.

PERHAPS THAT WILL LEAD US TO DEVELOP MODELS FOR THE CARE OF OUR DEPENDENT ELDERLY THAT WILL RESPOND TO WHAT IS IMPORTANT TO THEM IN THEIR LAST YEARS.

I HOPE THAT EACH OF YOU WILL SUPPORT THE CREATION OF A SENIOR SERVICES DIVISION IN THIS SESSION OF THE LEGISLATURE. I REALIZE THIS PROPOSAL IS BEING BROUGHT TO YOU AT THE ELEVENTH HOUR, BUT THAT IS BECAUSE THE GOVERNOR'S COMMISSION ON AGING HAS BEEN SO DILIGENT ABOUT GIVING ALL SENIORS WHO WANTED TO BE HEARD AN OPPORTUNITY TO OFFER THEIR OPINIONS ON THE PROPOSAL.

IN FACT, THE AMMENDMENTS THAT WILL BE PRESENTED BY REVEREND McGETTIGAN ARE THE DIRECT OUTCOME OF MEETINGS RECENTLY HELD THROUGHOUT THE STATE TO DISCUSS THE PROPOSAL. WITH THOSE AMMENDMENTS, THE BILL PERMITS THOSE LOCAL AREAS THAT WISH TO RETAIN THE AREA AGENCY ON AGING FUNCTION AS IT NOW EXISTS TO DO SO. THOSE LOCAL AREAS THAT WISH TO PARTICIPATE FULLY UNDER THIS LEGISLATION ALSO ARE PERMITTED TO DO SO.



THE DETERMINATION OF HOW THIS LEGISLATION AFFECTS EACH COMMUNITY WILL BE MADE LOCALLY. TO MAKE THAT POSSIBLE, IT IS NECESSARY TO REORGANIZE THE STATE LEVEL, WHICH INVOLVES TRANSFERRING PERSONNEL FROM THE ADULT AND FAMILY SERVICES DIVISION TO THE NEW DIVISION. THE GOVERNOR'S COMMISSION HAS TRIED TO PROVIDE PROTECTIONS TO THESE EMPLOYEES, BUT THE UNCERTAINTY REMAINS WHETHER THEY WILL BE WORKING FOR THE STATE OR THE COUNTY AFTER THE TRANSFER.

I CAN APPRECIATE THE CONCERNS OF THESE EMPLOYEES, BUT THEIR PROBLEM CANNOT BE COMPARED TO THE TRAUMA OF AN ELDERLY PERSON WHO IS FORCED TO MOVE FROM HIS OR HER HOME TO A NURSING HOME.

I BELIEVE THE CREATION OF THIS NEW DIVISION WILL LEAD TO A BETTER QUALITY OF CARE FOR THE ELDERLY. THAT WILL TAKE TIME, SO IT IS IMPORTANT THAT WE GET STARTED NOW. IN THAT SENSE, I DO NOT THINK WE CAN AFFORD TO DELAY THE DECISION FOR ANOTHER TWO YEARS. FOR THAT REASON, I URGE YOU TO APPROVE THE CREATION OF THE SENIOR SERVICES DIVISION AT THIS SESSION OF THE LEGISLATURE.

MY NAME IS WALTER J. MCGETTIGAN.

I LIVE AT 6850 N.W. KAISER RD., PORTLAND, (IN WASHINGTON COUNTY).

I AM SERVING AS CHAIRMAN OF THE GOVERNOR'S COMMISSION ON AGING AND AS SUCH CHAIRED THE AD HOC COMMITTEE THAT DEVELOPED THE PROPOSAL NOW BEFORE YOU.

DICK LADD FROM DHR, WHO SERVED AS STAFF TO THE AD HOC COMMITTEE, WILL SPEAK DIRECTLY TO THE DETAILS AND PROVISIONS OF THE BILL AND SOME RECOMMENDED AMENDMENTS THAT WERE APPROVED BY THE AD HOC COMMITTEE THIS MORNING. I WISH TO REVIEW WITH YOU ITS BACKGROUND.

WE HAVE SHARED WITH YOU, IN PREVIOUS MATERIALS, THE PROCESS BY WHICH THIS PROPOSAL DEVELOPED, BUT A BRIEF REVIEW MIGHT BE IN ORDER.

FIRST THIS BILL HAS A LONG HISTORY. IT IS PART OF A CONTINUING EFFORT ON THE PART OF A NUMBER OF ELDERLY ADVOCATES TO SEE THE CREATION OF A DIVISION ON AGING AND A COMMISSION. WE STARTED TO EXPRESS OUR WISHES AT LEAST EIGHT YEARS AGO. WE HAVE APPROACHED THE LEGISLATURES DURING THOSE YEARS SEEKING SUPPORT FOR A DIVISION ON AGING. WE HAVE HAD SOME SUCCESSES, THE ADVISORY COMMITTEE CREATED TO ADVISE THE STATE ADMINISTRATION OF THE OLDER AMERICANS ACT FUND, BECAME THE ADVISORY COMMITTEE TO THE "PROGRAM ON AGING". THIS WAS AT A LATER DATE TO BECOME THE OFFICE OF ELDERLY AFFAIRS, AND THE ADVISORY COMMITTEE WAS DESIGNATED THE COMMISSION ON AGING AND GIVEN ADDITIONAL

RESPONSIBILITIES. DURING THE LAST LEGISLATURE THERE WAS PROPOSED A DIVISION ON AGING AND COMMUNITY SERVICES. THIS BILL WAS DEFEATED DURING THE FINAL DAYS OF THAT SESSION. WE HAVE BEEN MOVING TOWARD WHAT YOU HAVE BEFORE YOU TODAY, A DIVISION ON AGING, THE SENIOR SERVICES DIVISION.

SECOND: THIS PARTICULAR EFFORT WAS INITIATED BY THE RESPONSES TO A PROPOSAL WRITTEN BY STAFF OF DHR AND PRESENTED TO THE HOUSE INTERIM COMMITTEE ON AGING AND MINORITY AFFAIRS, BY MR. LEO HEGSTROM, DIRECTOR OF THE DEPARTMENT OF HUMAN RESOURCES. THAT PROPOSAL CREATED A GREAT DEAL OF INTEREST AND CONCERN AMONG THE ELDERLY, THE AREA AGENCY ADVISORY COMMITTEES AND THE AREA AGENCY STAFF. DURING THE FINAL DAYS OF THE DISCUSSION ON THE ORIGINAL PROPOSAL, THE HOUSE INTERIM COMMITTEE ON AGING AND MINORITY AFFAIRS SENT A RESOLUTION TO THE GOVERNOR REQUESTING THE APPOINTMENT OF AN AD HOC COMMITTEE WITH REPRESENTATIVES FROM THE COMMISSION, THE ADVISORY BODIES, UNITED SENIORS, THE AAA STAFF AND FROM THE SERVICE PROVIDERS AS WELL AS THE DEPARTMENT OF HUMAN RESOURCES WERE INVITED.

THE UPSHOT OF THAT WAS THE WITHDRAWAL OF THE PROPOSAL AND THE ASSIGNMENT TO THE COMMISSION ON AGING THE RESPONSIBILITY TO STUDY THE ISSUES AND TO REPORT TO THE GOVERNOR. THE COMMISSION WAS REQUESTED TO REVIEW THE PROPOSAL AND TO BRING BACK TO THE GOVERNOR A RECOMMENDATION. THE RECOMMENDATION HAD TO MEET TWO REQUIREMENTS: TO BE APPROVED BY THE DIRECTOR OF DHR AND THE COMMISSION.

TO STUDY THE ISSUES THE COMMISSION INVITED A NUMBER OF PEOPLE REPRESENTING ALL PARTIES THAT HAD BEEN INVOLVED IN THE ORIGINAL PROPOSAL AND THOSE WHO HAD EXPRESSED CONCERNS EITHER TO THE GOVERNOR OR THE COMMISSION. MANY RESPONDED, OTHERS FAILED TO PARTICIPATE, BUT THE INVITATIONS WERE GIVEN AND THE MEETINGS WERE OPENED TO ALL WHO DESIRED TO PARTICIPATE. APPROXIMATELY 90 DIFFERENT INDIVIDUALS PARTICIPATED IN THE DISCUSSIONS. DURING THE PAST SIX MONTHS THE COMMITTEE REVIEWED ALL OPTIONS, DEALT WITH ALL ISSUES AND QUESTIONS RAISED, AND SOUGHT CONSTANT REVIEW, BY THE ORGANIZATIONS REPRESENTED, AS WE DEVELOPED THE LEGISLATION BEFORE YOU.

DURING THE EXTENDED DISCUSSIONS WE ATTEMPTED TO WORK TOWARD THE GOAL WORKED OUT EARLY IN OUR MEETINGS: "TO DEVELOP A SYSTEM WHICH IS RESPONSIVE TO THE NEEDS AND DESIRES OF SENIORS AND AT THE SAME TIME FACILITATES THE EFFECTIVE AND EFFICIENT USE OF RESOURCES." EACH STEP OF OUR PROGRESS WAS MONITORED BY AREA AGENCIES AND THEIR ADVISORY COMMITTEES AND BOARDS OF DIRECTORS. THE FINAL PROPOSAL WAS A SYSTEM MODELED AFTER THE OFFICE OF ELDERLY AFFAIRS AND THE CURRENT LOCAL AREA AGENCIES.

THIS MODEL SEEMED MOST ACCEPTABLE TO THE ELDERLY COMMUNITY AND IT HAS BEEN FUNCTIONING MOST SUCCESSFULLY DURING THE PAST TWO YEARS.

THE FINAL PROPOSAL WAS PRESENTED TO MR. LEO HEGSTROM AND THE COMMISSION AND WAS APPROVED BY BOTH. IT WAS THEN PRESENTED TO THE GOVERNOR AND RECEIVED HIS APPROVAL.

SINCE ITS INTRODUCTION TO THE COMMITTEE SEVERAL MEMBERS OF THE AD HOC COMMITTEE HAVE BEEN GOING ABOUT THE STATE HOLDING PUBLIC HEARINGS AND MEETING WITH THE ASSOCIATION OF AREA AGENCY DIRECTORS. THE RESPONSE WAS A MIX-BAG. IN SOME AREAS THE PROPOSAL WAS SEEN AS A THREAT TO THE EXISTING SYSTEM, IN OTHERS IT HAS BEEN RECEIVED WITH ENTHUSIASM. THE RECOMMENDED AMENDMENTS THAT MR. LADD WILL PRESENT HAVE, I THINK, BEEN RESPONSIVE TO THE CONCERNS OF THOSE WHO HAD PROBLEMS WITH THE BILL. IT IS ALSO MY UNDERSTANDING THAT OPPOSITION TO THE BILL HAS BEEN REDUCED SUBSTANTIALLY BY THESE AMENDMENTS. GIVEN THAT MOST COUNTIES AND THE ELDERLY ARE NOT NOW OPPOSING THE BILL, I WOULD URGE THE COMMITTEE TO MOVE AS SOON AS POSSIBLE INTO WORK SESSIONS.

I BELIEVE WE HAVE SOMETHING HERE WORTH PRESERVING. THIS IS A BILL THAT WILL MOVE OREGON FORWARD TOWARD THE GOALS AND INTENT OF THE OLDER AMERICANS ACT OF DEVELOPING A SYSTEM FOR THE ELDERLY, AND THE "DEVELOPMENT AT A SUB-STATE LEVEL A SYSTEM OF COMPREHENSIVE AND COORDINATED SERVICES FOR OLDER PERSONS." WE BELIEVE THIS BILL MOVES US TOWARD A SERVICE DELIVERY SYSTEM

THAT WILL BE MOST RESPONSIVE TO THE NEEDS AND DESIRES OF THE ELDERLY, IT WILL BE A STEP MANY OF US HAVE BEEN WORKING FOR THESE PAST SIX TO EIGHT YEARS; A DIVISION ON AGING THAT WILL SEEK TO PROVIDE A CONTINUUM OF SERVICES TO ALL THE ELDERLY, THOSE WHO ARE FORCED TO LIVE IN POVERTY AND WHO ARE DEPENDENT UPON THE GOVERNMENT, LOCAL, STATE AND FEDERAL, FOR THEIR WELFARE AND MEDICAL ASSISTANCE, AND ALSO TO THOSE WHO ARE NOW BEING PROVIDED SERVICES UNDER THE EXISTING OFFICE OF ELDERLY AFFAIRS AND THE LOCAL AREA AGENCIES. I BELIEVE WE HAVE AN OPPORTUNITY TO MOVE FORWARD IN THE SERVICE DELIVERY SYSTEM FOR OLDER OREGONIANS. THE TIME SEEMS RIGHT, AS BRUTUS SAID IN JULIUS CAESAR, "THERE IS A TIDE IN THE AFFAIRS OF MEN WHICH TAKEN AT THE FLOOD, LEADS ON TO FORTUNE; OMITTED, ALL THE VOYAGE OF THEIR LIFE IS BOUND IN SHALLOWS AND MISERIES. ON SUCH A FULL OCEAN WE ARE NOW AFLOAT AND WE MUST TAKE THE CURRENT WHEN IT SERVES OR LOSE OUR VENTURES."

MY NAME IS DICK LADD, MANAGER FIG/WAIVER PROJECT AND SYSTEMS DEVELOPMENT PROJECT, AND I HAVE SERVED AS STAFF TO THE GOVERNOR'S COMMISSION ON AGING AD-HOC COMMITTEE DURING THE PROCESS OF PREPARING SENATE BILL 955.

I WOULD LIKE FIRST TO BRIEFLY SUMMARIZE THE BILL AND THEN SUBMIT SOME RECOMMENDED ADMENDMENTS THAT THE GOVERNOR'S COMMISSION ON AGING AD-HOC COMMITTEE HAS PREPARED AND APPROVED THIS MORNING.

SB 955

SECTION 1 (DEFINITIONS)

THE FOLLOWING TERMS ARE DEFINED:

- (1) AREA AGENCY
- (2) AREA AGENCY BOARD
- \* (3) DISABLED
- (4) DIVISION
- \* (5) ELDERLY
- (6) PROTECTIVE SERVICES
- (7) LOCAL GOVERNMENT,

SECTION 2 (POLICY)

THIS SECTION EXPLAINS THE INTENDED POLICY OF THE ACT.

SECTION 3 (RESPONSIBILITIES OF THE SENIOR SERVICES DIVISION-SSD)

- (1) SUBSECTION (1) STATES GENERAL RESPONSIBILITIES OF SSD
- (2) SUBSECTION (2) STATES SPECIFIC RESPONSIBILITIES OF SSD, IT INCLUDES THE FOLLOWING RESPONSIBILITIES:
  - (A) CENTRAL STATE AGENCY FOR THE ELDERLY
  - (B) PREPARE STATE PLANS
  - (C) ENTER INTO CONTRACTS AND MAKE GRANTS
  - \* (D) TRANSFER FUNDS BETWEEN AREA AGENCIES
  - \* (E) TRANSFER FUNDS BETWEEN PROGRAMS
  - (F) RECEIVE AND DISBURSE FUNDS
  - (G) HOLD HEARINGS AND CONDUCT STUDIES
  - (H) ASSURE THE RIGHTS OF THE ELDERLY TO SERVICES ARE UPHELD

\*THESE PARTS ARE RECOMMENDED TO HAVE AMENDMENTS.



- (I) PREPARE FEDERAL REPORTS
- (J) PROCESS DATA
- \* (K) PROCESS PAYMENTS TO PROVIDERS OF SERVICE
- (L) REGULATE THE PROVISION OF SERVICES
- (M) CONDUCT RESEARCH
- (N) MAINTAIN AN INFORMATION CLEARINGHOUSE
- (O) PROVIDE SUPPORT TO THE GOVERNOR'S COMMISSION ON AGING
- (P) MAKE RECOMMENDATION FOR LEGISLATIVE ACTION
- (Q) PROVIDE TECHNICAL SUPPORT TO AREA AGENCIES
- (R) PROVIDE TRAINING ASSISTANCE TO AREA AGENCIES
- (S) PROVIDE SUPPORT TO APPLY FOR GRANTS TO THE AREA AGENCIES
- (T) ASSIST THE AREA AGENCIES TO PROVIDE TECHNICAL AND TRAINING SUPPORT TO THE PROVIDERS OF SERVICE
- (U) ASSIST THE AREA AGENCIES TO IMPROVE SERVICES TO THE ELDERLY AND HANDICAPPED
- (V) SERVE AS AN ADVOCATE FOR THE ELDERLY.

SECTION 4 (SSD ASSUMES THE RESPONSIBILITIES OF OTHER STATE AGENCIES)  
 SECTION 4 STATES THAT THE OFFICE OF ELDERLY AFFAIRS AND THE SOCIAL AND LONG-TERM CARE PROGRAMS IN AFS ARE COMBINED TO FORM SSD.

SECTION 5 (LOCAL GOVERNMENT-AREA AGENCY-SSD RELATIONSHIP)  
 THIS SECTION DEFINES THE RELATIONSHIPS BETWEEN LOCAL GOVERNMENTS-AREA AGENCIES AND SSD. IT STATES:

- (1) DHR IS THE SINGLE STATE AGENCY FOR RECEIVING FEDERAL FUNDS  
 (AS IT IS NOW)

\*THESE PARTS ARE RECOMMENDED TO HAVE AMENDMENTS.

- (2) ADMINISTRATION OF SERVICES TO CLIENTS IS THROUGH AREA AGENCIES
- (3) A LOCAL GOVERNMENT MUST BE RESPONSIBLE FOR THE ACTIONS OF AN AREA AGENCY
- \*(4) DIRECTORS OF AREA AGENCIES ARE APPOINTED BY LOCAL GOVERNMENT, AND SERVE WITH THE CONTINUING APPROVAL OF THE SSD ADMINISTRATOR
- (5) SSD WILL ADMINISTER LOCAL SERVICES IF DESIGNATION OF AN AREA AGENCY IS WITHDRAWN, UNTIL A NEW AREA AGENCY IS DESIGNATED
- \*(6) SSD MAY ASSUME LOCAL ADMINISTRATION FOR CERTAIN SERVICES UNDER CERTAIN CONDITIONS
- \*(7) SSD SHALL ASSUME LOCAL ADMINISTRATION OF CERTAIN SERVICES IF NO LOCAL GOVERNMENT WILL ACCEPT RESPONSIBILITY FOR AN AREA AGENCY.

#### SECTION 6 (AREA AGENCY ADVISORY COUNCILS)

- \*(1) EACH AREA AGENCY SHALL HAVE AN ADVISORY COUNCIL
- (2) THE COUNCIL SHALL:
  - (A) RECOMMEND POLICY
  - (B) ADVISE THE AREA AGENCY
  - (C) REVIEW AND EVALUATE THE AREA AGENCIES OPERATIONS
  - (D) MEET AT LEAST QUARTERLY.

#### SECTION 7 (AREA AGENCY RESPONSIBILITIES)

THIS SECTION DEFINES THE RESPONSIBILITIES OF THE AREA AGENCIES. THEY INCLUDE:

- \*(1) LOCAL PLANNING FOR CERTAIN PROGRAMS
- (2) LOCAL PLANNING FOR SERVICE DELIVERY
- (3) ASSESSING THE NEEDS OF THE ELDERLY AND DISABLED

\*THESE PARTS ARE RECOMMENDED TO HAVE AMENDMENTS.

- (4) DETERMINE WHAT SERVICES ARE REQUIRED TO MEET THESE NEEDS AND ASSURE THAT SUCH SERVICES ARE PROVIDED
- \*(5) PROVIDE PROTECTIVE SERVICES
- (6) DEVELOP A COMPREHENSIVE AND COORDINATED SERVICE DELIVERY SYSTEM
- (7) SERVE AS AN ADVOCATE FOR THE ELDERLY AND DISABLED
- (8) ENTER INTO CONTRACTS AND MAKE GRANTS
- (9) MONITOR AND EVALUATE THE ACTIVITIES OF SERVICE PROVIDERS, AND TAKE APPROPRIATE ACTIONS IF NECESSARY
- (10) CONDUCT RESEARCH-EVALUATION-TRAINING ACTIVITIES
- (11) PROVIDE NECESSARY DATA TO SSD.

#### SECTION 8 (USE OF GOVERNMENT RESOURCES)

THIS SECTION ALLOWS AREA AGENCIES TO USE AND PAY FOR GOVERNMENT RESOURCES.

#### SECTION 9 (TRANSFER OF EMPLOYEES TO AREA AGENCIES)

- (1) EMPLOYEES WHOSE DUTIES ARE TRANSFERRED TO AREA AGENCIES, ARE TRANSFERRED TO AREA AGENCIES
- (2) AREA AGENCIES MAY CONTRACT WITH SSD FOR THESE EMPLOYEES, OR MAY ACCEPT THEM AS AREA AGENCY EMPLOYEES
- (3) A PLAN FOR SERVICE DELIVERY AND ADMINISTRATION MUST BE PREPARED BEFORE EMPLOYEES ARE TRANSFERRED TO AN AREA AGENCY
- (4) TRANSFERRED AFS EMPLOYEES MAY RETAIN LAYOFF RIGHTS IN AFS FOR ONE YEAR.

\*THESE PARTS ARE RECOMMENDED TO HAVE AMENDMENTS.

SECTION 10 (ORS 184.900 AMENDED) (GOVERNOR'S COMMISSION ON AGING)  
THIS SECTION AMENDS THE STATUTE WHICH CREATED THE GOVERNOR'S COMMISSION ON AGING. THE AMENDMENTS INCLUDE:

- (1) CHANGING THE NAME TO "THE GOVERNOR'S COMMISSION ON AGING AND THE DISABLED"; AND CHANGING THE MEMBERSHIP FROM 19 TO 21
- (2) MEMBERSHIP SHALL INCLUDE DISABLED PERSONS, AND THE MAJORITY OF MEMBERS MUST BE OVER AGE 60
- (3) ADVISES THE SENIOR SERVICES DIVISION
- (4) DELETES REPEATED PROVISION FOR REIMBURSEMENT OF EXPENSES.

SECTION 11 (TERMS OF GOVERNOR'S COMMISSION ON AGING MEMBERS)  
THIS SECTION SETS THE INITIAL AND ONGOING TERMS OF GOVERNOR'S COMMISSION MEMBERS.

SECTION 12 (ORS 184.750 IS AMENDED) (DEPARTMENT OF HUMAN RESOURCES)  
THE STATUTE CREATING THE DEPARTMENT OF HUMAN RESOURCES IS AMENDED TO SHOW THE SENIOR SERVICES DIVISION AS THE 8TH DIVISION.

SECTION 13 (ORS 184.865 IS AMENDED) (OREGON PROJECT INDEPENDENCE AND THE OFFICE OF ELDERLY AFFAIRS)  
THIS STATUTE IS AMENDED BY DELETING THE OFFICE OF ELDERLY AFFAIRS AND ITS DUTIES. OREGON PROJECT INDEPENDENCE IS NOT CHANGED.

SECTION 14 (ORS 327.525 IS AMENDED) (SCHOOL LUNCH PROGRAM)  
THIS STATUTE IS AMENDED TO SHOW THE DELETION OF ORS 327.523 (WHICH IS REPEALED IN SECTION 31). ORS 327.523 REFERS TO COMMODITIES RECEIVED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION FOR THE ELDERLY.

SECTION 15 (SSD RULE MAKING AUTHORITY)

THIS SECTION GIVES THE SSD AUTHORITY TO MAKE RULES.

SECTION 16 (ORS 441.630 IS AMENDED) (ABUSE OF THE CLIENTS IN LONG-TERM CARE FACILITIES)

THIS STATUTE IS AMENDED TO SHOW SENIOR SERVICES DIVISION FOR ADULT AND FAMILY SERVICES DIVISION.

SECTION 17 (ORS 411.590 IS AMENDED) (NON-SUBJECT WORKER)

THIS STATUTE IS AMENDED TO ADD THE SENIOR SERVICES DIVISION TO THOSE WHO MIGHT EMPLOYE HOMEMAKERS OR HOUSEKEEPERS.

SECTION 18 (REVOLVING FUND)

THIS SECTION CREATES A REVOLVING FUND OF \$50,000 FOR THE SSD TO PAY FOR TRAVEL, PURCHASES AND CERTAIN RECEIPTS OR DISBURSEMENTS OF FEDERAL FUNDS.

SECTION 19 (SENIOR SERVICES ACCOUNT)

THIS SECTION ESTABLISHES THE SENIOR SERVICES ACCOUNT IN THE GENERAL FUND OF THE STATE TREASURY.

SECTION 20 (EMPLOYMENT OF PERSONNEL)

THIS SECTION AUTHORIZES SSD TO EMPLOY PERSONNEL AND FIX THE COMPENSATION.

SECTION 21 (SAFEGUARDING OF RECORDS)

THIS SECTION REQUIRES SSD TO PROTECT AND SAFEGUARD ALL RECORDS.

SECTION 22 (DISCLOSURE OF RECORDS)

THIS SECTION PROHIBITS THE DISCLOSURE OF RECORDS BY SSD EXCEPT UNDER CERTAIN CONDITIONS.

SECTION 23 (REFERENCES TO AFS AND OEA RENAMED TO SSD)

THIS SECTION STATES THAT REFERENCES TO THE OFFICE OF ELDERLY AFFAIRS AND THOSE SECTIONS OF ADULT AND FAMILY SERVICES TRANSFERRED BY THIS ACT SHALL BE REFERENCES TO THE SENIOR SERVICES DIVISION,

SECTION 24 (TRANSFER OF OEA AND AFS EQUIPMENT AND PERSONNEL TO SSD)

THIS SECTION REQUIRES THE TRANSFER OF EQUIPMENT AND PERSONNEL FROM THE OFFICE OF ELDERLY AFFAIRS AND THE ADULT AND FAMILY SERVICES DIVISION TO THE SENIOR SERVICES DIVISION. IT ALSO ALLOWS THE ADMINISTRATOR OF SSD TO CHANGE OR ABOLISH POSITIONS.

SECTION 25 (COLLECTION OF OBLIGATIONS)

THIS SECTION ALLOWS SSD TO COLLECT OBLIGATIONS MADE TO PROGRAMS TRANSFERRED BY THIS ACT.

SECTION 26 (CONTINUATION OF AFS AND OEA DUTIES)

THIS SECTION ALLOWS SSD TO CONTINUE THE POWERS, FUNCTIONS AND DUTIES OF THE OFFICE OF ELDERLY AFFAIRS, AND THOSE SECTIONS OF ADULT AND FAMILY SERVICES TRANSFERRED BY THIS ACT.

SECTION 27 (ONGOING BUSINESS AND FUNCTIONS)

THIS SECTION ALLOWS SSD TO CONTINUE AND COMPLETE ANY PROCEEDINGS,

COURT ACTION, PROSECUTION OR OTHER BUSINESS BY THE OFFICE OF ELDERLY AFFAIRS OR THOSE SECTIONS OF ADULT AND FAMILY SERVICES TRANSFERRED BY THIS ACT.

SECTION 28 (REPLACING AFS AND OEA IN EXISTING LAWS AND REGULATIONS WITH SSD)

THIS SECTION ALLOWS SSD TO REPLACE OEA AND AFS IN EXISTING LAWS, REGULATIONS, POLICIES, RECORDS OR PROCEEDINGS AUTHORIZED BY THE LEGISLATURE.

SECTION 29 (FUNCTIONS OF AFS AND OEA TRANSFERRED TO SSD)

THIS SECTION TRANSFERS THE FUNCTIONS OF OEA AND CERTAIN FUNCTIONS OF AFS TO SSD.

SECTION 30 (LOCAL GOVERNMENT FUNDS)

THIS SECTION STATES THAT LOCAL GOVERNMENTS ARE NOT REQUIRED TO EXPEND LOCAL FUNDS FOR THE PROGRAMS IN THIS ACT.

SECTION 31 (REPEAL OF CERTAIN STATUTES)

THIS SECTION REPEALS THE FOLLOWING STATUTES:

ORS 184.860. THIS STATUTE DEFINES THE OFFICE OF ELDERLY AFFAIRS

ORS 327.523. THIS STATUTE ALLOWED THE NOW NON-EXISTENT STATE PROGRAM ON AGING TO PARTICIPATE IN THE SCHOOL LUNCH PROGRAM

ORS 413.025. THIS STATUTE PREVENTED PERSONS RECEIVING OLD AGE ASSISTANCE FROM RECEIVING ANY OTHER ASSISTANCE, SUCH AS CONGREGATE MEALS

ORS 441.081. THIS STATUTE PRESENTED THE LEGISLATURE POLICY ON AGING (1979). THAT POLICY WAS EMBODIED IN THE STATE POLICY ON AGING AND THIS BILL.

SECTIONS 32 TO 34 (DHR APPROPRIATION BILL)

THESE SECTIONS WILL AMEND HB 5036 TO SHOW A REDUCTION FOR THE TRANSFER OF THE OFFICE OF ELDERLY AFFAIRS TO SSD (\$20,800,331 FROM GOVERNOR'S REVISED BUDGET).

SECTIONS 35 TO 37 (AFS APPROPRIATION BILL)

THESE SECTIONS WILL AMEND SB 5532 TO SHOW A REDUCTION FOR THE SECTION OF AFS TRANSFERRED TO SSD (\$112,040,429 FROM GOVERNOR'S REVISED BUDGET).

SECTION 38 (SSD APPROPRIATIONS)

THIS SECTION SETS THE APPROPRIATION FOR SSD (\$132,840,760 FROM SECTIONS 32 TO 37).

SECTION 39 (EFFECTIVE DATES)

- \*(1) SETS EFFECTIVE DATE AS OCTOBER 1, 1981, EXCEPT CERTAIN SECTIONS TO BECOME EFFECTIVE JULY 1, 1982
- (2) ALLOWS ADMINISTRATOR TO SET EFFECTIVE DATE LATER ON SPECIFIC SECTIONS
- \*(3) REQUIRES LOCAL GOVERNMENT TO NOTIFY DIVISION OF INTENT BY JANUARY 1, 1982.

SECTION 40 (DECLARES AN EMERGENCY)

THIS SECTION DECLARES AN EMERGENCY.

\*THESE PARTS ARE RECOMMENDED TO HAVE AMENDMENTS.



RECOMMENDED AMENDMENTS  
TO SB 955

The following amendments are recommended for SB 955:

Page 1  
Line 23  
(add)

(8) "Type A Area Agency" means an Area Agency where either local government or the Area Agency Board agrees not to accept local administrative responsibility for Title XIX and Title XX of the Social Security Act.

(9) "Type B Area Agency" means an Area Agency where local government agrees to accept local administrative responsibility for Title XIX and Title XX of the Social Security Act.

Page 1  
Line 18  
(amend)

(5) "Elderly" means for Type B Area Agencies persons who are 60 years of age or older or persons with physical or mental handicaps who require services similar to those required by persons 60 years of age or older.

(6) "Elderly" means for Type A Area Agencies persons who are 60 years of age or older.

Page 1  
Line 15  
and 16  
(delete)

Delete lines 15 and 16.

Delete

Wherever it occurs in the Act, the term "Adult disabled".

Page 2  
Line 19  
(insert)

After "transfer", insert "state and federal funds except Title III of the Older Americans Act.

Page 2  
Line 22  
(insert)

After "transfer", insert "state and federal funds except Title III of the Older Americans Act".

Page 2 (k)  
Line 34  
and 35  
(delete  
and add)

Payments for services within a central processing system, except Title III and for Type A Area Agencies Oregon Project Independence, unless an Area Agency requests such service.

Page 3  
Line 30  
(delete)

Delete "Except as specified in subsection (7) of this section".

Page 3  
Line 32  
(insert)

After "Assistant Director for Senior Services" insert, "Continuing approval can only be withdrawn when it can be shown that state or federal laws or rules have not been adhered to, state or federal funds are not being expended for the purpose for which they were intended, or that the Elderly are not receiving appropriate services within available funds".

Page 4  
Line 4  
(insert)

After "within available resources" insert, "Withdrawal of any particular program or service is appealable to the Director of Human Resources and the Governor.

Page 4 (7)  
Lines 5  
to 12  
(delete  
and add)

Type A Area Agencies shall operate in the same manner as they did before the effective date of this Act, with local administrative responsibility for Title III of the Older Americans Act and Oregon Project Independence.

Area Agencies may remain Type A Area Agencies indefinitely at the option of the Area Agency.

(8) Subsections (3) and (4) of this Section and Section 9 shall not apply to Type A Area Agencies.

Page 4  
Line 14  
(delete  
and add)

Delete "the local government". Add "Area Agency Board"; then delete the remainder of line 14.

Page 4  
Line 26  
and 27  
(delete  
and add)

(1) Conduct local planning functions for Title III of the Older Americans Act and Oregon Project Independence, and for Type B Area Agencies Title XIX and Title XX of the Social Security Act.

Page 5  
Line 5, 6  
(delete)

Delete the sentence that starts with "Grants and contracts . . . ."

Page 5  
Line 38

184.900(1) The Governor's Commission on (Aging) Senior Services is created. The Commission shall

(amend)

wherever it occurs in the Act, amend the "Governor's Commission on Aging" to read the "Governor's Commission on Senior Services".

Page 6  
Line 8  
(insert)

After "persons" insert, "additionally, the membership shall include persons who are active in advocacy organizations representing the interest of mentally or physically handicapped persons who are served in programs under the Senior Services Division.

Page 13  
Line 18  
(delete  
and add)

Delete "19", add "17", delete "4", delete "9", add "9(1)", "9(2)", "9(4)".

Page 13  
Line 22  
and 23

Delete lines 22 and 23.



MULTNOMAH COUNTY OREGON

OFFICE OF THE COUNTY EXECUTIVE  
ROOM 136, COUNTY COURTHOUSE  
PORTLAND, OREGON 97204  
(503) 248-3308

DONALD E. CLARK  
COUNTY EXECUTIVE

June 9, 1981

HUMAN RESOURCES BUREAU

TO: Barbara Patrick, Director  
Portland/Multnomah County Area Agency on Aging

JUN 12 1981

FROM: Donald E. Clark, County Executive

7,8,9,10,11,12,13,14,15,16

SUBJECT: PROPOSED STATE SENIOR SERVICES DIVISION

Staff in the Department of Human Services and my office have kept me informed about the proposed legislation creating a Senior Services Division in the State Department of Human Resources. The concept of transferring the administration of long term care services for elderly and handicapped to local area agencies on aging is consistent with my philosophy of pooling resources and placing responsibility for service delivery at the local level. Multnomah County staff will work closely with you on the legislation so that we can work on some of the problems we have with the current draft. Having discussed this with my staff, I want to share some of my concerns with you.

1. The legislation is vague regarding the respective responsibilities of the state and local AAA's in administering the services for seniors and handicapped adults. For example, if the State has the responsibility for determining, on a case by case basis, who is eligible for services and what funds should be used to pay for services, while the local AAA is responsible for determining the specific services the person will receive and the time period within which they will receive them, it is possible that many more clients will be found eligible for services than there are dollars to pay for them. Massive overruns seem probable unless local AAA's always know how many dollars are available and which dollars can be used for which services. A management information system for both the state and local levels would have to be in place to prevent this from happening. Creation of such a system may require the expenditure of administrative dollars that are not locally available and which may not be available from the State.
2. As I understand it, the intent of the legislation is to improve services to the elderly and handicapped through consolidation of the functions of two state divisions and the transferring of staff and operational responsibilities to local AAA's. My concern, in this time of significant cuts in federal and state dollars for human services, is that the local area agencies on aging will be expected not only to maintain but to improve services with far too few dollars. I understand that some believe that the local area agency on aging will have more flexibility in the spending of Title 19, Title 20, and Oregon Project Independence dollars than does Adult and Family Services. My staff however, have not been able to tell me where that increased flexibility is. I agree that the expenditure of these dollars should be related to meeting client need and that unfortunately more of the resources must be focused on in-home support services than is now the case.

June 9, 1981  
Barbara Patrick  
Page 2

3. The provision in the proposed legislation which allows the state to transfer funds from one AAA to another is understandable from a State perspective. I am concerned, however, that careful management of resources by one local AAA could result in transfer of funds from it to another AAA which overspends available dollars. This perhaps is an argument for a strong local and State management information system.
4. One of the more complex issues which I have asked County staff to explore is the impact the inclusion of handicapped adults will have on the proposed service system. As I understand it, there has been no specific determination as to which handicapped adults will be transferred to or remain in the local mental health system, and which would be transferred to the AAA. The County Department of Human Services will be analysing how the handicapped adult clients now being served in our mental health and health service systems are being managed and what the on-going relationship is with Adult and Family Services. From what I have been told there are plans to transfer more handicapped persons from Adult and Family Services to County Mental Health. Will this transfer be accompanied by dollar resources? Will transfer of dollars reduce the funds available to the area agencies on aging?
5. The issue of transferring or contracting of employees between the State and the local AAA is very complex, as we have learned in our experience with the Community Corrections program. Multnomah County Counsel is interested in this issue and may be very helpful in suggesting ways to deal with it.

I do want to thank you for calling together the community meeting on May 29 to provide an opportunity for interested people in Multnomah County to raise questions about the proposed legislation. I look forward to receiving your recommendations.

wwp

cc: Tom Higgins, Director, Department of Human Services  
Erma Hepburn, Executive Director, City of Portland Human Resources Bureau  
Margaret Strachan, City of Portland Commissioner  
Melinda Bruce, Office of County Counsel  
Board of County Commissioners

Edward N. Sage  
Chief Planner  
District 3 Area Agency on Aging  
Mid Willamette Valley Council of Governments  
400 Sentor Building  
220 High St. NE  
Salem, Oregon 97301  
Phone - 588-6177

June 23, 1981

EXHIBIT "F"  
Senate Committee on  
Human Resources/Aging  
June 23, 1981  
Page 1 of 4 SB 955

### SENATE BILL 955

I am here today representing the interests of the Mid Willamette Valley Council of Governments and the Boards of Commissioners for Marion, Polk, and Yamhill counties. They have all endorsed Senate Bill 955. I am speaking from the perspective of an Area Agency on Aging as well as from having been a member of the Governor's Commission on Aging's Ad Hoc Task Force which worked on Senate Bill 955.

One of the goals of the Older Americans Act (which is presently the responsibility of the State Office of Elderly Affairs and local Area Agencies on Aging) is "to provide a continuum of care for the vulnerable elderly." This emphasis on the frail elderly and development of a continuum of care is reflected in a number of the Act's provisions. For example, the State Office and local Area Agencies on Aging are to "serve as effective and visible advocates for the elderly by reviewing and commenting upon all plans, budgets, and policies which affect the elderly." Through their ombudsman program, state units on aging must "monitor the development and implementation of federal, state and local laws, regulations, and policies with respect to long-term care facilities in the State." Additionally, in developing their allocation formulas, states are to provide assurances that preference will be given to providing services to older individuals with

the greatest economic or social needs," individuals who, to a large extent, will be the frail or vulnerable elderly. To develop this continuum of care for the frail, older person, the Older Americans Act specifies coordination between the agencies it funds and other programs serving the elderly, especially Titles XIX and XX of the Social Security Act. However, coordination is not easily achieved when the Older Americans Act portion of the programs serving the elderly are administered locally by Area Agencies on Aging and the Titles XIX and XX portion are state administered by the Adult and Family Services Division through an entirely different structure.

Findings of the Department of Human Resources Long-term Care Study published in March of this year showed professionals, elected officials, and clients statewide generally agreeing on four major failings of the present system in Oregon. Quoting the report, the common concerns were:

"1) Lack of Common Understanding of Long-Term Care

Oregon does not have a long-term care "system". It has a hodge-podge of programs and services, funded by a dozen different sources which are administered through as many state departments and divisions.

2) Coordination of Service Agencies and Programs

This is needed at every level. Such coordination is difficult to achieve when funding sources are scattered throughout the state bureaucracy and the community, and when each source of funding seems to be evolving a different understanding of the goals and objectives of "long-term care". To further complicate matters, each funding source has its own eligibility requirements and unique reporting requirements.

- 3) A need to simplify and coordinate bureaucratic structure in order to effectively resolve funding and coordination problems and to spend the maximum amount of time planning and delivering services, rather than filling out government forms.
- 4) A need to develop a partnership with the state, with local and state responsibilities clearly delineated. A call for local control of programs is a natural response to a confused and confusing bureaucracy."

Six months of work by the Governor's Commission on Aging Ad Hoc Task Force provided additional support for the above fundings. However, the Task Force did not just address the problems. It has provided us with a constructive and positive approach to addressing the above issues through the development of Senate Bill 955.

Senate Bill 955 brings together the two major social service programs serving the elderly, Adult and Family Services and Area Agencies on Aging, simplifying the "hodge-podge" of programs and services. And even though the elderly will still not have a "one-stop service center," they will have moved a long way toward that end. This should give clients a single focus for entry into a comprehensive service system. It should also result in elimination of duplicative assessment procedures performed on the same client by several agencies.

Senate Bill 955 increases the involvement of the elderly in the administration of a broader array of programs, both at the State and local levels. As one senior on my Advisory Council so aptly put it, "The elderly ought to be involved in the decisions that will affect how they live and how they die."



The Bill also provides an administrative structure into which current trends in federal and state philosophy will easily fit. Certainly, the view from the Reagan administration is one of decentralization and more flexibility. At the state level, the recently adopted State Policy on Aging (HB 2038) indicates that the Legislative Assembly has declared it to be its policy to "initiate, promote, and develop . . . a designated state agency that will encourage and work with older citizens and their organizations, that will coordinate state and local programs, that will encourage and monitor federal programs, and that will act as an advocate for older Oregon citizens." The proposed Senior Services Division can be the fulfillment of this policy. It is needed if the State Policy on Aging is to be implemented and become a reality.

Finally, Area Agency on Aging involvement with nonelderly disabled persons, as provided under Senate Bill 955, should prove no major problem. Present proposals under the Older Americans Act before Congress include the involvement of younger disabled persons in the senior meal programs we presently operate. In our area, advocacy for our elderly clients is often advocacy for disabled persons under the federal "Section 504" elderly and handicapped requirements. While the service functions may be new, the role is not.

I encourage you to act quickly on this Bill.

Submitted by: Barbara Patrick, Director  
Portland/Multnomah Area Agency  
on Aging  
Portland, Oregon

Presented to: Senate Human Resources and  
Aging Committee

June 23, 1981

My name is Barbara Patrick, and I represent the Portland/Multnomah Area Agency on Aging. Our agency supports the concept of the creation of a senior services division as outlined in SB 955. It is consistent with our philosophy that all services for the elderly should be merged under one umbrella.

During the last year, we have begun to focus our energies on long term care planning and the integration of health and social services. The legislation appears to be directed in this area and can be the mechanism for developing and planning a coordinated comprehensive service delivery system.

What are the benefits of a Reorganization?

There are many long-standing issues that this reorganization will attempt to address. Most of these are not unique to Oregon and have been the subject of study through innumerable federal research and demonstration projects. The perceived benefits are:

1. increased service coordination - merging state programs and AAA programs will help integrate a fragmented service system;
2. gives clients a single entry point into a comprehensive service system;
3. eliminates duplicative administrative structures (e.g., currently the state and the AAA often contract for the same service with the same agency - Tri-Met, Metropolitan Family Services, etc.);
4. will place increased attention and incentives at the

local level to decrease nursing home caseloads and rechannel these dollars to alternative services;

5. nursing home programs and clients will be integrated into a community-based system; and

6. provides an administrative structure into which current trends in federal philosophy will easily fit.

At this time we have four primary concerns:

1. Administrative Cost. What will it cost to administer the program, including start-up costs, and will it be cost effective?

2. Transfer of AFS Employees. What will be the status of state employees? Can we develop a transition plan which meets the satisfaction of the union and the local government? Where do we house AFS staff?

3. Disabled Population. Having a clear understanding of the definition of this population - can we serve them adequately in a system primarily designed for the elderly?

4. Timelines. Whether we can develop a plan for implementation by July 1, 1982, is questionable.

There are probably a number of questions and concerns that have evolved in relation to SB 955. They can never be totally addressed or resolved as a part of this legislation, but only through the planning process.

The most important consideration must be the development of a system which is responsive to the needs of seniors and which can enhance the quality of service to clients.

In order to involve as many agencies and individuals affected by this legislation, we have pulled together a City/County task force whose mission will be to review the legislation and proposed amendments, and submit recommendations to our City/County Commissioners.

The task force will be comprised of:

- elected officials
- County Mental Health representatives
- AAA Advisory Committee on Aging
- disabled/handicapped community
- homes for the aged
- CCCOA foster care providers
- AFS staff
- AAA contractors
- medical organizations
- other senior groups and interested citizens

Portland/Multnomah can be instrumental in facilitating the passage of SB 955.

We will be prepared to submit formal recommendations and full endorsement of the legislation with our proposed amendments within the next week.

Staff from DHR and the Office of Elderly Affairs are to be commended for their cooperative efforts exemplified in working with the Governor's Commission on Aging Ad Hoc Committee. Without this type of working relationship, it would not have been possible to develop this legislation.

WILL S.B. 955 REALLY PROVIDE BETTER SERVICES  
TO THE ELDERLY AND DISABLED?

Remarks On S.B. 955

Testimony before the Senate Committee on  
Human Resources and Aging

State Capitol - Salem, Oregon

By Cynthia James and Sally Still

Eugene, Oregon

June 23, 1981

The recent interest in forming a new Senior Services Division has focused the attention of various groups, including senior advocates and service providers, on the long-term care needs of the elderly. As a result, we have had a chance to identify problems with the current service system and think about ways of re-organizing and improving it. We have been made aware of the need for more cooperation between providers, improved continuity of care, and more efficient use of limited resources. However, we have concerns regarding how this reorganized system may effect our clients.

While we support many of the basic concepts of the proposal, we feel that S.B. 955 has far too many administrative problems which will negatively impact those programs which it is intended to serve. S.B. 955 has been put together in a relatively short time without adequate planning. Definitions of functions have not been adequately defined, valid cost analysis are lacking, much of the information circulated has been inaccurate or based on unsupported assumptions. The argument that "we can work that all out later" is not sufficient. This bill proposes a total reorganization of service programs to both the elderly and the disabled. Before such drastic action is taken, we need to have more careful and detailed planning by people who are knowledgeable in federal program funding and state regulations and who can develop programs with the greatest latitude for local adaptation.

This bill is vague and contains no plans for actually improving programs. It is assumed that combining the functions of AFS and AAA will solve existing problems and create new resources, but there is no mention of how this will occur.

The most glaring problem which has not been given adequate consideration is the cost of creating these new agencies. The counties are being

assured that they will not have to absorb additional costs. The proposal is that the adult service programs and staff will be transferred with their existing budget. No additional funds will be transferred. No additional money will come from local governments. Where will the necessary funds for office facilities, cars, support staff, and supplies come from? AFS can not transfer money being spent for many of these items. They will continue to need their present facilities and are bound by existing leases. They will not have additional general fund money to lease new facilities and cars and pay for other duplicated expenses. The cost of setting up the new agencies will come directly out of programs and direct service to clients, therefore resulting in a net loss of services to the elderly.

In Lane County we are already facing drastic cuts in locally funded service programs due to county budget cuts. At the state level they are talking about across the board cuts for all programs. We may be in a situation of trying to create new agencies on already reduced funds.

It is a naive assumption that a new agency can be created with existing funds without a loss of services to clients. We don't have sufficient resources now to adequately meet the needs of our clients. We can not afford to sacrifice any amount of our program money for administrative costs.

It has been argued that programs will be supplemented by reducing the number of clients in nursing homes and using the money saved to create alternatives. Having been a part of the Pre-admission Screening Team, we are well aware of the nursing home population and alternative programs. We believe that projections of expected savings are based on questionable statistics and assumptions.

We are pleased that our efforts to divert people from nursing homes has had a measure of success, but the truth is that despite our efforts, the



greatest proportion of clients we screen can not be cared for outside of a nursing home. Those we do divert are the most frail and require the greatest number of services. It is not uncommon to find that the combination of services needed to keep these frail clients in their own home approaches the cost of the nursing home. We strongly support the effort to increase alternatives for reasons of quality of life, but we must point out that it may not result in as great a savings as some expect.

Other factors also limit the amount of money which is expected to be saved. The elderly population will continue to increase and continuing inflation guarantees that nursing home rates will continue to rise. Fewer people are able to meet the cost of nursing homes using private resources. As costs rise, a greater percentage of those needing nursing care will need to apply for public assistance. Although we are making every effort to reduce the number of admissions, the total budget for nursing care will continue to rise.

Another concern which will entail considerable administrative problems is the transfer of staff. Many of the estimated 375 employees who will be transferred have dedicated years of service to the elderly and disabled. The bill makes only feeble attempts to protect their rights and benefits. Their positions could be abolished at any time. Their only alternative is to return to agencies where comparable positions no longer exist. After years of service in these programs surely the workers deserve more than a tenuous position. A better alternative would be for all AFS staff to be contracted rather than some of the workers retaining their rights and others losing them.

Another of our major concerns is the way in which this proposal addresses the services to the physically and mentally disabled. Advocates of the proposal point proudly to its being a "grass roots" program based

on the input and desires of those it will serve (i.e., the senior population). Service providers and advocates for the elderly are reasonably well informed about the new proposal. However, we have talked with service providers and advocates for the disabled, and have found they are not aware of the proposal, and have had no input in its designing. The decision to include the disabled was an afterthought, made at the insistence of Adult & Family Services for administrative reasons. We feel, as the disabled are included in the new division, they should have been participants in the planning. The opinion of the disabled, their advocacy groups, and service providers should be actively sought before a decision is made which affects them no less than the elderly.

We also are concerned that the supporters of the new division are not using a realistic estimate of the numbers of disabled persons who would be served. Material distributed in support of the proposal claims that 12,000 clients would be transferred to the Senior Services Division from Adult & Family Services, with only 1,700 being under 55 years of age. However, AFS figures for the month of February show that of 17,733 adult cases recorded on the service reporting system, 6,203 were under 60 years of age. In other words, whereas arguments in favor of the new division suggest that 14% of the transferred clients would be non-elderly (under 55 years of age), it would seem from AFS figures that 35% are under age 60. We question where the supporters of the Senior Services Division have obtained their information. We also question the argument that the physically disabled require the same services as the elderly. We feel it is naive to make this generalized assumption, and we believe advocates for the disabled would also disagree.

For these reasons, we fear that a potential exists for subtle discrimination against the disabled. Seniors and senior services providers may see the new program as being primarily for the elderly, and be resis-

tant to serving the younger handicapped. We have already seen examples of this in existing programs, such as the case of volunteers who question the "right" of the younger disabled person to receive services and the elderly housing project tenant who objects that the obviously physically handicapped resident "doesn't belong here".

Finally, we are concerned over the exclusion of the mentally ill and mentally retarded individuals from the new division. We have been assured that these persons will receive services from the Mental Health Division. However, since the transfer of case responsibility for some mentally disabled persons to the Mental Health Division about two years ago, AFS has continued to provide services to many from this population. How this transfer of case responsibility for the remaining mentally disabled will take place has not been addressed. In addition, AFS provides some types of services, such as adult foster care, for which there is no existing program in the Mental Health Division. We know that in our county, the Mental Health Division has been forced to make reductions in staff and services due to reduced funding. How will local Mental Health Division staff be able to take on these additional cases and provide services no longer available through AFS?

We do believe that there is a need for better coordination of resources and increased services for the elderly and the disabled, but we are concerned that in its present form S.B. 955 may actually have a negative impact on existing programs. To summarize our major concerns, we feel that there has not been adequate planning for a reorganization of this magnitude. Valid cost analysis have not been done. A new agency of this size can not be created with no additional funds without sacrificing programs and services which we can least afford to lose. There has been no consideration for the needs of the disabled. They not only were not

consulted but have not even been informed that their programs are included in this reorganization. It is assumed that other agencies such as Mental Health and Vocational Rehabilitation will serve those clients which AFS will no longer serve. They have neither been informed nor given additional resources to do so.

The state can not afford to experiment with a social service program of this size which involves life supporting services to our most needy citizens. The cost in real dollars and basic human need is too great. We propose as an alternative that a complete pilot project be done. Only then can actual costs be determined and the impact on programs be objectively measured rather than assumed. The division of administrative functions could be more clearly defined and, most importantly, the quality of services received by the elderly and disabled could be adequately assessed. Only through a full study which includes a pilot project can the full impact of this legislation be known.

We urge the committee to carefully weigh the impact of this legislation on vital services. Should you, as committee members, decide to change the service delivery system to the elderly and the disabled, we suggest that you insist that a more thorough study be conducted prior to implementation of any changes.

*Multnomah Co amendments in blue*  
*Sadd correction in red*

EXHIBIT "B"  
Senate Committee on  
Human Resources/Aging  
June 30, 1981  
Page 1 of 16 SB 955  
Legislative Counsel  
SB 955-2  
06/26/81 (31) (44)

1

PROPOSED AMENDMENTS TO SENATE BILL 955

**Senate Bill 955**

Sponsored by COMMITTEE ON HUMAN RESOURCES/AGING (at the request of Governor's Commission on Aging; United Seniors)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Creates, operative July 1, 1982, Senior Services Division in the Department of Human Resources to provide social services to elderly and adult disabled persons. Changes name of Governor's Commission on Aging to Governor's Commission on Aging and the Disabled. Transfers certain functions from Office of Elderly Affairs and Adult and Family Services Division to the Senior Services Division.

Appropriates \$\_\_\_\_\_ to the Senior Services Division for biennium. Changes biennial appropriation to Department of Human Resources and Adult and Family Services Division.

Declares emergency, effective October 1, 1981.

**A BILL FOR AN ACT**

1  
2 Relating to social services; creating new provisions; amending ORS 184.750, 184.865, 184.900, 327.525, 411.590  
3 and 441.630 and sections 1, 2 and 3, chapter\_\_\_\_\_, Oregon Laws 1981 (Enrolled House Bill 5036), and  
4 sections 1, 2 and 3, chapter\_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532); repealing ORS  
5 184.860, 327.523, 413.025 and 441.081; appropriating money; and declaring an emergency.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** As used in this Act:

8 (1) "Area agency" means: *type A or type B*

9 (a) An established or proposed Area Agency on Aging operating or to operate within a planning and service  
10 area designated under Section 305 of the Older Americans Act; or *a type A or type B*

11 (b) Any public or nonprofit private agency which is designated as ~~an~~ Area Agency on Aging under Section  
12 305 of the Older Americans Act.

13 (2) "Area agency board" means the local policy-making board which directs the actions of the area agency  
14 within state and federal laws and regulations.

15 ~~(3) "Disabled" means all persons with physical or mental handicaps who are eligible or potentially eligible  
16 for services under this Act.~~

17 ~~(3)~~ (3) "Division" means the Senior Services Division of the Department of Human Resources.

18 ~~(4)~~ (4) "Elderly" means persons who are *served by Type A area agencies or Type B agencies*  
~~60 years of age or older.~~

19 ~~(6) "Protective services" means a service to be provided by the Senior Services Division through area  
20 agencies, in response to the need for protection from harm or neglect to the elderly and the disabled.~~

21 ~~(7) "Local government" means a political subdivision of the state whose authority is general and not  
22 limited to only one function or combination of related functions, or a combination of units of general purpose  
23 local governments as defined in ORS 190.003.~~

*delete*

11 "(5) 'Local government' means a political subdivision of the  
12 state whose authority is general and not limited to only one  
13 function or combination of related functions, or a combination of  
14 units of general purpose local governments as defined in ORS  
15 190.003.

16 "(6) 'Protective services' means a service to be provided by the  
17 Senior Services Division <sup>directly or</sup> ~~through~~ <sup>Type B</sup> area agencies, in response to the  
18 need for protection from harm or neglect to elderly persons.

19 "(7) 'Type A area agency' means an area agency:

20 "(a) For which either the local government or the area agency  
21 board agrees to not accept local administrative responsibility for  
22 Title XIX and Title XX of the Social Security Act; and

23 "(b) That provides a service to persons 60 years of age or  
24 older.

25 "(8) 'Type B area agency' means an area agency:

26 "(a) For which the local government agrees to accept local  
27 administrative responsibility for Title XIX and Title XX of the  
28 Social Security Act; and

1 "(b) That provides a service to persons 60 years of age or older  
2 or persons with physical or mental handicaps who require services  
3 similar to those required by persons 60 years of age or older, or  
4 both."

(9) Where Title XIX and XX of the Social Security Act are referred to for purposes of this Act, the reference is to those programs in said titles transferred from the long term care unit of the health and social services section of the AFS division, not to Title XIX medical programs, Title XIX programs in other divisions or Title XX programs in other divisions."

24 S:

25 be best served and planned for at the local community level; that a longer life expectancy and a growing elderly

NOTE: Matter in **bold face** in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted; complete new sections begin with **SECTION**.

27 (5) ~~(3)~~ A local government shall be responsible for all actions of <sup>a type -</sup> ~~the~~ area agency <sup>in an</sup> including but not limited to,  
28 the accountability for funds and compliance with federal and state laws and rules. Such responsibility shall  
29 include all geographic areas in which ~~the~~ <sup>type B</sup> area agency is designated to operate.  
30 (6) ~~(4)~~ <sup>type B</sup> Except as specified in subsection (7) of this section, the respective local government shall appoint a  
31 director of the <sup>type B</sup> area agency in its jurisdiction who must meet minimum qualifications established by the  
32 division. The director shall serve with the continuing approval of the Assistant Director for Senior Services.

"Continuing approval

27 may be withdrawn only when it can be shown that the state or federal  
28 rules have not been complied with by the type B area agency, state  
  
1 or federal funds are not being expended for the purposes for which  
2 they were intended or that the elderly are not receiving appropriate  
3 services within available funds."

33 Withdrawal of continuing approval is appealable to the Director of Human Resources and the Governor by the  
34 local government.

35 (7) ~~(5)~~ In the event that a local government withdraws the designation of an area agency, or the division  
36 withdraws the area agency designation in accordance with the Older Americans Act, the division shall  
37 administer the services to clients previously performed by the area agency until a new area agency is  
38 designated.

39 (8) ~~(6)~~ The division may withdraw any particular program or service, except Title III programs, from the area  
40 agency, and administer such programs and services. Before such action is taken, the division must consult with

SB 955

[4]

1 the director of the area agency and the chief elected official of the affected local government. Such action shall  
2 be taken by the division only when it can be shown the federal or state laws or rules have not been <sup>complied with</sup> ~~adhered to,~~  
3 state or federal funds are not being expended for the purposes for which they were intended, or that the elderly  
4 ~~or the adult disabled~~ are not receiving appropriate services within available resources.

"Withdrawal of any particular program or service is  
10 appealable to the Director of Human Resources and the Governor."

delete

insert

~~(7) If, after negotiation with the division and the designated area agency, the appropriate local elected official does not assume direct responsibility, or does not delegate by resolution or ordinance program responsibility to an existing private nonprofit organization which has been duly designated by the state as the area agency, the division shall assume program responsibility. In such case, the division shall administer Title III programs through the area agency unless subsection (5) of this section is operative. All other programs shall be administered by the division. In such case:~~

~~(a) The area agency board shall appoint the director of the area agency.~~

~~(b) The director must meet the qualifications set forth in subsection (4) of this section.~~

SECTION 6. (1) Each area agency shall have an area agency advisory council, with members appointed by ~~the local government, including both elderly and adult disabled persons.~~ *the area agency board.*

(2) Each area agency advisory council shall:

(a) Recommend basic policy guidelines for the administration of the activities of the area agencies on behalf of elderly ~~and adult disabled~~ persons, and advise the area agency on questions of policy.

(b) Advise the area agency with respect to development of the area plan and budget, and review and comment on the completed area plan and budget before its transmittal to the Assistant Director for Senior Services.

(c) Review and evaluate the effectiveness of the area agency in meeting the needs of elderly ~~and adult disabled~~ persons in the planning and service area.

(d) Meet at least quarterly. The meetings shall be open to the public. *insert*

of meetings shall *insert* (e) include persons who are eligible for services from the area agency

SECTION 7. (a) ~~(1)~~ Conduct local planning functions for ~~all funding sources, including Title XIX and XX of the Social Security Act, Title III of the Older Americans Act and Oregon Project Independence.~~ *insert*

(b) ~~(2)~~ Develop a local plan for service delivery which complies with federal and state requirements, and locally determined objectives consistent with the state policy on aging. This plan shall be reviewed and approved by the division. *is consistent with*

(c) ~~(3)~~ Assess the needs of elderly ~~and adult disabled~~ persons within the planning and service delivery area for service for social and health services, and determine what resources are currently available to meet those needs.

(d) ~~(4)~~ Assume the responsibility of determining services required to meet the needs of elderly ~~or adult disabled~~ persons, assure that such services are provided within the resources available and determine when such services are no longer needed.

~~(e) (5) Provide protective services to elderly and adult disabled persons.~~

(f) ~~(6)~~ Endeavor to coordinate and expand existing resources in order to develop within its planning and service area a comprehensive and coordinated system for the delivery of social and health services to elderly ~~and adult disabled~~ persons.

(g) ~~(7)~~ Serve as an advocate within government and within the community at large for the interests of elderly ~~and adult disabled~~ persons within its planning and service area.

(h) ~~(8)~~ Make grants to or enter into contracts with any public or private agency for the provision of social or health services not otherwise sufficiently available to elderly ~~and adult disabled~~ persons within the planning and service area. ~~Grants and contracts shall require the prior approval of the division, unless otherwise prohibited by federal statutes or regulations.~~



7 (i) ~~or~~ Monitor and evaluate the activities of its service providers to insure that the services being provided  
8 comply with the terms of the grant or contract. Where a provider is found to be in breach of the terms of its  
9 grant or contract, the area agency shall exercise its full rights under the law to obtain such relief, restitution,  
10 improvement in services or discharge from its obligation under the grant or contract as is necessary or  
11 appropriate under the circumstances.

12 (j) ~~or~~ Conduct research, evaluation, demonstration or training activities appropriate to the achievement of  
13 the goal of improving the quality of life for elderly ~~and adult disabled~~ persons within its planning and service  
14 area.

15 (k) ~~or~~ Comply with division requirements that have been developed in consultation with the area agencies for  
16 client and fiscal information and provide to the division information necessary for federal and state reporting  
17 program evaluation or research needs.

*insert amendment*  
"Program management and  
fiscal control"

13 "(2) Each type B area agency shall:

14 "(a) Comply with the provisions of paragraphs (b) to (k) of  
15 subsection (1) of this section; and

16 "(b) Conduct local planning functions for Title XIX and Title XX  
17 of the Social Security Act."

*insert amendment*  
"(c) provide protective services"

18 SECTION 8. Each area agency may use, with the consent of state and municipal departments and  
19 agencies, their services, equipment, facilities and personnel, and pay therefor, within the limits of its resources,  
20 as agreed between the agencies and to cooperate with other public and private agencies as to the use of  
21 services, equipment and facilities.

22 "An area agency <sup>a type B</sup> shall be assumed by ~~an~~ area agency shall be  
23 the case of a Type B area agency."

24 (2) ~~An area agency may~~ employ state employees. Any state employee transferred to ~~an~~ area agency shall not  
25 employes become employes of the area agency. Any state employe transferred to ~~an~~ area agency shall not  
26 suffer any reduction in salary or loss of employe benefits as a result of the transfer.

27 (3) Prior to the transfer of any state employe to any other public employer under this Act, at a date to be  
28 determined by the Assistant Director for Senior Services, each <sup>type B</sup> area agency shall prepare a plan in coordination  
29 with local staff of the Adult and Family Services Division for implementation of this Act. The plan shall show  
30 how statutory responsibilities are to be met and how all staff are to be utilized. The plan must be approved by

31 the director. "Before an area agency, local government and the Division determine that  
32 considered an area agency is ready to be a Type B area agency, they must insure that  
33 the plan has been prepared in coordination with the local mental health  
34 authority. The plans must include any necessary interagency agreements  
35 Act, regarding which agencies are to have responsibility for each specific  
36 unsat group of clients under age 60.  
37 conti "The plan must address necessary transfers of staff, available equipment  
38 and administrative and service funds.  
39 consi "The plan must be prepared with participation of potentially affected  
clients, staff and other parties at the local level, including the  
physically handicapped."

8

1 (2) Prior to making appointments, the Governor shall request and consider recommendations from the area  
 2 agencies on aging and other interested senior organizations. The Governor shall designate a member to serve at  
 3 [his] the pleasure of the Governor as chairman for a term of two years with such duties as [he] the Governor  
 4 shall prescribe. The membership of the commission shall be composed of [members] persons broadly  
 5 representative of major public and private agencies who are experienced in or have demonstrated particular  
 6 interest in the special needs of [the] elderly ~~and adult disabled~~ persons, including [citizens] persons who have  
 7 been active in [senior] organizations and advocates on behalf of [senior citizens] elderly ~~and adult disabled~~  
 8 persons. [Of the members appointed to the commission under this subsection, a majority shall be] <sup>Additionally,</sup> Membership  
 9 shall include

"persons who are active in  
 2 advocacy organizations representing the interests of mentally or  
 3 physically handicapped persons who are served in programs under the  
 4 Senior Services Division and".

actual consumers of services under the [aging] Senior Services Division programs, including low  
 10 income and minority [older] persons [at least in proportion to the number of minority and older persons in the  
 11 state]. At least a majority of members shall be 60 years of age or older.

12 [(2)] (3) In addition to the members of the commission appointed under subsection (1) of this section, the  
 13 President of the Senate shall appoint one member from the Senate and the Speaker of the House of  
 14 Representatives shall appoint one member from the House of Representatives. [The members of the  
 15 commission appointed under this subsection shall be entitled to actual and necessary expenses.]

16 [(3)] (4) The Governor's Commission on ~~Aging and the Disabled~~ <sup>Senior Services</sup> shall advise the Governor, [and] the  
 17 Director of the Department of Human Resources and the Assistant Director for Senior Services on needs of [the]  
 18 elderly ~~and adult disabled~~ persons, and recommend actions by the Governor, the Department of Human  
 19 Resources, the Senior Services Division, other governmental entities and the private sector, appropriate to meet  
 20 such needs.

21 [(4)] (5) The commission shall have authority to study programs and budgets of all state agencies which  
 22 affect [senior citizens] elderly ~~and adult disabled~~ persons. After such study, the commission shall make  
 23 recommendations to the Governor and to the agencies involved. Such recommendations shall be designed to  
 24 provide coordination of programs for [the] elderly ~~or disabled~~ persons, to avoid unnecessary duplication in  
 25 provision of services, and to point out gaps in provision of services. The commission shall also recommend  
 26 development of a comprehensive plan for delivery of services to [the] elderly ~~and adult disabled~~ persons. In  
 27 carrying out these tasks, the commission shall coordinate its efforts with other advisory groups within the  
 28 Department of Human Resources to avoid duplication of effort.

29 [(5)] (6) The commission shall promote responsible state-wide advocacy for [senior citizens] elderly ~~and~~  
 30 ~~adult disabled~~ persons.

31 [(6)] (7) Members of the commission, other than legislators, shall be entitled to compensation and expenses  
 32 as provided in ORS 292.495.

1 population demands services be provided in a coordinated manner and a single local agency system for such  
2 services be instituted; that local resources and volunteer help will augment state funds and needed manpower;  
3 that local flexibility in providing services be encouraged; and that a single state agency should regulate and  
4 provide leadership to insure that the elderly ~~and the adult disabled~~ citizens of Oregon will receive the necessary  
5 care and services at the least cost and in the least confining situation.

6 SECTION 3. (1) The Senior Services Division is created in the Department of Human Resources. The  
7 division shall administer laws and programs relating to social, health and protective services to elderly ~~and adult~~  
8 ~~disabled~~ persons.

9 (2) The division shall:

10 (a) Serve as the central state agency with primary responsibility for the planning, coordination,  
11 development and evaluation of policy, programs and services for ~~the elderly and the adult disabled~~ persons in  
12 Oregon and serve as the designated state unit on aging, as defined in the Older Americans Act of 1965.

13 (b) With the advice of the Governor's Commission on ~~Aging and the Disabled~~ <sup>Senior Services</sup>, develop long-range state  
14 plans for programs, services and activities for elderly ~~and adult disabled~~ persons, to be revised and  
15 implemented annually. State plans should be based on area agency plans, state-wide priorities and state and  
16 federal requirements.

17 (c) Enter into such contracts and make such grants within the limits of appropriated funds, as are  
18 necessary or appropriate to the performance of its duties or the execution of its powers under this Act.

19 (d) Have the authority to transfer

"state and federal funds,

15 except Title III of the Older Americans Act"

20 with the area agency  
21 federal funds due to it

"The Division will provide Type B area agencies with annual budget levels for planning purposes of Title XIX and XX reimbursed services, holding back contingency reserves against overruns and shifts in utilization. The Division will provide both Type A and Type B area agencies with annual budget levels for OPI and Title III.

22 (e) Have the authority to transfer

"state and federal funds,

18 except Title III of the Older Americans Act"

23 consultation with  
24 due to increased local funds.

"The Division will give Type B area agencies the incentive of reallocating local money in the General Fund portion of their nursing home services allocations to alternative care through Title XX and OPI."

25 (f) Receive and disburse all federal and state funds allocated to the division; solicit, accept and administer  
26 grants, including Federal Government grants or gifts made to the division or to the state for the benefit of  
27 elderly ~~and adult disabled~~ persons in the state.

28 (g) Hold hearings and conduct studies or investigations concerning all matters affecting health, safety and  
29 welfare of elderly ~~and adult disabled~~ persons as are necessary or desirable to carry out the purposes of this Act.

30 (h) Assure the rights of individuals to apply for and receive services and to be given fair hearings when  
31 such services are denied.

32 (i) Prepare federally required plans and reports.

33 (j) Process fiscal and client data for all area agencies, <sup>input</sup> including sufficient <sup>timely</sup> time by management

34 (k) ~~Pay Title III~~ <sup>Make</sup> information so that Type B <sup>area</sup> agencies can manage their Title XIX and XX <sup>reimbursement</sup> within budgeted levels"

35 the area agency.

25 payments and <sup>for</sup> type A area agency Oregon Project Independence

26 payments, unless the area agency requests such service."

36 (L) Conduct regulatory functions with regard to program operation, including administrative rules for  
37 authorized services, standard rate setting and quality assurance.

38 (m) Conduct research and other appropriate activities to determine the needs of elderly ~~and adult disabled~~  
39 persons in this state, including, but not limited to, their needs for social and health services; and to determine

1 what existing services and facilities, private and public, are available to elderly ~~and adult disabled~~ persons to  
2 meet those needs.

3 (n) Maintain a clearinghouse for information related to the needs and interests of elderly ~~and adult disabled~~  
4 persons.

5 (o) Provide information and technical assistance to the Governor's Commission on <sup>Senior Services</sup> ~~Aging and the Disabled~~,  
6 and keep the commission continually informed of the activities of the division.

7 (p) Make recommendations for legislative action to the Governor and to the Legislative Assembly, after  
8 consultation with the Governor's Commission on <sup>Senior Services</sup> ~~Aging and the Disabled~~.

9 (q) Provide technical and program assistance to area agencies.

10 (r) Provide training assistance to area agencies.

11 (s) Provide area agencies with assistance in applying for federal, state and private grants and identifying  
12 new funding sources.

13 (t) Assist the area agencies in providing technical assistance and training to agencies and organizations,  
14 both public and private, with respect to programs and services for elderly ~~and adult disabled~~ persons.

15 (u) Assist area agencies to stimulate more effective use of existing resources and services for elderly ~~and~~  
16 ~~adult disabled~~ persons and develop programs, opportunities and services which are not otherwise provided for  
17 elderly persons, with the aim of developing a comprehensive and coordinated system for the delivery of social  
18 services to elderly ~~and adult disabled~~ persons.

19 (v) Serve as an advocate within government and in the state for elderly ~~and adult disabled~~ persons.

20 SECTION 4. The Senior Services Division shall have responsibility for all programs and functions  
21 performed by the Office of Elderly Affairs and the Adult and Family Services Division, Social and Long Term  
22 Care Services.

23 SECTION 5. (1) The Department of Human Resources is the designated single state agency for all federal  
24 programs under this Act.

25 (2) Except as provided in subsections <sup>(7) and (8)</sup> ~~(5) to (7)~~ of this section, the administration of services to clients  
26 under this Act shall be through area agencies, and shall comply with all applicable federal regulations.

13 "(3) On and after the effective date of this Act, a type A area  
14 agency shall operate in the same manner as it operated with local  
15 administrative responsibility for Title III of the Older Americans  
16 Act and Oregon Project Independence before the effective date of  
17 this Act.

18 "(4) A type A area agency may remain a type A indefinitely at  
19 the option of the area agency."

33       **SECTION 11.** On the effective date of this Act, the terms of incumbent members of the Governor's  
34 Commission on Aging shall end. In the first year appointments required by ORS 184.900 as amended by section  
35 10 of this Act are made, the members will be appointed as follows:

36       (1) One-third shall be appointed for one year;

37       (2) One-third shall be appointed for two years; and

38       (3) One-third shall be appointed for three years.

39       Section 12. ORS 184.750 is amended to read:

40       184.750. (1) The Department of Human Resources is created.

1 (2) The Department of Human Resources shall provide programs for the delivery to the public of services  
2 relating to public assistance, children and families, health and health-related affairs, mental health, corrections,  
3 employment, vocational rehabilitation, [aging,] elderly ~~and adult disabled~~ persons and such other services as  
4 may be assigned to the Department of Human Resources.

5 (3) The Department of Human Resources shall provide the programs and services enumerated in  
6 subsection (2) of this section through the divisions and other organizational units, including but not limited to  
7 the following:

- 8 (a) The Adult and Family Services Division;
- 9 (b) The Children's Services Division;
- 10 (c) The Mental Health Division;
- 11 (d) The Corrections Division;
- 12 (e) The Employment Division;
- 13 (f) The Vocational Rehabilitation Division;
- 14 (g) The Health Division; and
- 15 (h) The [Office of Elderly Affairs] Senior Services Division.

16 (4) The Department of Human Resources shall be the recipient of all federal funds paid or to be paid to the  
17 state to enable the state to provide the programs and services assigned to the Department of Human Resources.

18 Section 13. ORS 184.865 is amended to read:

19 184.865. (1) The Department of Human Resources is directed to develop and place in effect a program of  
20 supportive social services for persons age 60 or older.

21 (2) The Department of Human Resources is authorized to develop and adopt such rules as necessary for  
22 the sound, efficient and economical administration of the provisions of this section and ORS 184.900 to  
23 184.910, including the implementation of a fee for service schedule based upon ability to pay, and to assure that  
24 no eligible person, resident in a skilled nursing home or intermediate care facility, shall be removed and placed  
25 in an alternative care program unless such services are determined to be more appropriate for the individual  
26 citizen based upon appropriate, individual, service considerations.

27 *[(3) There is hereby created an Office of Elderly Affairs in the Department of Human Resources. The office  
28 shall have responsibility for all programs and functions heretofore performed by the State Program on Aging and  
29 the Office of Special Assistant for Programs for the Elderly, and for such other functions as shall be assigned to  
30 it by the Legislative Assembly, the Governor or the Director of the Department of Human Resources.]*

31 *[(4) In accordance with any applicable provisions of ORS 183.310 to 183.500, the office may make such  
32 rules as are necessary to carry out the provisions of ORS 184.750, 184.760, 184.900 and this section.]*

33 *[(5) The office shall be staffed by one administrator and one assistant administrator, both of whom shall be  
34 in the unclassified service, and by such other personnel as may be necessary. The Director of the Department of  
35 Human Resources shall appoint the administrator and the assistant administrator.]*

36 Section 14. ORS 327.525 is amended to read:

37 327.525. The School Lunch Revolving Account of the General Fund is continuously appropriated for the  
38 purposes of ORS 327.520 [and 327.523]. All money received under the provisions of ORS 327.520 [and 327.523]

1 shall be paid by the superintendent to the State Treasurer for credit to the School Lunch Revolving Account.

2 **SECTION 15.** In addition to its other powers, the Senior Services Division may adopt rules consistent with  
3 federal and state law and regulations for the purpose of providing social services, including protection, to  
4 elderly ~~and adult disabled~~ persons in need of, or who request, services that the division or area agencies are  
5 authorized to provide.

6 Section 16. ORS 441.630 is amended to read:

7 441.630. As used in ORS 441.630 to 441.680:

8 (1) "Abuse" means:

9 (a) Any physical injury to a patient of a long term care facility which has been caused by other than  
10 accidental means, including any injury which appears to be at variance with the explanation given of the injury.

11 (b) Neglect which leads to physical harm.

12 (c) Failure to provide direct patient care.

13 (2) "Division" means the [*Adult and Family*] Senior Services Division of the Department of Human  
14 Resources.

15 (3) "Law enforcement agency" means:

16 (a) Any city or municipal police department.

17 (b) Any county sheriff's office.

18 (c) The Oregon State Police.

19 (d) Any district attorney.

20 (4) "Public or private official" means:

21 (a) Physician, including any intern or resident.

22 (b) Licensed practical nurse or registered nurse.

23 (c) Employee of the Department of Human Resources, county health department, community mental health  
24 program or a long term care facility or person who contracts to provide services to a long term care facility.

25 (d) Peace officer.

26 (e) Clergyman.

27 (f) Registered social worker.

28 (g) Physical therapist.

29 (h) Legal counsel for a resident or guardian or family member of the resident.

30 Section 17. ORS 411.590 is amended to read:

31 411.590. A person who is employed as a housekeeper, homemaker or otherwise as a domestic servant in  
32 the house of a recipient of public assistance or services, whose compensation is paid in whole or in part by the  
33 Adult and Family Services Division, the Senior Services Division or the Children's Services Division and is not  
34 otherwise employed by [*either*] the division, shall not for any purposes be deemed to be an employe of the State  
35 of Oregon whether or not the division selects the person for employment or exercises any direction or control  
36 over the person's employment. Such person shall be deemed to be a nonsubject [*workman*] worker under ORS  
37 656.027.

38 **SECTION 18.** (1) On written request of the Senior Services Division, the Executive Department shall draw  
39 warrants on amounts appropriated to the Senior Services Division for operating expenses for use by the  
40 division as a revolving fund. The revolving fund shall not exceed the aggregate sum of \$50,000 including

1 unreimbursed advances. The revolving fund shall be deposited with the State Treasurer to be held in a special  
2 account against which the division may draw checks.

3 (2) The revolving fund may be used by the division to pay for travel expenses for employes of the division  
4 and for any consultants or advisers for whom payment of travel expenses is authorized by law, or advances  
5 therefor, or for purchases required from time to time or for receipt or disbursement of federal funds available  
6 under federal law.

7 (3) All claims for reimbursement of amounts paid from the revolving fund shall be approved by the division  
8 and by the Executive Department. When such claims have been approved, a warrant covering them shall be  
9 drawn in favor of the division and charged against the appropriate fund or account, and shall be used to  
10 reimburse the revolving fund.

11 SECTION 19. (1) There is established in the General Fund of the State Treasury an account to be known as  
12 the Senior Services Account. All moneys in the Senior Services Account are continuously appropriated for and  
13 shall be used by the Senior Services Division for the respective purposes authorized by law. The moneys in the  
14 Senior Services Account and all appropriations for the Senior Services Division shall be subject to allotment  
15 made by the Executive Department.

16 (2) The Senior Services Division shall keep a record of all moneys credited to and deposited in the Senior  
17 Services Account. The record shall indicate by separate cumulative accounts the source from which the  
18 moneys are derived and the individual activity or program against which each withdrawal is charged.

19 (3) The unobligated balance in the Senior Services Account on June 30 of each odd-numbered year shall be  
20 determined by the Senior Services Division as of September 30 following the close of each biennium and  
21 certified to the Executive Department. The amount certified pursuant to this subsection shall revert to the  
22 General Fund and become available for general governmental purposes.

23 SECTION 20. The assistant director may appoint and employ such personnel as may be necessary for the  
24 Senior Services Division and appoint and fix the compensation of all assistants and employes of the division.

25 SECTION 21. The Senior Services Division shall make and enforce rules governing the custody, use and  
26 preservation of the records, papers, files and communications by any other agency or department of  
27 government or person to which the records may be furnished. Use shall be limited to the purposes for which  
28 the records are furnished and by the provisions of the law under which they may be furnished.

29 SECTION 22. For the protection of applicants for and recipients of services, the Senior Services Division  
30 shall not disclose or use the contents of any records, files, papers or communications for purposes other than  
31 those directly connected with the administration of the laws of Oregon, and these records, files, papers and  
32 communications are considered confidential subject to the rules of the Senior Services Division, except as  
33 otherwise provided in ORS 411.325 to 411.335 and section 24 of this Act. In any judicial proceedings, except  
34 proceedings directly connected with the administration of public assistance laws, their contents are considered  
35 privileged communications.

36 SECTION 23. Any reference to the Adult and Family Services Division or the Office of Elderly Affairs  
37 with respect to such duties, functions and powers transferred by this Act is intended to be and shall be  
38 considered a reference to the Senior Services Division of the Department of Human Resources.

39 SECTION 24. (1) The Adult and Family Services Division and the Office of Elderly Affairs whose duties,  
40 functions and powers are assigned and transferred to the Senior Services Division by this Act shall transfer and



1 deliver to the Senior Services Division all supplies, materials, equipment, facilities, contracts, books, maps,  
2 plans, papers, records and property of every description within its jurisdiction or control which relate to the  
3 duties, functions and powers so transferred and shall also transfer thereto those employes engaged primarily in  
4 the exercise of the duties, functions and powers so transferred. The Assistant Director for Senior Services  
5 shall take possession of such property and shall take charge of such employes and, except as provided in  
6 subsection (2) of this section, shall employ them in the exercise of their respective duties, functions and powers  
7 assigned or transferred by this Act, without reduction of compensation.

8 (2) The Assistant Director for Senior Services may abolish positions and change duties to the extent that  
9 the assistant director finds it desirable for the sound, efficient and economical administration and enforcement  
10 of the duties, functions and powers transferred by this Act. However, in the case of any transfer of personnel  
11 made pursuant to this section, any employe occupying a classified position who is so transferred shall, so far as  
12 possible, retain the same salary classification and status.

13 (3) Any controversy relating to the transfers of property and employes made by this section shall be  
14 resolved by the Director of the Executive Department.

15 **SECTION 25.** Nothing in this Act shall relieve any person of any obligation with respect to any tax, fee,  
16 fine or other charge, interest, penalty, forfeiture or other liability, duty or obligation accruing under, or with  
17 respect to, the duties, functions and powers transferred by this Act. After the effective date of this Act the  
18 Senior Services Division may undertake the collection or enforcement of such tax, fee, fine, charge, interest,  
19 penalty, forfeiture or other liability, duty or obligation; but such liability, duty or obligation shall not be  
20 increased or decreased or continued beyond the period authorized by law for its existence or beyond the time  
21 when it would have terminated if this Act had not been passed.

22 **SECTION 26.** (1) The Senior Services Division shall be considered and held to constitute a continuation of  
23 the Adult and Family Services Division and the Office of Elderly Affairs with respect to powers, functions and  
24 duties and obligations of the Adult and Family Services Division or the Office of Elderly Affairs legally  
25 incurred under contracts, leases and business transactions executed, entered into or commenced prior to the  
26 effective date of this Act. The Senior Services Division shall exercise such rights, powers, duties and  
27 obligations with the same force and effect as if they had not been transferred; but such right, power, duty or  
28 obligation shall not be continued beyond the period authorized by law for its existence or beyond the time when  
29 it would have terminated if this Act had not been passed.

30 (2) The continuation of powers and functions described in this section shall include rulemaking authority  
31 pertaining to functions, duties and obligations transferred by this Act, and rulemaking authority for functions,  
32 duties and obligations established by this Act.

33 **SECTION 27.** Any proceeding, court action, prosecution or other business or matter undertaken or  
34 commenced prior to the effective date of this Act by the Adult and Family Services Division or Office of  
35 Elderly Affairs with respect to the duties, functions or powers which are by this Act assigned and transferred to  
36 the Senior Services Division, and still pending on the effective date of this Act, may be conducted and  
37 completed by the Senior Services Division in the same manner and under the same terms and conditions and  
38 with the same effect as though it were undertaken or commenced and were conducted or completed by the  
39 Adult and Family Services Division or the Office of Elderly Affairs prior to transfer.

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1 SECTION 28. (1) Whenever in any other law or resolution of the Legislative Assembly, or in any rule,  
2 regulation, document, record or proceeding authorized by the same, any word or phrase is used in reference to  
3 or descriptive of the Adult and Family Services Division or the Office of Elderly Affairs whose duties,  
4 functions or powers are by this Act assigned or transferred, such word, phrase or reference shall, after the  
5 effective date of this Act, unless the context or provisions of this Act require otherwise, be considered to refer  
6 to, include and describe the Senior Services Division which is charged with carrying out such powers, functions  
7 and duties, as the context and provisions of this Act may require.

8 (2) Notwithstanding the transfer of duties, functions and powers by this Act, any lawful authorization,  
9 designation, determination, directive, license, order, permit, policy, privilege, rule or other action of the Adult  
10 and Family Services Division or the Office of Elderly Affairs whose powers, functions and duties are by this  
11 Act assigned and transferred to the Senior Services Division, in effect on the effective date of this Act, shall  
12 continue in effect until superseded by, or repealed by the lawful action of the Senior Services Division; but it  
13 shall not continue any such action beyond the period authorized by law for its existence or beyond the time  
14 when the action would have terminated if this Act had not been passed.

15 SECTION 29. The functions of the Adult and Family Services Division or the Office of Elderly Affairs

16 desc "Estate claims requirements and procedures related to certain Title XIX  
17 and XX services under current Oregon statutes and federal regulations  
18 for th shall not be extended to other services by virtue of this Act.

19 ~~Sections ORS 184.860, 327.523, 413.025 and 441.081 are repealed.~~

20 Section 32. If House Bill 5036 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
21 House Bill 5036), is amended to read:

22 Sec. 1. There is appropriated to the Office of the Director of the Department of Human Resources, for the  
23 biennium beginning July 1, 1981, out of the General Fund, the amount of [~~\$5,160,289~~] \$\_\_\_\_\_.

24 Section 33. If House Bill 5036 becomes law, section 2, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
25 House Bill 5036), is amended to read:

26 Sec. 2. Notwithstanding any other law, the amount of [~~\$12,341,721~~] \$\_\_\_\_\_ is established for the  
27 biennium beginning July 1, 1981, as the maximum limit for payment of expenses from fees, moneys or other  
28 revenues, including Miscellaneous Receipts, excluding federal funds, collected or received by the Office of the  
29 Director of the Department of Human Resources.

30 Section 34. If House Bill 5036 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
31 House Bill 5036), is amended to read:

32 Sec. 3. Notwithstanding any other law, the amount of [~~\$60,765,223~~] \$\_\_\_\_\_ is established for the  
33 biennium beginning July 1, 1981, as the maximum limit for the payment of expenses from federal funds  
34 collected or received by the Office of the Director of the Department of Human Resources.

35 Section 35. If Senate Bill 5532 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
36 Senate Bill 5532), is amended to read:

37 Sec. 1. There are appropriated to the Adult and Family Services Division of the Department of Human  
38 Resources, for the biennium beginning July 1, 1981, out of the General Fund, the following amounts, which  
39 shall be placed in the Public Welfare Account in quarterly instalments based upon estimates of expenditure  
40 requirements approved by the Executive Department, to be expended for the following purposes:

~~12~~ 15

1	(1) Assistance payments and related		
2	expenses .....	\$ 130,896,269	
3	(2) Long-term care .....	[\$ 87,904,492]	\$ _____
4	(3) Medical assistance for the		
5	categorically needy and		
6	general assistance		
7	medical payments.....	[\$ 109,205,970]	\$ _____
8	(4) Special projects .....	\$ 154,165	
9	(5) Administrative expenses.....	[\$ 70,909,628]	\$ _____

10 Section 36. If Senate Bill 5532 becomes law, section 2, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
11 Senate Bill 5532), is amended to read:

12 Sec. 2. Notwithstanding any other law, the following amounts are established for the biennium beginning  
13 July 1, 1981, as the maximum limits for payment of expenses from fees, moneys or other revenues, including  
14 Miscellaneous Receipts, excluding federal funds, collected or received by the Adult and Family Services  
15 Division of the Department of Human Resources:

16	(1) Assistance payments and related		
17	expenses .....	\$ 26,242,967	
18	(2) Medical assistance for the		
19	categorically needy and		
20	general assistance payments .....	[\$ 5,004,677]	\$ _____
21	(3) Administrative expenses.....	[\$ 2,639,843]	\$ _____

22 Section 37. If Senate Bill 5532 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
23 Senate Bill 5532), is amended to read:

24 Sec. 3. Notwithstanding any other law, the following amounts are established for the biennium beginning  
25 July 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Adult and  
26 Family Services Division of the Department of Human Resources. Such amounts shall be credited to the Public  
27 Welfare Account within the General Fund as they are made available by the United States Government and  
28 subject to the approval of the Executive Department, may be expended for the following purposes:

29	(1) Assistance payments and related		
30	expenses .....	\$ 138,413,098	
31	(2) Long-term care .....	[\$ 101,609,727]	\$ _____
32	(3) Medical assistance for the		
33	categorically needy and		
34	general assistance medical		
35	payments.....	[\$ 94,497,655]	\$ _____
36	(4) Special projects .....	\$ 68,989,424	
37	(5) Administrative expenses.....	[\$ 100,130,368]	\$ _____

38 SECTION 38. (1) There are appropriated to the Senior Services Division of the Department of Human  
39 Resources, for the biennium ending June 30, 1983, out of the General Fund, the following amounts, which shall

1 be placed in the Senior Services Account in quarterly instalments based upon estimates of expenditure  
2 requirements approved by the Executive Department, to be expended for the following purposes:

3 (a) Long-term care ..... \$ \_\_\_\_\_

4 (b) Administrative expenses ..... \$ \_\_\_\_\_

5 (2) Notwithstanding any other law, the following amounts are established for the biennium ending June 30,  
6 1983, as the maximum limits for payment of expenses from fees, moneys or other revenues, including  
7 Miscellaneous Receipts, excluding federal funds, collected or received by the Department of Human  
8 Resources:

9 (a) Long-term care ..... \$ \_\_\_\_\_

10 (b) Administrative expenses ..... \$ \_\_\_\_\_

11 (3) Notwithstanding any other law, the following amounts are established for the biennium beginning July  
12 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Senior Services  
13 Division of the Department of Human Resources. Such amounts shall be credited to the Senior Services  
14 Account within the General Fund as they are made available by the United States Government and, subject to  
15 the approval of the Executive Department, may be expended for the following purposes:

16 (a) Long-term care ..... \$ \_\_\_\_\_

17 (b) Administrative expenses ..... \$ \_\_\_\_\_

18 SECTION 39. (1) This Act becomes effective on October 1, 1981; except that sections ~~4, 5, 9, 14 to 19 of~~

"5 and 15 and subsections (1), (2) and (4) of

18 section 9 and the amendments to ORS 327.525, 441.630 and 441.590 by  
19 sections 14, 16 and 17 of".

19 this Act are operative on July 1, 1982.

20 (2) Notwithstanding subsection (1) of this section specific components of this Act may be implemented at  
21 later dates at the discretion of the Assistant Director for Senior Services.

22 ~~(3) Each unit of local government potentially affected by this Act must notify the Senior Services Division~~  
23 ~~of its intent to participate in this Act on or before January 1, 1982.~~

24 SECTION 40. This Act being necessary for the immediate preservation of the public peace, health and  
25 safety, an emergency is declared to exist, and this Act takes effect October 1, 1981.

# Senate Bill 955

Sponsored by COMMITTEE ON HUMAN RESOURCES/AGING (at the request of Governor's Commission on Aging, United Seniors)

SB 955

OVERSIZE  
69 signatures

Creates, operative July 1, 1982, Senior Services Division in the Department of Human Resources to provide social services to elderly and adult disabled persons. Changes name of Governor's Commission on Aging to Governor's Commission on Aging and the Disabled. Transfers certain functions from Office of Elderly Affairs and Adult and Family Services Division to the Senior Services Division.

Appropriates \$\_\_\_\_\_ to the Senior Services Division for biennium. Changes biennial appropriation to Department of Human Resources and Adult and Family Services Division.

Declares emergency, effective October 1, 1981.

## SENIOR CITIZENS SUPPORT SB955

SB 955 Will Improve and Coordinate Senior Services

The Undersigned Urge Your Support

	<u>Name</u>	<u>Address</u>	<u>Telephone</u>
1	Mabel Downing	46870 Lyons Mill Circle Lyons	859-2729
2	Orville Downing	46870 Lyons Mill Circle Lyons	
3	Wm & Mose	42880 Oceanview Dr. Clonedale	
4	Elaine Evans	PO Box 198 Lyons	
5	Katie Skellings	PO Box 163 "	
6	Helin Lange	Muscally Mt Lyons	
7	Mary Z. Morse	42880 Oceanview Dr. Clonedale Ore	97112
8	Vicki O'Haddock	42940 Oceanview Dr Clonedale Ore	97112
9	Andy Hellaly	202 Hellaly Way Philomath Ore	
10	Mrs. Winslow	Friendsview Mans Newberg	97370
11	Joseph Rattkin	1141 WISE 9 Alen	97130
12	Mary Botke	3215 SE Stark Pkld	97214
13	James W. Diegelhaar	8037 N. Reno Pkld	97203
14	Blanche Trent	854 N. W. Quincy Bend Ore	97701
15			



M/S \_\_\_\_\_ Arcade Plaza Building  
1321 Second Avenue  
Seattle WA 98101

29 June 1981

The Honorable Bill McCoy  
Chairperson, Senate Committee on  
Human Resources/Aging  
4470 State Capitol  
Salem, Oregon 97310

Dear Mr. McCoy:

Thank you for your letters requesting comment and testimony on S.B. 955, including your June 24 request to comment in light of amendments introduced by the Department of Human Resources on June 23.

Oregon appears to be the only State in the country to propose such a significant administrative consolidation of services to the elderly. We support what we understand to be the basic purpose of this consolidation, that is to make services more accessible in the most economical manner.

Because of the relatively short notice and other Federal commitments, we are unable to attend your Committee's hearing on June 30, but I trust that our comments will satisfy the Committee's need for the Federal position on this most important piece of legislation. Our review of S.B. 955 including the amendments proposed to the Committee indicates no direct conflict with any Federal requirements. Four issues, however, which can be addressed in the implementation of the Senior Services Division, were identified by Region X program directors and the following comments were developed:

1. Local Autonomy of Area Agencies on Aging

The Administration on Aging in reviewing this legislation has paid particular attention to the issue of autonomy of the local area agencies as provided by S.B. 955 in Section 5(4). Section 5(4) stipulates that the director of the area agency "shall serve with the continuing approval of the Assistant Director for Senior Services". There is nothing in the Older Americans Act or regulations which bears directly on this issue. Therefore, the question of conformance with the Act appears not to be at issue in this case. We would expect, however, the State Agency on Aging, Department of Human Resources to assure that the appropriate balance of autonomy between the Area Agencies on Aging and the State is maintained as this new law is implemented. Included in such assurance is consideration of State and local merit system standards and procedures.

2. Access to Records by Federal Staff

Section 22, regarding confidentiality of applicant and recipient records does not provide for access to records and files by Federal staff for the purpose of audit and monitoring in accordance with Federal statutes and regulations. While it is not necessary that S.B. 955 contain such a provision, it should be noted that Federal law and regulations provides for such access. Regarding access to Area Agencies' records the Senior Services Division should stipulate in Memoranda of Agreement that Federal representatives be afforded access to information as needed to oversee the administration of Federal programs.

3. Transfer of Funds

Section 3 subsection (2)(e), (as amended) states that the Senior Services Division shall: "Have the authority to transfer funds, except Title III, from one program or service to another program or service after consultation with the area agencies." This section does not conflict with Federal requirements as long as Title XIX Federal funds are not transferred to non-Title XIX eligible programs or services and Title XX funds are not transferred to non-Title XX eligible programs or services.

4. Single State Agency Responsibility

Section 5, subsection 3, states "A local government shall be responsible for all actions of the area agency including but not limited to the accountability for funds and compliances with Federal and State laws and regulations." It should be noted that ultimate responsibility to the Federal Government resides with the single state agency, the Department of Human Resources.

With respect to the specific questions contained in your June 18 letter, the following responses have been developed by staff of Region X's Administration on Aging, Health Care Financing Administration, and the Office of Human Development Services for their respective programs.

Question 1: "...possible loss of Title XIX salary money with this switch to local administration."

Answer: The concepts of reorganization and the limited description of operations in S.B. 955 would not result in the loss, in part or whole, of Title XIX administrative funding if the following conditions are met: The State Plan for Title XIX would have to be revised for the changes indicated; acceptable accountability systems be developed to provide audit trails; and, tracking systems be in place to ensure that Title XIX funds are drawn and expended for allowable Title XIX services and administration only.

Question 2: "Will it be entirely a State decision as to whether block grant money for the handicapped can be directed to a Senior Services Division?"

Answer: Should the Administration's Social Service Block Grant legislation be enacted, it would be entirely a State decision as to whether social services block grant money, which includes money for the handicapped, could be directed to a Senior Services Division.

Question 3: "In the event that needed Federal waivers are not available for implementing this program statewide, is it possible that waivers could be obtained for those areas that elect to go with the new system and—in effect—provide us with pilot programs?"

Answer: Since S.B. 955 does not appear to be in conflict with Federal requirements no waivers would be needed to implement the program statewide. If the system of local administration were implemented only in certain areas of the State no waivers would be required as long as Title XIX and Title XX services were available statewide as required by Federal law and regulation.

We trust that these responses satisfy the Committee's need for Federal comment on this amended proposal. We appreciate the very tight schedule under which you are working prior to adjournment, and will do everything possible to accommodate your need for obtaining the federal perspective on this very significant legislation.

Sincerely,



Bernard E. Kelly  
Principal Regional Official





The



OLDER



Oregonian



Volume I Issue II June 30, 1981

WANT STEP FORWARD IN DELIVERY OF  
SERVICES TO LOW INCOME ELDERLY : SB 955

Despite its very late introduction, SB 955 deserves an immediate and hefty boost from legislative leaders and their staffs, and a vote of support from each legislator.

The bill offers practical solutions for organizational problems which have always plagued the provision of services to Oregon's frail, low-income elderly.

SB 955 is a welcome, overdue answer, in the sense that practical solutions have been needed for a very long time and similar bills, not so well conceived, have been introduced at previous sessions since 1975. This one, guided in its development by seniors, is being greeted and supported by seniors and by strong support of people who have understood the tangle of eligibility guidelines and similarities of duplicated programs for older persons.

SB 955 is necessary because of the currently fragmented and hobbity-hoy mess which is Oregon's "system" of services to the elderly. It would bring an end to the costly duplication at the state level by combining the Office of Elderly Affairs and the Social & Long-Term Care section of Adult and Family Services Division. Both units are currently operated, in separation, with the Department of Human Resources: both programs serve older persons.

The new Division of Senior Services, which would result from the merger, would then include responsibility for nursing homes, homes for the aged, foster care, home and health services provided by Project Independence, the Older American Act, and Titles XIX and XX of the Social Security Act—as those funding sources apply to the elderly and other persons with similar needs, such as the disabled.

Senior advocates yearn for an end to the scattered provision of services and a beginning of unification of services—goals which are made possible if SB 955 becomes law.

The merger, specifically applying to the state level, could also be achieved at the local level IF the local agencies agree and local government approves. (Amendments proposed by the support groups on 6/23/81.) Such local - level mergers would come rapidly to some areas of the state which are eager to pick up the option. In other areas, local mergers will be delayed. Area Agencies on Aging, which are located throughout the state, and which currently are the focal points for delivery of services under Project Independence and Older American Act programs, would expand to include Adult and Family Services programs for seniors if the local option is taken up.

SB 955 is timely and needs support because care provided to elderly under the presently scattered and uncoordinated "system" is not always appropriate care. Service is too often available on basis of dollars in this category but not in that: it might match the needs of the individual older persons but might not : the inflexibility of funds which cannot be transferred under any circumstance or rule too often dictates care which is inappropriate and sometimes not cost effective.

SB 955 is timely because many observers see the Department of Human Resources coming to an impasse on program improvement for older persons. The leadership of the Department has undertaken some strong efforts to improve long-term care for the elderly and disabled since 1979, including some uniform reporting for similar but separately administered programs for the elderly; the "PASE" program, (Pre-Admission Screening Evaluation of potential nursing home patients); the federally funded studies of long-term care in Oregon, with emphasis on the elderly, and the FIG/WAIVER demonstration project in Jackson-Josephine counties, which was designed to identify results of coordinated provision of services and flexible funding principles.

Those full-throttle efforts are sputtering to a stall and a stop, however. The Waiver Project comes to the end of its authorized funding and time within a few months. The long-term studies have been completed; and some middle-management employees of the Adult and Family Services Division, over loaded with work, and many field service workers, (who are VERY overloaded,) have resisted the extra efforts, accompanying time which is required to find really appropriate care, and the increased paperwork. The resistance has caused problems in implementation of PASE and to some extent the FIG/WAIVER.

Finally, it can be noted that the administrator of Adult and Family Services Division, which is responsible for 90% of funds in Oregon for long-term care, is not exactly "out in front" in any efforts to streamline the several systems, to reduce paperwork, assure senior citizens of appropriate care, regardless of income.

Without SB 955, or alternative directives from the legislature, it might be easy for Leo Hegstrom, Director of Department of Human Resources, to "back off" of his outstanding leadership position—though Hegstrom denies that's possible, and vows to "continue forward" whether or not SB 955 passes.

It's the frail low-income elderly of Oregon who would suffer if Hegstrom should "back off" and SB 955 fails. The Department claims that SB 955 is a "senior citizen's bill", "authored by them". The allegation is popular: the seniors didn't like a re-organization bill which was proposed by DHR to an Interim Committee on Aging, ("not enough local control"), so, (the scenario goes), the seniors wrote one which has the potential of more local control—SB 955. The substance of SB 955 should be appealing, no matter who wrote it. But if it fails, and Hegstrom is faced not only with changes and cuts in federal funding, but continued internal resistance to coordinated programs, incentive to go forward would be hard to find.

The faults of the bill are minor ones, according to the seniors who so ardently support it. With the amendments proposed by the seniors themselves, (6/23/81), previous arguments about the bill which separated rural and urban areas have been resolved. The Governor's Commission on Aging is joined by the leadership of DHR, the Governor, and many senior citizen groups, including United Seniors. The prominent units of local government in the Portland Area, including Multnomah County, have joined in support

Some lingering skepticism can still be detected this week, following the first hearing in the Senate Human Resources and Aging Committee, (which introduced the bill.) The skepticism circles the ability of AAA's, (or, at least, some AAA's,) to absorb the additional administrative and planning responsibilities ; the several different eligibility requirements for the several similar programs proposed for merger; and some double-guessing about the ultimate authority which local AAA's might or might not have. All that skepticism seems more relaxed than previously, as testimony continues, the amendments were presented and widely accepted, and recognition that a rule-making process would be assured if the bill passes. The senior advocates who have undertaken an extensive state-wide effort to move this bill forward immediately—vow a continued vigilance over the Department of Human Resources, and, should this bill pass and DHR proposes something less than equity or appropriate care, the vigilance could move some distance to warfare.

The bill comes to legislators at the latest hour, in the midst of difficult days. The discussions among seniors and agency personnel, which led to final development of the bill, was a process long in the making, starting in October. Many of the major elements of the bill were sent out to local areas for discussion before the bill was finally shaped. The substance of the bill has attracted the senior leadership in the state advocacy circles and their hopes for its passage are intense.

Legislators in support of SB 955 would, in fact, have the "best of records" for seniors and would have helped Oregon take a mighty step forward in the coordination of services to seniors.

The Older Oregonian is published as a commentary on senior citizen activities in Oregon, on an "as needed basis." This is the second issue, the first having been published in mid-February. It is distributed haphazardly around the Capitol, free of charge, and is the exclusive opinion of Ruth Shepherd, not authorized by any group to which she may belong. Meager donations have been helpful, to defray costs of printing. For donation or comment or inquiry, write the Older Oregonian, 1765 East 26th, Eugene, 97403. Telephone (503) 343-7588

Prineville, Oregon

June 29, 1981

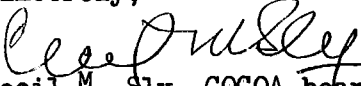
Oregon Senate  
Committee on Human Resources/Aging - SB 955

Gentlemen:

I am a member and past chairman of the Central Oregon Council on Aging and am much concerned that Senate Bill 955 has not considered the six councils on aging that are now running excellent programs for the Aging in their own areas and are not under the control of city or county government. Members of the council are elected by citizens in each county and 50% or more must be senior citizens. 75% of our help are volunteers.

I have no objection to the Senior Services Division being under the Department of Human Resources providing that in each place "Local Government" is mentioned it should read "Local Government or Council on Aging". Also on page 3, line 32 "The director shall serve with the continuing approval of the assistant director and" with the approval of the area agency. We wishto hire or fire employees at the local level unless it is found after investigation they have been breaking state or national regulations. I am sure every area agency can run their own program better and cheaper with some direction and help from the state agency such as now furnished by the department of Elderly Affairs.

Sincerely,

  
Cecil M. Sly, COCOA board member  
825 Clifton Avenue  
Prineville, Oregon 97754 Tel. 447-7142

O  
A  
B  
C



**Oregon Architectural Barriers Council, Inc.**  
Non-Profit Corporation

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TESTIMONY ON SB 955

Many handicapped people are very concerned that SB 955 will eliminate many services that they now have. In addition to this the disabled population feels that they have many different needs than the elderly population, especially employment and education.

We also believe that in this day and age of government bureaucracy, that one thing the State of Oregon does not need is another Division.

Sincerely,

Sandra McKay

jln



## Association for Retarded Citizens of Oregon

3085 RIVER ROAD NORTH • SALEM, OREGON 97303 • (503) 390-0330

June 30, 1981

TO: The Honorable Bill McCoy, Chairperson and  
Members of Senate Committee on Human Resources/Aging

FROM: James D. Toews, ARC Staff

SUBJECT: Senate Bill 955

Last week Tuesday you received testimony from several representatives of the union who voiced extensive concern that disabled persons would not receive appropriate services as a result of the creation of the new Senior Services Division. We also share this concern, but unlike the point of view expressed last week, our Association does not simply support preservation of the status quo, because, under the current system, many disabled persons already are either underserved or inappropriately served. Accordingly, we view this bill as perhaps an appropriate opportunity to not only address the needs of the elderly, but to simultaneously reshape a better system, within existing dollars, for at least some members of the disabled population.

Initially, we were quite apprehensive regarding this proposed legislation because of uncertainty over the number of disabled persons to be served by the new Senior Services Division, and the type of services to be provided to these persons. For example, the following number of mentally retarded persons are currently served in programs under the Adult and Family Services Division which would be transferred to the new Senior Services Division according to this legislation:

Adult Foster Care	511 mentally retarded persons (427 in "pure" MR homes and 84 in "mixed" homes)
Homes for the Aged	171 persons
Nursing Homes (ICF & SNF)	318 persons

We are aware that a significant number of these mentally retarded persons are inappropriately placed in nursing homes or homes for the aged. Many of these inappropriate placements occurred as a result of poorly conceived deinstitutionalization efforts in the early 1970s. Included among these numbers are young children and young adults who do not need extensive medical care, but continue to reside in such facilities simply because appropriate community-based residential care and day programs do not exist. It has been our concern that Senate Bill 955, in its current form, by defining both the elderly and the disabled as populations to be served in the new Division, and by transferring long-term care functions from Adult and Family Services to the new Division, may legitimize and perpetuate inappropriate placements of mentally handicapped persons in long-term care facilities.

Testimony, SB 955  
June 30, 1981

Our Association has discussed concerns with representatives from the Governor's Commission on Aging, Office of Elderly Affairs and the Department of Human Resources. And we have achieved concensus on how these concerns can best be addressed. First of all, you received amendments from the Ad Hoc Committee last week which would more narrowly define the disabled population to be served by the new Senior Services Division. Secondly, a proposed budget note (see attached) has been drafted which would facilitate the transfer of foster care slots serving the mentally retarded from the new Senior Services Division to the Mental Health Division. These foster care services more appropriately fit into the network of community-based services for the mentally retarded provided under the aegis of the State and Community Mental Health Programs. Additionally, the Budget Note also calls for a joint study between the new Division and the Mental Health Division to determine the appropriateness of placement of mentally retarded persons currently residing in "mixed" foster care settings and long-term care facilities such as nursing homes and homes for the aged.

With the adoption of the proposed amendments from the Ad Hoc Committee, and with approval of the proposed Budget Note by the Ways and Means Committee, our Association is in support of Senate Bill 955.

JDT:jmd  
attachment 1



## Association for Retarded Citizens of Oregon

3085 RIVER ROAD NORTH • SALEM, OREGON 97303 • (503) 390-0330

### PROPOSED BUDGET NOTE

After creation of the Senior Services Division, the Department of Human Resources shall transfer to the Mental Health Division all foster care slots in foster care homes exclusively serving mentally retarded persons. This transfer shall be completed by July 1, 1982.

Additionally, the Department of Human Resources shall direct the Senior Services Division and the Mental Health Division to jointly study the population of mentally retarded persons served in "mixed" (MR/DD mixed in with MED or elderly) foster care, homes for the aged, and nursing homes (ICF and SNF). This study shall:

1. Identify characteristics of this population.
2. Assess appropriateness of current placement.
3. Make recommendations for appropriate residential, day programs and support services for those mentally retarded persons not appropriately placed.
4. Plan needed MR/DD case management for those mentally retarded persons who should remain in services under the Senior Services Division.

This study shall be completed by July 1, 1982. The recommendations in Item 3 of the study shall be reflected in budget recommendations made by the Mental Health Division to the next Legislative Assembly.

JDT:jmd  
6/30/81



Senator McCoy and Members Senate Human Resources/Aging Comm

I am Eileen Donaldson, Chairperson, Advisory Council to the Executive Board of the Central Oregon Council on Aging, COCOA, a nonprofit membership corporation that is the AAA for Crook, Deschutes and Jefferson Counties.

COCOA opposes SB 955. Amendments submitted to this committee June 23, if adopted, would permit "Type A" AAA's to operate as they do now except for Section 7, subsec.

8. "Grants and contracts shall require prior approval of the division unless otherwise prohibited by federal statutes or regulations". That should be amended to exempt "Type A" area agencies or prior approval should be limited to programs funded through Titles 19 and 20.

SB 955, even if amended as suggested, remains unsatisfactory.

Area Agencies on Aging are creations of the Older Americans Act of 1965. Their purpose is to provide comprehensive, coordinated, community based service delivery systems for <sup>all</sup> older citizens; in planning such programs to give priority to the elderly with the greatest economic and social need, for example, the elderly poor, the elderly disabled and the elderly who are socially isolated; and to insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, community agencies and State and local governments with appropriate assistance from the federal government. SB 955 would replace local control with State control, would replace coordination between agencies with consolidation with a means test agency, AFS.

There has been a lack of communication between the Governor's Commission on Aging and the senior citizens involved with area agencies at the local level. There has been no opportunity for senior citizens removed from the Salem area to ask questions, to receive complete and satisfactory answers, and to discuss the possible affects of the bill with the proponents.

We have been told that anticipated changes in Title 19 regulations would make it possible to fund medically related inhome support services through medicaid.

What if the anticipated changes do not occur ? Medicaide services, we are told, are being reduced. How then can Title 19 fund inhome services ? Why does DHR need a new division when all state services are being cut ? Who is listening to the concerns of ~~state~~ employees likely to be affected by this bill ? Who is listening to the advocates for the disabled ? How many elderly people have had the opportunity to read SB 955 ? How many people of any age actually understand the regulations for Titles 19 and 20 ? These questions and many others need to be answered before a final decision is made on the SB 955 proposal.

COCOA opposes SB 955 and recommends an interim study of the plan with input from senior programs and organizations from every service area of the entire state.

Saw Vincent moved that we refer  
S 3955, and its concept, and that we  
passage by the state legislature, and that we  
stand ready to support it actively - Truman Messenger  
seconded the motion. The motion carried -

- |                     |                                  |               |
|---------------------|----------------------------------|---------------|
| Foster A. Odum      | Orlinton Ore                     | ECOTAC        |
| Jim Mulvahill       | mitchell, Ore                    |               |
| Ella Boyer          | mt Varnon - Grant Co.            |               |
| Vergil H Chapman    | Prineville Oregon Grant County   | AAAF          |
| Sam Vincent         | Umatilla Co.                     | AAAF          |
| Terrence E. May     | Umatilla Co.                     | AAA           |
| Mary Pattee Jenkins | Condor, OR Gilliam Co            | AAA           |
| Vergard Graham      | Milton Freewater Or. Umatilla Co | AAA           |
| Merle Gillyham      | Morrow Co.                       | AAA           |
| Truman Messenger    | Morrow Co                        | AAA           |
| Myna Knight         | Gilbert Co. Condor               | AAA           |
| Pho Blackman        | Grant Co. Canyon City            | AAAF          |
| Baul W. Jones       | Morrow                           | CAAAAF-ECOTAC |
| Hershel Moon        | Umatilla Co. Milton Freewater    |               |
| August Strecker     | Spray Or Mayor                   |               |
| Clara Strecker      | Spray, Ore (Umatilla Co)         | AAAF          |
| Lissie Evans        | Condor                           |               |

The National Association of Social Workers subcommittee on Aging in Oregon supports the concept of a Senior Services Division which will coordinate services and funding and provide a single access point for services for seniors. We recognize that the many services with various eligibility requirements results in confusion for both the elderly client and some service providers. We feel that this bill could, potentially, allow more flexible use of resources thereby providing seniors with the most appropriate services and level of care.

However, we have several concerns:

1. We are unsure that the reorganization will prove to be fiscally effective. There is still uncertainty as to whether or not there will be increased administrative costs.

2. We are uncertain that the reorganization will provide seniors with more autonomy and control over their services, that it will provide more services to more seniors, or that there will be a substantial improvement in service delivery or client care. We have some concerns as to the method and philosophy of service delivery which will be implemented at the local level through the Area Agencies on Aging. We do not feel that these issues have been adequately addressed and there is not data to indicate that state agencies provide better (more accessible) services than cooperating private agencies.

3. Although this bill could allow for great local control, the state does have the option to step in and plan and administer local programs. We are concerned, first, that the local governments may not be willing or able to administer and plan for services under the Senior Services Division and, secondly, that the state

) may assume total local control.

Therefore, we suggest the following recommendations:

1. We recommend a complete assessment of the fiscal demands of the reorganization and administration of the Senior Services Division.

2. We recommend that prior to reorganization, it be determined that the reorganization will provide more comprehensive and effective services to seniors. As a result of a prior time-specified evaluation, there should be recognizable improvement in services to clients and in client care. This evaluation should include assessment to determine if any group of seniors will be adversely affected by this change (i.e. minorities, poor, etc.)

) 3. We feel that a thorough study of local governments' ability, desire, and resources to administer services under the Senior Services Division should be undertaken.

4. We recommend that these concerns be given further study, and that perhaps pilot efforts be designed and set into effect during the next year, and we therefore recommend that consideration of this bill's concept be forwarded for the next legislative session.

MY NAME IS BARBARA PATRICK. I AM WITH THE PORTLAND/  
MULTNOMAH AREA AGENCY ON AGING. IN MY PREVIOUS TESTIMONY, I  
OFFERED THE COMMITTEE SOME PERCEPTIONS FROM THE LOCAL LEVEL,  
AS TO HOW WE SEE THIS REORGANIZATION BENEFITING THE ELDERLY,  
DISABLED, AND RECIPIENTS OF LONG TERM CARE SERVICES. AMONG  
THESE WERE: THE ABILITY TO INTEGRATE DUAL OR FRAGMENTED PRO-  
GRAMS THAT ARE NOW ISOLATED; THE OPPORTUNITY TO INVOLVE COM-  
MUNITY BASED PROGRAMS AND VOLUNTEER NETWORKS IN THE DELIVERY  
OF ALL LONG-TERM CARE SERVICES, ESPECIALLY NURSING HOME CARE;  
AND THE POTENTIAL OF ARRESTING THE GROWTH OF NURSING-HOME  
CASELOADS, BEFORE SUCH EXPENDITURES GET ENTIRELY OUT OF CONTROL.

A FEW PROBLEMS HAVE BEEN RAISED WHICH SOME PEOPLE REGARD  
AS SIGNIFICANT ENOUGH TO BLOCK THIS LEGISLATION. I WOULD LIKE

TO EMPHASIZE, THAT IT IS NOT THAT WE DON'T SEE PROBLEMS, BUT,  
RATHER, WE RECOGNIZE THAT THIS LEGISLATION PROVIDES US WITH  
SOME OPPORTUNITIES. ALMOST EVERYONE AGREES THAT THERE ARE  
MAJOR ISSUES IN LONG-TERM CARE THAT NEED TO BE ADDRESSED --  
ALMOST EVERYONE AGREES WITH THE "CONCEPT" OF THIS BILL. TAKING  
THE STEPS NECESSARY TO DO SOMETHING, HOWEVER, RAISES FEARS,  
SOME WELL FOUNDED, OTHERS BASED ON MISINFORMATION AND STEREO-  
TYPICAL ATTITUDES. ONE PROBLEM WE HEAR IS VARYING FORMS OF  
"THE STATE IS OUT TO DUMP THEIR PROBLEMS ON US." I WOULD  
ANSWER THAT THE PROBLEMS OF THE ELDERLY, AND THE EFFECTIVE  
AND EFFICIENT DELIVERY OF SERVICES IS EVERYBODY'S PROBLEM, AND  
I FOR ONE WILL NOT ABROGATE MY ROLE IN SOLVING IT.

ANOTHER ISSUE IS, "HOW CAN YOU GET RID OF THE 'WELFARE  
STIGMA?'" MY RESPONSE IS THAT SUCH A STIGMA IS A MATTER OF

PERCEPTION. PUBLIC DOLLARS SUPPORT ALL THE SERVICES WE PROVIDE -- WHETHER THOSE SERVICES ARE DELIVERED LOCALLY OR BY THE STATE SAYS A LOT ABOUT WHETHER THE ELDERLY SEE THEMSELVES AS RECIPIENTS OF CHARITY, OR THE BENEFICIARIES OF SERVICES AS A "RIGHT."

OTHER PROBLEMS SUCH AS BUDGET CONSTRAINTS, FEDERAL BLOCK GRANTS, MEDICAID "CAPS," LIENS ON PROPERTY FOR TITLE XIX AND XX CLIENTS, EXIST REGARDLESS OF THIS LEGISLATION. PROBLEMS OF PERSONNEL TRANSFERS, AND OF CONTINUED SERVICE TO THE NON-ELDERLY POPULATION -- THE MENTALLY AND EMOTIONALLY DISTURBED AND THE MENTALLY RETARDED, WILL BE ADDRESSED IN THE AMPLE TIME NOW AVAILABLE TO EACH COMMUNITY TO DO SO, BECAUSE THE GOVERNOR'S COMMISSION ON AGING AMENDMENTS REMOVE THE DEADLINE FOR LOCAL GOVERNMENT.



IN SUMMARY, I WOULD LIKE TO SAY THAT WE WELCOME THIS OPPORTUNITY TO WORK IN PARTNERSHIP WITH THE STATE, AFS, ADVOCATES, AND SERVICE PROVIDERS TO DESIGN AN IMPROVED SERVICE DELIVERY SYSTEM. SUCH A SYSTEM WILL NOT INSTANTLY SOLVE ALL PROBLEMS. THE ALTERNATIVE, HOWEVER, TO MAINTAIN THE STATUS QUO, IS NOT A REASONABLE COURSE OF ACTION.

BASED ON AMENDMENTS SUGGESTED BY THE GOVERNOR'S COMMISSION ON AGING AND SOME CLARIFYING ADDITIONS RECOMMENDED BY OUR TASK FORCE IN MULTNOMAH COUNTY, WE FEEL THIS LEGISLATION IS WORTHY OF YOUR SUPPORT.

I WOULD LIKE, NOW, TO INTRODUCE MICHAEL SASLOW WHO HAS BEEN WORKING AS A CONSULTANT TO THE PORTLAND AAA. HE WILL OUTLINE OUR PROPOSED AMENDMENTS AND THE PROCESS BY WHICH THEY WERE DERIVED.

TESTIMONY OF MICHAEL G. SASLOW  
Route 1, Box 414, Philomath 97370 (503-929-3049)  
Consultant to the Portland/Multnomah Area Agency on Aging,  
Regarding Portland's Proposed Amendments  
to SB955

Our Task Force of about 40 persons representing various affected groups met Thursday evening June 25. In small groups, we reviewed possible amendments to SB955. These amendments reflected concerns that Task Force members, and others in Portland, had expressed in earlier discussions, interviews, or comments.

When the Task Force reassembled, we heard reports from the small groups. Then, we had a discussion with Governor's Commission on Aging and Department of Human Resources representatives who were present. We discussed which concerns might best be expressed as amendments and which, given clear commitments from this discussion, would better be expressed as State administrative rules or as our own local guidelines. Through this process, we ended up with a small number of proposed amendments which address major concerns and also some suggested clarifications in wording.

The main Portland/Multnomah amendments address four points:

1. Before an Area Agency on Aging, local government and the State agree that an Area Agency on Aging is ready to

become a Type B agency, the parties must work out a plan for how the Senior Services Division and the Mental Health Division will apportion responsibility, staff, and available administrative and service funds for the under-60 adult clients now served by Adult and Family Services.

2. The State will provide Type Area Agencies B agencies with annual budget levels for planning purposes for Title XIX and XX reimbursed services, holding back contingency reserves against possible overruns and shifts in utilization. The State will provide all Area Agencies with annual budget levels for Oregon Project Independence and Title III.
3. The State will give Type B Area Agencies the incentive of spending local savings in the general fund portion of their nursing home services allocations on alternative care under Title XX and Oregon Project Independence.
4. The State Management Information System will be responsive to Type B Area Agencies' needs for sufficient, timely information to manage their Title XIX and XX reimbursements within budgeted levels.

The Task Force agreed to continue to work together during the next months in order to assist the AAA and local elected officials regarding information gathering to facilitate resolution of remaining concerns about local arrangements for services to the elderly and disabled.

The Task Force also agreed that this Area Agency should urge the Senate Committee on Human Resources and Aging, on Tuesday June 30, to continue working on the bill, resolving our concerns by adding our proposed amendments. The task force members did not suggest the Multnomah County members of the Legislative sidetrack the issue by substituting an interim study and waiting two years before setting up a Senior Services Division. Neither did task force members suggest "backing off" and "getting off the hook," as some have proposed, by contriving a weak alternative bill announcing yet another statement of principle or policy. Rather, it was the sense of the Portland/Multnomah Task Force on SB955 that, with the Governor's Commission on Aging amendments which remove any deadline for local Area Agencies on Aging and local governments to decide whether to change existing arrangements as long as they consider those the most workable choice, SB 955 has truly become a desirable, high priority enabling act. That is, by enacting SB955, this Legislature will have to its credit this October a State level Senior Services Division which will facilitate rather than force local planning and initiatives. Moreover, this Legislature will have initiated creative State and local planning in response to the federal budget cuts rather than waiting two years to establish streamlined administrative arrangements to better protect our frail elderly from the worst possible consequences of federal decisions.

<u>AGENCY</u>	<u>NAME</u>	<u>PHONE</u>
Advisory Council	Esther McGinnis	244-4986
City/County Commission on Aging	Cecil Posey	774-8788
AAA Contractors and Board Members	Maria Cremer Peter Paulson Martha Haggland Jeanette Martin (Bill Grossie)	665-7189 227-5605
Adult & Family Services	Ben Talley Sue Dietsche Vyvyan Gardner Jim Sehon	238-8439 238-7558 238-8439 238-8439
Mult. Co. Human Services	Duane Lemley Charlotte Duncan Roger Olson (Jean Gould)	248-3782 248-3782 248-3056
Disabled/Handicapped Com.	Bud Thoune Stephanie Hochhalter	777-4166 229-7948
Metro. Service District	Rick Gustafson	221-1646
M.U. Physicians	Rich Schulz Beatrice Rose	229-3952 693-1551
Home Health Agencies	Madelyn Milne	
Health System Agency	Sylvia Davidson	222-4277
Mult. Foundation for Medical Care	Faye Gilbarg	243-1151
Social Worker/Hospital Disch. Plan	Sue Sakai	229-7010
Visiting Nurses		
Hospital	Dave Seeley (Jeff Selberg)	229-7711
Nursing Homes	Tom De Jardin	231-1411
Homes for Aged	Jean Gowing (Marsha Hansen)	283-4726
Foster Care Providers		
City Elected Officials:		
Rep. Commissioner Margaret Strachan-Julia Pomeroy		248-4151
Rep. Commissioner Mike Lindberg-Elsa Coleman		248-4180
Rep. Commissioner Mildred Schwab-George Lee		248-4180
Rep. Commissioner Charles Jordan-Anna Street		248-4682
Rep. Mayor Francis J. Ivancie-Jim Kuffner		248-4120

AGENCYNAMEPHONE

## County Elected Officials

Rep. Commissioner Gladys McCoy-Leslie	Ulmstead	248-5219
Rep. Commissioner Gordon Shadburne-Marsha	Agather	248-5213
Rep. Commissioner Caroline Miller - Gerry	Newhall	248-5217/5276
Rep. Commissioner Dennis Buchanan-Doris	Ingstrom	248-5220
Rep. Commissioner Earl Blumenauer		248-5218
Rep. County Executive Don Clark-Maggie	Pendleton	248-3308
Corporate Community	Olive Barton	248-3308
Grey Panthers	Marty Lemke	223-0576
Ecum. Ministries of Ore.	(Cecil Posey)	
AARP/NRTA	Harold Zeh	232-4357

1 PROPOSED TECHNICAL CORRECTIONS TO, OR CLARIFICATIONS OF, SENATE BILL 955

2 On page 1 of the LC draft, "Proposed Amendments, SB 955-2, 06-28-  
3 81 (31)," line 17, after "Division" insert "directly or" and after  
4 "through" insert "type B."

5 On page 5 of the LC draft, after line 17, insert "(c) Provide  
6 protective services."

7 On page 4 of the LC draft, line 26, delete all of line 37 of the  
8 printed bill.

9 On page 4 of the LC draft, line 28, delete "(f)" and insert "(e)".

10 On page 5 of the LC draft, line 2, delete "(g)" and insert "(f)".

11 On page 5 of the LC draft, line 4, delete "(h)" and insert "(g)".

12 On page 5 of the LC draft, line 8, delete "(i)" and insert "(h)".

13 On page 5 of the LC draft, line 9, delete "(j)" and insert "(i)".

14 On page 5 of the LC draft, line 11, delete "(k)" and insert "(j)".

15 On page 4 of the printed bill, after line 24, add "(e) Include  
16 persons who are eligible for services from the area agency."

17 On page 1 of the printed bill, after the deleted lines 19 through  
18 23 and after the LC draft insert, add "(9) Where Title XIX and Title  
19 XX of the Social Security Act are referred to for purposes of this  
20 act, the reference is to those programs in said titles transferred  
21 from the long term care unit of the health and social services section  
22 of the Adult and Family Services Division, not to Title XIX medical  
23 programs, Title XIX programs in other divisions, or Title XX programs  
24 in other divisions."

25 On page 11 of the printed bill, line 16, after "Division," add  
26 "estates claims requirements and procedures related to certain Title  
27 XIX and XX services, under current Oregon Statutes and Federal Regula-  
28 tions, shall not be extended to other services by virtue of this act."

PROPOSED AMENDMENTS TO SENATE BILL 955

1  
2 On page 2 of the printed bill, line 21, after "funds.", add  
3 "The Division will provide type B area agencies with annual budget  
4 levels, for planning purposes, of Title XIX and Title XX reim-  
5 bursed services, holding back contingency reserves against  
6 overruns and shifts in utilization. The Division will provide  
7 both type A and type B area agencies with annual budget levels  
8 for Oregon Project Independence and Title III."

9 On page 2 of the printed bill, line 24, after "funds.", add  
10 "The Division will give type B area agencies the incentive of  
11 reallocating local savings in the general fund portion of their  
12 nursing home services allocations to alternative care through  
13 Title XX and Oregon Project Independence."

14 On page 2 of the printed bill, line 33, after "agencies.",  
15 add "including sufficient timely management information so that  
16 type B area agencies can manage their Title XIX and XX reimburse-  
17 ments within budgeted levels."

18 On page 4 of the printed bill, line 28, after "requirements,"  
19 insert, "has the approval of the responsible unit of local  
20 government in the case of a type B area agency,."

21 On page 4 of the printed bill, line 28, after the second "and,"  
22 insert "is consistent with."

23 On page 5 of the printed bill, line 16, after "reporting,"  
24 insert "program management and fiscal control."

25 On page 5 of the printed bill, line 32, add "Before an  
26 area agency, local government, and the Division determine that an  
27 area agency on aging is ready to become a type B area agency, they  
28 must ensure that the plan has been prepared in coordination with



1 the local mental health authority. The plan must include any  
2 necessary interagency agreements regarding which agencies are to  
3 have responsibility for each specific group of clients under  
4 age 60. The plan must address necessary transfers of staff and  
5 available equipment and administrative and service funds. The  
6 plan must be prepared with participation of potentially affected  
7 clients, staff, and other parties at the local level, including the  
8 physically handicapped.

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Ten of the forty sections of SB-955 deal with substantive policy matters (1-7, 9, 30, and 39). The remaining sections are technical "boilerplate" necessary to authorize implementation at the state level. The ten substantive sections are circled below on this outline.

- SECTION ①: Definitions of terms.
- SECTION ②: "Policy"
- SECTION ③: Duties of the SSD
- SECTION ④: SSD consolidates functions of AFS and OEA
- SECTION ⑤: Defines roles of local government unit vis-a-vis AAA vis-a-vis SSD
- SECTION ⑥: AAA Advisory Board - Duties
- SECTION ⑦: Duties of the AAA
- SECTION 8: Interagency agreements
- SECTION ⑨: Transfer of state employees
- SECTION 10: ORS 184.900 amended- Functions of the Governor's Commission on Aging & Disabled
- SECTION 11: Appointments to the Governor's Commission
- SECTION 12: ORS 184.750 amended - to include SSD in DHR
- SECTION 13: ORS 184.865 amended - OEA deleted
- SECTION 14: ORS 327.525 amended - Commodities program for aging
- SECTION 15: Grants authority to SSD to develop necessary rules
- SECTION 16: ORS 441.630 amended - replaces AFS with SSD in abuse statutes
- SECTION 17: ORS 411.590 amended - replaces AFS with SSD in nonsubject worker statute
- SECTION 18: Establishes revolving fund for SSD
- SECTION 19: Establishes SSD account
- SECTION 20: Authorizes SSD to employ personnel
- SECTION 21: Safeguarding of records
- SECTION 22: Disclosure of records
- SECTION 23: AFS and OEA references in general renamed SSD references
- SECTION 24: Transfer of OEA and AFS equipment and personnel to SSD
- SECTION 25: Authorizes SSD to collect obligations
- SECTION 26: Establishes SSD as continuation of AFS and OEA
- SECTION 27: Ongoing business of OEA and AFS transferred to SSD
- SECTION 28: Replaces AFS and OEA by SSD in existing laws and regulations, etc.
- SECTION 29: Functions of AFS and OEA transferred to SSD
- SECTION ③⑩: Disclaimer on local funds- protection of local funds
- SECTION 31: Repeals outdated statutes on commodities, OPI/AFS service duplication, OEA and Legislative policy on care of elderly.
- SECTIONS 32-38 Amends current law and pending statutes on allocations
- SECTION ③⑨: Sets effective date of the various sections of the act.
- SECTION 40: Declares an emergency.

TESTIMONY GIVEN BEFORE THE SENATE COMMITTEE ON  
AND AGING, JUNE 30, 1981, BY JILL A BILLS, CHAIRPERSON, PORTLAND/  
MULTNOMAH ASSOCIATION OF AGENCY ON AGING AGENCIES (5A'S)

I REPRESENT THE ASSOCIATION OF AREA AGENCY ON AGING  
AGENCIES, A GROUP OF 17 SOCIAL SERVICE PROVIDERS WHO CONTRACT  
WITH THE PORTLAND/MULTNOMAH AREA AGENCY ON AGING.

SEVERAL OF OUR ASSOCIATION MEMBERS HAVE PARTICIPATED IN THE  
GOVERNOR'S COMMISSION ON AGING TASK FORCE WHICH HAS RESULTED IN  
SENATE BILL 955. AT A MEETING ON JUNE 26, 1981, THE ASSOCIATION  
ADOPTED THE FOLLOWING RESOLUTION IN SUPPORT OF THE BILL:

"THE ASSOCIATION OF AREA AGENCY ON AGING AGENCIES SUPPORTS  
SENATE BILL 955 WITH THE AMENDMENTS RECOMMENDED ON JUNE 23,  
1981, BY THE GOVERNOR'S COMMISSION ON AGING TASK FORCE, AND  
ADDITIONAL AMENDMENTS RECOMMENDED ON JUNE 25, 1981, BY THE PORT-  
LAND/MULTNOMAH AD HOC TASK FORCE, WITH THE UNDERSTANDING THAT  
THE GOVERNOR'S COMMISSION ON AGING TASK FORCE WILL CONTINUE TO  
OPERATE AND BE THE BODY THROUGH WHICH THE SENIOR SERVICES DIVI-  
SION ADMINISTRATIVE RULES ARE DEVELOPED."

WE THINK THE AMENDMENTS OFFERED BY THE GOVERNOR'S COMMISSION  
TASK FORCE AND THE PORTLAND/MULTNOMAH TASK FORCE OVERCOME TWO  
MAJOR OBSTACLES TO SUCCESSFUL IMPLEMENTATION OF THIS LEGISLATION.

FIRST, ALLOWING FOR TWO TYPES OF AAA'S DOES NOT THREATEN  
AREA AGENCIES WITH LOSS OF OREGON PROJECT INDEPENDENCE FUNDS FOR  
BEING UNWILLING OR UNABLE TO ACCEPT TITLE XIX OR XX FUNDS.

SECOND, THE ELIMINATION OF A DEFINITE IMPLEMENTATION TIME-  
LINE WILL ALLOW LOCAL COMMUNITIES ADEQUATE PLANNING AND PREPAR-  
ATION TIME AS WE MOVE TOWARD MORE EFFECTIVE AND EFFICIENT LONG-  
TERM CARE FOR THE STATE'S ELDERLY.

FINALLY, SENATE BILL 955, WITH THE AMENDMENTS, OFFERS NEW POTENTIAL FOR:

- A SINGLE ENTRY SERVICE SYSTEM AND CONTINUITY OF CARE IN AN INDIVIDUAL'S DECLINING YEARS,
- INCREASED SERVICE COORDINATION IN A TIME OF DECLINING RESOURCES,
- INCREASED LOCAL CONTROL IN THE PLANNING AND ADMINISTRATION OF PROGRAMS, WITH NO LOSS OF LOCAL VOLUNTEER OR FINANCIAL RESOURCES.
- INCREASED ALTERNATIVES TO COSTLY NURSING HOME PLACEMENTS.

WE HOPE, SENATOR MCCOY, THAT YOU AND YOUR COLLEAGUES RECOGNIZE THE VALUE OF SENATE BILL 955. WE RECOMMEND YOU GIVE IT FULL CONSIDERATION AND FORWARD IT TO THE THE SENATE WITH A RECOMMENDATION OF "Do Pass."

THANK YOU.

SUBMITTED BY: JILL A. BILLS, CHAIRPERSON  
ASSOCIATION OF AREA AGENCY ON AGING AGENCIES  
6125 SE 52ND  
PORTLAND, OR 97206

5 A's MEMBERSHIP INCLUDES REPRESENTATIVES FROM:

METROPOLITAN FAMILY SERVICES  
NEIGHBORHOOD HOUSE, INC.  
TRI-COUNTY COMMUNITY COUNCIL  
PENINSULA PROJECT ABLE  
NORTHWEST PILOT PROJECT  
FRIENDLY HOUSE  
SENIOR LAW PROJECT  
JAPANESE ANCESTRAL SOCIETY  
MITTLEMAN JEWISH SENIOR CENTER  
TRI-MET SPECIAL NEEDS  
TRANSPORTATION

URBAN INDIAN CENTER  
MULNTOMAH COUNTY COMMUNITY ACTION  
AGENCY  
URBAN LEAGUE SENIOR CENTER  
COMMUNITY OF SPANISH SPEAKING  
PEOPLE OF OREGON  
HOLLYWOOD SENIOR CENTER  
LOAVES & FISHES CENTERS, INC.  
PACT SENIOR CENTER



CITY OF  
**PORTLAND, OREGON**

COMMISSIONER OF PUBLIC UTILITIES

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EXHIBIT "0"  
Senate Committee on  
Human Resources/Aging  
June 30, 1981  
Page 1 of 2 SB 955  
Portland, Oregon 97204  
(503) 248-4151

June 30, 1981

Senator Bill McCoy  
State Capitol, Room S-209  
Salem, Oregon 97310

Dear Senator McCoy:

As the Portland City Commissioner in charge of the Portland/Multnomah Area Agency on Aging, I would like to give my support to the passage of Senate Bill 955.

I can characterize the reason for my support with one word -- "opportunity." There is no guarantee of momentous and immediate resolution of long term care issues, which have been recognized as problems for many years. However, steps should be taken now, if we are to avoid a drastic increase in potential nursing home clients in future years. The spectre of nursing home expenditures bankrupting state government is not to be taken lightly, in the light of federal cuts for social services and the proposed "cap" on Medicaid.

We feel, then, that reorganization presents:

- an opportunity to humanize services based on the active involvement of local communities through community based agencies and volunteer networks in the care of the elderly at all levels of service;
- an opportunity to expand the availability of less intrusive, more appropriate, alternate care for the elderly;
- an opportunity to curtail the growth of nursing home caseloads;
- an opportunity to simplify the complex web of regulation and procedural barriers to service, so confusing and frustrating to both the elderly and those who seek to serve them;
- an opportunity to unify the strengths and energies of state and local staff into coherent and focused strategies; and

- ° an opportunity to design a service system which is both flexible, regarding local circumstances, and accountable to the public at large.

I am extremely pleased to see that recent proposed amendments to SB 955 will allow local areas to approach the reorganization based on these opportunities without threat of penalties or deadlines i.e., at their option some AAA's can opt for the status quo and phase into full participation over time.

While there are pragmatic issues that will need to be resolved once the bill is enacted -- personnel transfers, appropriate consideration of other needy populations, and the actual design of an effective service system in each locality -- the time is now available, given the amendments, for proper local planning to address these issues.

The volunteers, service providers, and the AAA of Portland/Multnomah County welcome the opportunity to work with state staff in the years to come in ways which will benefit the vulnerable citizens of our community.

Sincerely



MARGARET D. STRACHAN  
Commissioner of Public Utilities

MDS:dah

Testimony in favor of SB 955, Relating to Senior Services  
presented by Lela Humiston, 211 River Loop #1, Eugene, 97  
to SENATE COMMITTEE ON HUMAN RESOURCES AND AGING  
Senator William McCoy, Chairperson

EXHIBIT "p"  
Senate Committee on  
Human Resources/Aging  
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I want to speak in support of SB 955 as chairperson of the Citizens Advisory Committee on Aging for Area 5, and as spokesman for the Board of Directors of Lane Council of Governments, which is our Administrative Agency.

In planning for the utilization of State Oregon Project Independence funds and Federal Older Americans Act funds which come to our area, the Advisory Committee is continuously planning objectives and priorities based on the needs and attitudes of area seniors. We act as advocates for them in providing services to fit their needs, and in assessing the value and effectiveness of our service programs.

From our perspective, SB 955 would provide a framework within which we could better carry out our mandated functions. We must be advocates for all elderly who need long term care. Sometimes only a few dollars in income separate OPI clients and AFS Alternative clients, and it is so easy to slip over that line. Low income seniors may do fine with a few community based services, but will inevitably need state assistance if they go into a nursing home. Only through coordinated planning and flexibility of funding can we meet the existing needs most efficiently.

As one who works with OPI and Older American Act programs, I am a firm believer in community based services as alternatives to unnecessary and more costly institutionalization. The present system has always been institution - oriented, so that it is usually easier and simpler to put a person in a nursing home, however exorbitant the cost. But it is becoming clearer all the time that there are better ways to care for some of these people --ways that fill needs more exactly and are more cost effective. Oregon's elderly have made clear their preference for services

which encourage them to stay active in their communities and which support their efforts to remain in living situations of their choice. Project Independence is extremely popular. This Legislature recently passed a State Policy on Aging which commits the state to "encourage all programs that seek to maximize self care and independent living within the mainstream of life." Seniors were very much involved in the articulation of that policy. At the recent State Conference on Aging, delegates from around the state gave top priority in the long-term-care area to a resolution "to establish a comprehensive service system which provides a continuum of care to foster independence for the elderly."

Recently the Oregon Systems Development Project interviewed a cross section of people involved in delivery of services, public officials, elderly clients and their families. Their report notes "almost unanimous support for the development of a continuum of services", a statewide plan for the delivery of services, and "for the increased coordination of local programs." The report also found common belief "that a cooperative relationship can be developed in which the state specifies goals and obtains funds for senior programs, and local communities develop their individual methods of implementation". This is the kind of relationship SB 955 spells out. It delineates a system which not only is in accord with the needs and desires of seniors, but also represents the best use of public funds, so that a more balanced system of care can be developed.

It is imperative that every effort be made to use wisely the dollars available to meet our goal of maintaining persons in the least restrictive settings, with the greatest independence. I urge you to support SB 955. Thank you.



PROPOSED AMENDMENTS TO SENATE BILL 955

# Senate Bill 955

Sponsored by COMMITTEE ON HUMAN RESOURCES/AGING (at the request of Governor's Commission on Aging;  
United Seniors)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Creates, operative July 1, 1982, Senior Services Division in the Department of Human Resources to provide social services to elderly and adult disabled persons. Changes name of Governor's Commission on Aging to Governor's Commission on Aging and the Disabled. Transfers certain functions from Office of Elderly Affairs and Adult and Family Services Division to the Senior Services Division.

Appropriates \$\_\_\_\_\_ to the Senior Services Division for biennium. Changes biennial appropriation to Department of Human Resources and Adult and Family Services Division.

Declares emergency, effective October 1, 1981.

## A BILL FOR AN ACT

1  
2 Relating to social services; creating new provisions; amending ORS 184.750, 184.865, 184.900, 327.525, 411.590  
3 and 441.630 and sections 1, 2 and 3, chapter\_\_\_\_\_, Oregon Laws 1981 (Enrolled House Bill 5036), and  
4 sections 1, 2 and 3, chapter\_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532); repealing ORS  
5 184.860, 327.523, 413.025 and 441.081; appropriating money; and declaring an emergency.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** As used in this Act:

8 (1) "Area agency" means:

9 (a) An established or proposed Area Agency on Aging operating or to operate within a planning and service  
10 area designated under Section 305 of the Older Americans Act; or

11 (b) Any public or nonprofit private agency which is designated as an Area Agency on Aging under Section  
12 305 of the Older Americans Act.

13 (2) "Area agency board" means the local policy-making board which directs the actions of the area agency  
14 within state and federal laws and regulations.

15 ~~(2) "Disabled" means all persons with physical or mental handicaps who are eligible or potentially eligible~~  
16 ~~for services under this Act.~~

17 (3) "Division" means the Senior Services Division of the Department of Human Resources.

18 (4) "Elderly" means persons who are 60 years of age or older.  
*served by type A area agencies or type B agencies.*

*delete*

2

11 "(5) 'Handicapped person' means a person with a physical or  
12 mental handicap:

13 "(a) Who is eligible for Supplemental Security Income or for  
14 general assistance from the Adult and Family Services Division; and

15 "(b) Who meets one of the following criteria:

16 "(A) Is mentally retarded <sup>or</sup> ~~and~~ developmentally disabled and  
17 resides in or needs placement in a residential program administered  
18 by the Senior Services Division.

19 "(B) Is mentally <sup>or</sup> ~~and~~ emotionally disturbed and resides in or  
20 needs placement in a residential program administered by the Senior  
21 Services Division.

22 "(C) Is an alcohol or drug abuser and resides in or needs  
23 placement in a residential program administered by the Senior  
24 Services Division.

25 "(D) Has a physical or mental handicap other than those  
26 described in subparagraphs (A) to (C) of paragraph (b) of this  
27 subsection."

*delete*

~~19 (6) "Protective services" means a service to be provided by the Senior Services Division through area  
20 agencies, in response to the need for protection from harm or neglect to the elderly and the disabled.~~

~~21 (7) "Local government" means a political subdivision of the state whose authority is general and not  
22 limited to only one function or combination of related functions, or a combination of units of general purpose  
23 local governments as defined in ORS 190.003.~~

1       "(6) 'Local government' means a political subdivision of the  
2 state whose authority is general and not limited to only one  
3 function or combination of related functions, or a combination of  
4 units of general purpose local governments as defined in ORS  
5 190.003.

6       "(7) 'Protective services' means a service to be provided by the  
7 Senior Services Division directly or through type B area agencies,  
8 in response to the need for protection from harm or neglect to  
9 elderly persons.

10       "(8) 'Title XIX' means the programs in Title XIX transferred  
11 from the long term care unit of the health and social services  
12 section of the Adult and Family Services Division to the Senior  
13 Services Division but does not include Title XIX medical programs or  
14 Title XIX programs in other divisions.

15       "(9) 'Title XX' means the programs in Title XX transferred from  
16 the long term care unit of the health and social services section of  
17 the Adult and Family Services Division to the Senior Services  
18 Division, but does not include Title XX programs in other divisions.

19       "(10) 'Type A area agency' means an area agency:

20       "(a) For which either the local government or the area agency  
21 board agrees to not accept local administrative responsibility for  
22 Title XIX and Title XX of the Social Security Act; and

23       "(b) That provides a service to persons 60 years of age or  
24 older.

25       "(11) 'Type B area agency' means an area agency:

26       "(a) For which the local government agrees to accept local  
27 administrative responsibility for Title XIX and Title XX of the  
28 Social Security Act; and

1 "(b) That provides a service to persons 60 years of age or older  
2 or handicapped persons who require services similar to those  
3 required by persons 60 years of age or older, or both."

24 SECTION 2. The State of Oregon finds that the needs of the elderly ~~and the adult disabled~~ population can  
25 be best served and planned for at the local community level; that a longer life expectancy and a growing elderly

NOTE: Matter in bold face in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted;  
complete new sections begin with SECTION.

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[2]

1 population demands services be provided in a coordinated manner and a single local agency system for such  
2 services be instituted; that local resources and volunteer help will augment state funds and needed manpower;  
3 that local flexibility in providing services be encouraged; and that a single state agency should regulate and  
4 provide leadership to insure that the elderly ~~and the adult disabled~~ citizens of Oregon will receive the necessary  
5 care and services at the least cost and in the least confining situation.

6 SECTION 3. (1) The Senior Services Division is created in the Department of Human Resources. The  
7 division shall administer laws and programs relating to social, health and protective services to elderly ~~and adult~~  
8 ~~disabled~~ persons.

9 (2) The division shall:

10 (a) Serve as the central state agency with primary responsibility for the planning, coordination,  
11 development and evaluation of policy, programs and services for ~~the elderly and the adult disabled~~ persons in  
12 Oregon and serve as the designated state unit on aging, as defined in the Older Americans Act of 1965.

13 (b) With the advice of the Governor's Commission on <sup>Senior Services</sup> ~~aging and the Disabled~~, develop long-range state  
14 plans for programs, services and activities for elderly ~~and adult disabled~~ persons, to be revised and  
15 implemented annually. State plans should be based on area agency plans, state-wide priorities and state and  
16 federal requirements.

17 (c) Enter into such contracts and make such grants within the limits of appropriated funds, as are  
18 necessary or appropriate to the performance of its duties or the execution of its powers under this Act.

19 (d) Have the authority to transfer "state and federal funds,

14 except Title III of the Older Americans Act"

20 funds, from one area agency to another area agency after consultation  
21 with the area agencies involved in the transfer. However, no area agency shall suffer a reduction in state or  
22 federal funds due to increased local funds.

(e) Have the authority to transfer "state and federal funds

17 except Title III of the Older Americans Act"

funds,

from one program or service to another program or service after

23 consultation with the area agencies. However, no area agency shall suffer a reduction in state or federal funds  
24 due to increased local funds.

25 (f) Receive and disburse all federal and state funds allocated to the division; solicit, accept and administer  
26 grants, including Federal Government grants or gifts made to the division or to the state for the benefit of  
27 elderly ~~and adult disabled~~ persons in the state.

28 (g) Hold hearings and conduct studies or investigations concerning all matters affecting health, safety and  
29 welfare of elderly ~~and adult disabled~~ persons as are necessary or desirable to carry out the purposes of this Act.

30 (h) Assure the rights of individuals to apply for and receive services and to be given fair hearings when  
31 such services are denied.

32 (i) Prepare federally required plans and reports.

33 (j) Process fiscal and client data for all area agencies.

delete

34 ~~(k) Pay Title III payments for services within a central payment processing system, except at the option of~~  
35 ~~the area agency.~~

36 ~~(k)~~ Conduct regulatory functions with regard to program operation, including administrative rules for  
37 authorized services, standard rate setting and quality assurance.

38 ~~(l)~~ Conduct research and other appropriate activities to determine the needs of elderly ~~and adult disabled~~  
39 persons in this state, including, but not limited to, their needs for social and health services; and to determine

[3]

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1 what existing services and facilities, private and public, are available to elderly ~~and adult disabled~~ persons to  
2 meet those needs.

3 ~~(m)~~ Maintain a clearinghouse for information related to the needs and interests of elderly ~~and adult disabled~~  
4 persons.

5 ~~(n)~~ Provide information and technical assistance to the Governor's Commission on ~~Aging and the Disabled~~,  
6 and keep the commission continually informed of the activities of the division.

Senior Services

7 ~~(o)~~ Make recommendations for legislative action to the Governor and to the Legislative Assembly, after  
8 consultation with the Governor's Commission on ~~Aging and the Disabled~~.

Senior Services  
Aging and the Disabled

9 ~~(p)~~ Provide technical and program assistance to area agencies.

10 ~~(q)~~ Provide training assistance to area agencies.

11 ~~(r)~~ Provide area agencies with assistance in applying for federal, state and private grants and identifying  
12 new funding sources.

13 ~~(s)~~ Assist the area agencies in providing technical assistance and training to agencies and organizations,  
14 both public and private, with respect to programs and services for elderly ~~and adult disabled~~ persons.

15 ~~(t)~~ Assist area agencies to stimulate more effective use of existing resources and services for elderly ~~and~~  
16 ~~adult disabled~~ persons and develop programs, opportunities and services which are not otherwise provided for  
17 elderly persons, with the aim of developing a comprehensive and coordinated system for the delivery of social  
18 services to elderly ~~and adult disabled~~ persons.

19 ~~(u)~~ Serve as an advocate within government and in the state for elderly ~~and adult disabled~~ persons.

18 "(3) In addition to the requirements of subsection (2) of this  
19 section, the division shall:

20 "(a) Provide type A and type B area agencies annual budget  
21 levels for Oregon Project Independence and Title III expenditures.

22 "(b) Provide type B area agencies:

23 "(A) Annual budget levels for planning Title XIX and Title XX  
24 reimbursed services. In determining the budget levels, the division  
25 shall retain contingency reserves against overruns and transfers in  
26 use of Title XIX and Title XX funds.

27 "(B) Timely management information so the area agency can manage  
28 Title XIX and Title XX reimbursements within budgeted levels.

1 "(C) The incentive to reallocate local money in the General Fund  
2 portion of nursing home services allocations to alternative care  
3 services through Title XX and Oregon Project Independence.

4 "(c) Make payments for services within a central processing  
5 system for:

6 "(A) A type A area agency, at the request of the agency, for  
7 Oregon Project Independence or Title III expenditures, or both.

8 "(B) A type B area agency, for Title XIX, Title XX and Oregon  
9 Project Independence expenditures, and at the request of the agency,  
10 for Title III expenditures.

11 "(d) Assume program responsibility for Title XIX and Title XX  
12 programs in areas served by Type A area agencies and in areas where  
13 no area agency is designated."

20 **SECTION 4.** The Senior Services Division shall have responsibility for all programs and functions  
21 performed by the Office of Elderly Affairs and the Adult and Family Services Division, Social and Long Term  
22 Care Services.

23 **SECTION 5.** (1) The Department of Human Resources is the designated single state agency for all federal  
24 programs under this Act.

25 (2) Except as provided in subsections <sup>(7) and (8)</sup> ~~(5) to (7)~~ of this section, the administration of services to clients  
26 under this Act shall be through area agencies, and shall comply with all applicable federal regulations.

16 "(3) On and after the effective date of this Act, a type A area  
17 agency shall operate in the same manner as it operated with local  
18 administrative responsibility for Title III of the Older Americans  
19 Act and Oregon Project Independence before the effective date of  
20 this Act.

21 "(4) A type A area agency may remain a type A indefinitely at  
22 the option of the area agency."

27 (5) ~~(3)~~ A local government shall be responsible for all actions of <sup>a type B</sup> the area agency including but not limited to,  
28 the accountability for funds and compliance with federal and state laws and rules. Such responsibility shall  
29 include all geographic areas in which the <sup>type B</sup> area agency is designated to operate.

30 (6) ~~(4)~~ <sup>type B</sup> Except as specified in subsection (7) of this section, the respective local government shall appoint a  
31 director of the <sup>type B</sup> area agency in its jurisdiction who must meet minimum qualifications established by the  
32 division. The director shall serve with the continuing approval of the Assistant Director for Senior Services.

"Continuing approval

2 may be withdrawn only when it can be shown that the state or federal  
3 rules have not been complied with by the type B area agency, state  
4 or federal funds are not being expended for the purposes for which  
5 they were intended or that the elderly are not receiving appropriate  
6 services within available funds."

33 Withdrawal of continuing approval is appealable to the Director of Human Resources and the Governor by the  
34 local government.

35 (7) ~~(5)~~ In the event that a local government withdraws the designation of an area agency, or the division  
36 withdraws the area agency designation in accordance with the Older Americans Act, the division shall  
37 administer the services to clients previously performed by the area agency until a new area agency is  
38 designated.

39 (8) ~~(6)~~ The division may withdraw any particular program or service, except Title III programs, from the area  
40 agency, and administer such programs and services. Before such action is taken, the division must consult with

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1 the director of the area agency and the chief elected official of the affected local government. Such action shall  
2 be taken by the division only when it can be shown the federal or state laws or rules have not been <sup>complied with</sup> adhered to,  
3 state or federal funds are not being expended for the purposes for which they were intended, or that the elderly  
4 ~~or the adult disabled~~ are not receiving appropriate services within available resources.

"Withdrawal of any particular program or service is  
13 appealable to the Director of Human Resources and the Governor."

*Subtitle*

~~(7) If, after negotiation with the division and the designated area agency, the appropriate local elected official does not assume direct responsibility, or does not delegate by resolution or ordinance program responsibility to an existing private nonprofit organization which has been duly designated by the state as the area agency, the division shall assume program responsibility. In such case, the division shall administer Title III programs through the area agency unless subsection (5) of this section is operative. All other programs shall be administered by the division. In such case:~~

(a) The area agency board shall appoint the director of the area agency.

~~(b) The director must meet the qualifications set forth in subsection (4) of this section.~~

SECTION 6. (1) Each area agency shall have an area agency advisory council, with members appointed by ~~the local government, including both elderly and adult disabled persons.~~ *the area agency board.*

"(a) For a type A area agency, membership of the council shall include consumers of services under Senior Services Division programs, including low income, minority and handicapped persons.

"(b) For a type B area agency, membership of the council shall include persons described in paragraph (a) of subsection (1) of this section. Representation of handicapped persons on the council shall be in proportion to the ratio of such persons to all persons in the jurisdiction of the area agency who received Title XIX and Title XX services, or both, during the preceding 12-month period, but shall not be fewer than one."

(2) Each area agency advisory council shall:

(a) Recommend basic policy guidelines for the administration of the activities of the area agencies on behalf of elderly ~~and adult disabled~~ persons, and advise the area agency on questions of policy.

(b) Advise the area agency with respect to development of the area plan and budget, and review and comment on the completed area plan and budget before its transmittal to the Assistant Director for Senior Services.

(c) Review and evaluate the effectiveness of the area agency in meeting the needs of elderly ~~and adult disabled~~ persons in the planning and service area.

(d) Meet at least quarterly. The meetings shall be open to the public and reasonable advance public notice of meetings shall be given.

SECTION 7. <sup>(1)</sup> Each <sup>area</sup> agency shall:

(a) ~~(1)~~ Conduct local planning functions for ~~all funding sources, including Title XIX and XX of the Social Security Act, Title III of the Older Americans Act and Oregon Project Independence.~~

(b) ~~(2)~~ Develop a local plan for service delivery <sup>that</sup> which complies with federal and state requirements and locally determined objectives consistent with the state policy on aging. This plan shall be reviewed and approved by the division. *is in accord with*

(c) ~~(3)~~ Assess the needs of elderly ~~and adult disabled~~ persons within the planning and service delivery area for service for social and health services, and determine what resources are currently available to meet those needs.



34 (d) ~~(d)~~ Assume the responsibility of determining services required to meet the needs of elderly ~~or adult~~  
35 ~~disabled~~ persons, assure that such services are provided within the resources available and determine when  
36 such services are no longer needed.

37 ~~(e) Provide protective services to elderly and adult disabled persons.~~

38 (e) ~~(e)~~ Endeavor to coordinate and expand existing resources in order to develop within its planning and  
39 service area a comprehensive and coordinated system for the delivery of social and health services to elderly  
40 ~~and adult disabled~~ persons.

1 (f) ~~(f)~~ Serve as an advocate within government and within the community at large for the interests of elderly  
2 ~~and adult disabled~~ persons within its planning and service area.

3 (g) ~~(g)~~ Make grants to or enter into contracts with any public or private agency for the provision of social or  
4 health services not otherwise sufficiently available to elderly ~~and adult disabled~~ persons within the planning and  
5 service area. ~~Grants and contracts shall require the prior approval of the division, unless otherwise prohibited~~  
6 ~~by federal statutes or regulations.~~

7 (h) ~~(h)~~ Monitor and evaluate the activities of its service providers to insure that the services being provided  
8 comply with the terms of the grant or contract. Where a provider is found to be in breach of the terms of its  
9 grant or contract, the area agency shall exercise its full rights under the law to obtain such relief, restitution,  
10 improvement in services or discharge from its obligation under the grant or contract as is necessary or  
11 appropriate under the circumstances.

12 (i) ~~(i)~~ Conduct research, evaluation, demonstration or training activities appropriate to the achievement of  
13 the goal of improving the quality of life for elderly ~~and adult disabled~~ persons within its planning and service  
14 area.

15 (j) ~~(j)~~ Comply with division requirements that have been developed in consultation with the area agencies for  
16 client and fiscal information and provide to the division information necessary for federal and state reporting,  
17 program evaluation <sup>program management, fiscal control and</sup> ~~or research needs.~~

1 "(k) Establish an administrative structure and qualifications  
2 for key personnel that reflect the programs to be managed and the  
3 population to be served.

4 "(2) Each type B area agency shall: (a) and through

5 "(a) Comply with the provisions of paragraphs (c) <sup>^</sup> to (k) <sup>^</sup> of  
6 subsection (1) of this section;

7 "(b) Conduct local planning functions for Title XIX and Title XX  
8 of the Social Security Act;

9 "(c) Develop a local plan <sup>for service delivery</sup> subject to review and approval by the  
10 division and the responsible unit of local government ~~for service~~  
11 ~~delivery~~ that complies with federal and state requirements and <sup>is</sup> in  
12 accord with locally determined objectives consistent with the state  
13 policy on aging; and

14 "(d) Provide protective services."

18 SECTION 8. Each area agency may use, with the consent of state and municipal departments and  
19 agencies, their services, equipment, facilities and personnel, and pay therefor, within the limits of its resources,  
20 as agreed between the agencies and to cooperate with other public and private agencies as to the use of  
21 services, equipment and facilities.

22 SECTION 9. (1) Those state employes whose duties involve services assumed by <sup>a type B</sup> ~~an~~ area agency shall be  
23 transferred to and supervised by that area agency under the provisions of ORS 236.610 to 236.650.

24 (2) <sup>A type B</sup> ~~An~~ area agency may choose to contract with the division for services, or may choose to have the  
25 employes become employes of the area agency. Any state employe transferred to <sup>a type B</sup> ~~an~~ area agency shall not  
26 suffer any reduction in salary or loss of employe benefits as a result of the transfer.

27 (3) Prior to the transfer of any state employe to any other public employer under this Act, at a date to be  
28 determined by the Assistant Director for Senior Services, each <sup>type B</sup> ~~an~~ area agency shall prepare a plan in coordination  
29 with local staff of the Adult and Family Services Division for implementation of this Act. The plan shall show  
30 how statutory responsibilities are to be met and how all staff are to be utilized.

"The plan must be consistent  
20 with the requirements of ORS 190.110 and 190.240." The plan must be approved by  
31 the division, and the rights of transferred employes under ORS 236.610 to 236.650 given the greatest possible  
32 consideration.

22 "SECTION 9a. (1) Prior to the designation of an area agency as a  
23 type B area agency, the area agency, <sup>The</sup> responsible unit of local  
24 government and the division must insure that the plan described in  
25 subsection (3) of section 9 of this Act has been prepared in  
26 coordination with the appropriate local mental health authority.

27 "(2) A plan prepared pursuant to subsection (1) of this section  
28 must:

1 "(a) Include any necessary interagency agreements regarding  
2 which agency is to have responsibility for each specific group of  
3 clients under 60 years of age.

4 "(b) Address necessary transfers of staff, available equipment  
5 and administrative and service funds.

6 "(c) Be prepared with the participation of potentially affected  
7 clients, staff and other individuals at the local level, including  
8 but not limited to physically handicapped individuals."

33 (4) When an Adult and Family Services Division employe is transferred to <sup>a type B</sup> an area agency as a result of this  
34 Act, and the position of that employe in the area agency is subsequently abolished for reasons other than for  
35 unsatisfactory performance of duties, that employe retains the same layoff rights as if the employe had  
36 continued to be employed by the state for a period of one year from the date of the transfer.

37 Section 10. ORS 184.900 is amended to read:

38 184.900. (1) The Governor's Commission on <sup>Senior Services</sup> ~~Aging and the Disabled~~ is created. The commission shall  
39 consist of at least [19] 21 members appointed by the Governor for terms of three years.

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[6]

1 (2) Prior to making appointments, the Governor shall request and consider recommendations from the area  
2 agencies on aging and other interested senior organizations. The Governor shall designate a member to serve at  
3 [his] the pleasure of the Governor as chairman for a term of two years with such duties as [he] the Governor  
4 shall prescribe. The membership of the commission shall be composed of [members] persons broadly  
5 representative of major public and private agencies who are experienced in or have demonstrated particular  
6 interest in the special needs of [the] elderly ~~and adult disabled~~ persons, including [citizens] persons who have  
7 been active in [senior] organizations and advocates on behalf of [senior citizens] elderly ~~and adult disabled~~  
8 persons. [Of the members appointed to the commission under this subsection, a majority shall be] <sup>Additionally,</sup> Membership  
9 shall include ~~actual~~ "persons who are active in  
16 advocacy organizations representing the interests of handicapped  
17 persons who are served in programs under the Senior Services  
18 Division and" consumers of services under the [aging] Senior Services Division programs, including low  
10 income, ~~and minority~~ <sup>and handicapped</sup> [older] persons [at least in proportion to the number of minority and older persons in the  
11 state]. At least a majority of members shall be 60 years of age or older.

12 [(2)] (3) In addition to the members of the commission appointed under subsection (1) of this section, the  
13 President of the Senate shall appoint one member from the Senate and the Speaker of the House of  
14 Representatives shall appoint one member from the House of Representatives. [The members of the  
15 commission appointed under this subsection shall be entitled to actual and necessary expenses.]

16 [(3)] (4) The Governor's Commission on <sup>Senior Services</sup> ~~Aging and the Disabled~~ shall advise the Governor, [and] the  
17 Director of the Department of Human Resources and the Assistant Director for Senior Services on needs of [the]  
18 elderly ~~and adult disabled~~ persons, and recommend actions by the Governor, the Department of Human  
19 Resources, the Senior Services Division, other governmental entities and the private sector, appropriate to meet  
20 such needs.

21 [(4)] (5) The commission shall have authority to study programs and budgets of all state agencies which  
22 affect [*senior citizens*] elderly ~~and adult disabled~~ persons. After such study, the commission shall make  
23 recommendations to the Governor and to the agencies involved. Such recommendations shall be designed to  
24 provide coordination of programs for [*the*] elderly ~~or disabled~~ persons, to avoid unnecessary duplication in  
25 provision of services, and to point out gaps in provision of services. The commission shall also recommend  
26 development of a comprehensive plan for delivery of services to [*the*] elderly ~~and adult disabled~~ persons. In  
27 carrying out these tasks, the commission shall coordinate its efforts with other advisory groups within the  
28 Department of Human Resources to avoid duplication of effort.

29 [(5)] (6) The commission shall promote responsible state-wide advocacy for [*senior citizens*] elderly ~~and~~  
30 ~~adult disabled~~ persons.

31 [(6)] (7) Members of the commission, other than legislators, shall be entitled to compensation and expenses  
32 as provided in ORS 292.495.

33 SECTION 11. On the effective date of this Act, the terms of incumbent members of the Governor's  
34 Commission on Aging shall end. In the first year appointments required by ORS 184.900 as amended by section  
35 10 of this Act are made, the members will be appointed as follows:

- 36 (1) One-third shall be appointed for one year;
- 37 (2) One-third shall be appointed for two years; and
- 38 (3) One-third shall be appointed for three years.

39 Section 12. ORS 184.750 is amended to read:

40 184.750. (1) The Department of Human Resources is created.

~~10~~ #13

1 (2) The Department of Human Resources shall provide programs for the delivery to the public of services  
2 relating to public assistance, children and families, health and health-related affairs, mental health, corrections,  
3 employment, vocational rehabilitation, [aging,] elderly ~~and adult disabled~~ persons and such other services as  
4 may be assigned to the Department of Human Resources.

5 (3) The Department of Human Resources shall provide the programs and services enumerated in  
6 subsection (2) of this section through the divisions and other organizational units, including but not limited to  
7 the following:

- 8 (a) The Adult and Family Services Division;
- 9 (b) The Children's Services Division;
- 10 (c) The Mental Health Division;
- 11 (d) The Corrections Division;
- 12 (e) The Employment Division;
- 13 (f) The Vocational Rehabilitation Division;
- 14 (g) The Health Division; and
- 15 (h) The [Office of Elderly Affairs] Senior Services Division.

16 (4) The Department of Human Resources shall be the recipient of all federal funds paid or to be paid to the  
17 state to enable the state to provide the programs and services assigned to the Department of Human Resources.

18 Section 13. ORS 184.865 is amended to read:

19 184.865. (1) The Department of Human Resources is directed to develop and place in effect a program of  
20 supportive social services for persons age 60 or older.

21 (2) The Department of Human Resources is authorized to develop and adopt such rules as necessary for  
22 the sound, efficient and economical administration of the provisions of this section and ORS 184.900 to  
23 184.910, including the implementation of a fee for service schedule based upon ability to pay, and to assure that  
24 no eligible person, resident in a skilled nursing home or intermediate care facility, shall be removed and placed  
25 in an alternative care program unless such services are determined to be more appropriate for the individual  
26 citizen based upon appropriate, individual, service considerations.

27 *[(3) There is hereby created an Office of Elderly Affairs in the Department of Human Resources. The office  
28 shall have responsibility for all programs and functions heretofore performed by the State Program on Aging and  
29 the Office of Special Assistant for Programs for the Elderly, and for such other functions as shall be assigned to  
30 it by the Legislative Assembly, the Governor or the Director of the Department of Human Resources.]*

31 *[(4) In accordance with any applicable provisions of ORS 183.310 to 183.500, the office may make such  
32 rules as are necessary to carry out the provisions of ORS 184.750, 184.760, 184.900 and this section.]*

33 *[(5) The office shall be staffed by one administrator and one assistant administrator, both of whom shall be  
34 in the unclassified service, and by such other personnel as may be necessary. The Director of the Department of  
35 Human Resources shall appoint the administrator and the assistant administrator.]*

36 Section 14. ORS 327.525 is amended to read:

37 327.525. The School Lunch Revolving Account of the General Fund is continuously appropriated for the  
38 purposes of ORS 327.520 [and 327.523]. All money received under the provisions of ORS 327.520 [and 327.523]

shall be paid by the superintendent to the State Treasurer for credit to the School Lunch Revolving Account.

**SECTION 15.** In addition to its other powers, the Senior Services Division may adopt rules consistent with federal and state law and regulations for the purpose of providing social services, including protection, to elderly ~~and adult disabled~~ persons in need of, or who request, services that the division or area agencies are authorized to provide.

Section 16. ORS 441.630 is amended to read:

441.630. As used in ORS 441.630 to 441.680:

(1) "Abuse" means:

(a) Any physical injury to a patient of a long term care facility which has been caused by other than accidental means, including any injury which appears to be at variance with the explanation given of the injury.

(b) Neglect which leads to physical harm.

(c) Failure to provide direct patient care.

(2) "Division" means the *[Adult and Family]* Senior Services Division of the Department of Human Resources.

(3) "Law enforcement agency" means:

(a) Any city or municipal police department.

(b) Any county sheriff's office.

(c) The Oregon State Police.

(d) Any district attorney.

(4) "Public or private official" means:

(a) Physician, including any intern or resident.

(b) Licensed practical nurse or registered nurse.

(c) Employee of the Department of Human Resources, county health department, community mental health program or a long term care facility or person who contracts to provide services to a long term care facility.

(d) Peace officer.

(e) Clergyman.

(f) Registered social worker.

(g) Physical therapist.

(h) Legal counsel for a resident or guardian or family member of the resident.

Section 17. ORS 411.590 is amended to read:

411.590. A person who is employed as a housekeeper, homemaker or otherwise as a domestic servant in the house of a recipient of public assistance or services, whose compensation is paid in whole or in part by the Adult and Family Services Division, the Senior Services Division or the Children's Services Division and is not otherwise employed by *[either]* the division, shall not for any purposes be deemed to be an employee of the State of Oregon whether or not the division selects the person for employment or exercises any direction or control over the person's employment. Such person shall be deemed to be a nonsubject *[workman]* worker under ORS 656.027.

**SECTION 18.** (1) On written request of the Senior Services Division, the Executive Department shall draw warrants on amounts appropriated to the Senior Services Division for operating expenses for use by the division as a revolving fund. The revolving fund shall not exceed the aggregate sum of \$50,000 including

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1 unreimbursed advances. The revolving fund shall be deposited with the State Treasurer to be held in a special  
2 account against which the division may draw checks.

3 (2) The revolving fund may be used by the division to pay for travel expenses for employes of the division  
4 and for any consultants or advisers for whom payment of travel expenses is authorized by law, or advances  
5 therefor, or for purchases required from time to time or for receipt or disbursement of federal funds available  
6 under federal law.

7 (3) All claims for reimbursement of amounts paid from the revolving fund shall be approved by the division  
8 and by the Executive Department. When such claims have been approved, a warrant covering them shall be  
9 drawn in favor of the division and charged against the appropriate fund or account, and shall be used to  
10 reimburse the revolving fund.

11 **SECTION 19.** (1) There is established in the General Fund of the State Treasury an account to be known as  
12 the Senior Services Account. All moneys in the Senior Services Account are continuously appropriated for and  
13 shall be used by the Senior Services Division for the respective purposes authorized by law. The moneys in the  
14 Senior Services Account and all appropriations for the Senior Services Division shall be subject to allotment  
15 made by the Executive Department.

16 (2) The Senior Services Division shall keep a record of all moneys credited to and deposited in the Senior  
17 Services Account. The record shall indicate by separate cumulative accounts the source from which the  
18 moneys are derived and the individual activity or program against which each withdrawal is charged.

19 (3) The unobligated balance in the Senior Services Account on June 30 of each odd-numbered year shall be  
20 determined by the Senior Services Division as of September 30 following the close of each biennium and  
21 certified to the Executive Department. The amount certified pursuant to this subsection shall revert to the  
22 General Fund and become available for general governmental purposes.

23 **SECTION 20.** The assistant director may appoint and employ such personnel as may be necessary for the  
24 Senior Services Division and appoint and fix the compensation of all assistants and employes of the division.

25 **SECTION 21.** The Senior Services Division shall make and enforce rules governing the custody, use and  
26 preservation of the records, papers, files and communications by any other agency or department of  
27 government or person to which the records may be furnished. Use shall be limited to the purposes for which  
28 the records are furnished and by the provisions of the law under which they may be furnished.

29 **SECTION 22.** For the protection of applicants for and recipients of services, the Senior Services Division  
30 shall not disclose or use the contents of any records, files, papers or communications for purposes other than  
31 those directly connected with the administration of the laws of Oregon, and these records, files, papers and  
32 communications are considered confidential subject to the rules of the Senior Services Division, except as  
33 otherwise provided in ORS 411.325 to 411.335 and section 24 of this Act. In any judicial proceedings, except  
34 proceedings directly connected with the administration of public assistance laws, their contents are considered  
35 privileged communications.

36 **SECTION 23.** Any reference to the Adult and Family Services Division or the Office of Elderly Affairs  
37 with respect to such duties, functions and powers transferred by this Act is intended to be and shall be  
38 considered a reference to the Senior Services Division of the Department of Human Resources.

39 **SECTION 24.** (1) The Adult and Family Services Division and the Office of Elderly Affairs whose duties,  
40 functions and powers are assigned and transferred to the Senior Services Division by this Act shall transfer and

1 deliver to the Senior Services Division all supplies, materials, equipment, facilities, contracts, books, maps,  
2 plans, papers, records and property of every description within its jurisdiction or control which relate to the  
3 duties, functions and powers so transferred and shall also transfer thereto those employes engaged primarily in  
4 the exercise of the duties, functions and powers so transferred. The Assistant Director for Senior Services  
5 shall take possession of such property and shall take charge of such employes and, except as provided in  
6 subsection (2) of this section, shall employ them in the exercise of their respective duties, functions and powers  
7 assigned or transferred by this Act, without reduction of compensation.

8 (2) The Assistant Director for Senior Services may abolish positions and change duties to the extent that  
9 the assistant director finds it desirable for the sound, efficient and economical administration and enforcement  
10 of the duties, functions and powers transferred by this Act. However, in the case of any transfer of personnel  
11 made pursuant to this section, any employe occupying a classified position who is so transferred shall, so far as  
12 possible, retain the same salary classification and status.

13 (3) Any controversy relating to the transfers of property and employes made by this section shall be  
14 resolved by the Director of the Executive Department.

15 **SECTION 25.** Nothing in this Act shall relieve any person of any obligation with respect to any tax, fee,  
16 fine or other charge, interest, penalty, forfeiture or other liability, duty or obligation accruing under, or with  
17 respect to, the duties, functions and powers transferred by this Act. After the effective date of this Act the  
18 Senior Services Division may undertake the collection or enforcement of such tax, fee, fine, charge, interest,  
19 penalty, forfeiture or other liability, duty or obligation; but such liability, duty or obligation shall not be  
20 increased or decreased or continued beyond the period authorized by law for its existence or beyond the time  
21 when it would have terminated if this Act had not been passed.

22 **SECTION 26.** (1) The Senior Services Division shall be considered and held to constitute a continuation of  
23 the Adult and Family Services Division and the Office of Elderly Affairs with respect to powers, functions and  
24 duties and obligations of the Adult and Family Services Division or the Office of Elderly Affairs legally  
25 incurred under contracts, leases and business transactions executed, entered into or commenced prior to the  
26 effective date of this Act. The Senior Services Division shall exercise such rights, powers, duties and  
27 obligations with the same force and effect as if they had not been transferred; but such right, power, duty or  
28 obligation shall not be continued beyond the period authorized by law for its existence or beyond the time when  
29 it would have terminated if this Act had not been passed.

30 (2) The continuation of powers and functions described in this section shall include rulemaking authority  
31 pertaining to functions, duties and obligations transferred by this Act, and rulemaking authority for functions,  
32 duties and obligations established by this Act.

33 **SECTION 27.** Any proceeding, court action, prosecution or other business or matter undertaken or  
34 commenced prior to the effective date of this Act by the Adult and Family Services Division or Office of  
35 Elderly Affairs with respect to the duties, functions or powers which are by this Act assigned and transferred to  
36 the Senior Services Division, and still pending on the effective date of this Act, may be conducted and  
37 completed by the Senior Services Division in the same manner and under the same terms and conditions and  
38 with the same effect as though it were undertaken or commenced and were conducted or completed by the  
39 Adult and Family Services Division or the Office of Elderly Affairs prior to transfer.



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1 SECTION 28. (1) Whenever in any other law or resolution of the Legislative Assembly, or in any rule,  
2 regulation, document, record or proceeding authorized by the same, any word or phrase is used in reference to  
3 or descriptive of the Adult and Family Services Division or the Office of Elderly Affairs whose duties,  
4 functions or powers are by this Act assigned or transferred, such word, phrase or reference shall, after the  
5 effective date of this Act, unless the context or provisions of this Act require otherwise, be considered to refer  
6 to, include and describe the Senior Services Division which is charged with carrying out such powers, functions  
7 and duties, as the context and provisions of this Act may require.

8 (2) Notwithstanding the transfer of duties, functions and powers by this Act, any lawful authorization,  
9 designation, determination, directive, license, order, permit, policy, privilege, rule or other action of the Adult  
10 and Family Services Division or the Office of Elderly Affairs whose powers, functions and duties are by this  
11 Act assigned and transferred to the Senior Services Division, in effect on the effective date of this Act, shall  
12 continue in effect until superseded by, or repealed by the lawful action of the Senior Services Division; but it  
13 shall not continue any such action beyond the period authorized by law for its existence or beyond the time  
14 when the action would have terminated if this Act had not been passed.

15 SECTION 29. The functions of the Adult and Family Services Division or the Office of Elderly Affairs  
16 described in this Act are transferred to and vested in the Senior Services Division.

12 "SECTION 29a. Nothing in this Act extends estate claims  
13 requirements and procedures related to certain Title XIX and Title  
14 XX services under current Oregon statutes and federal regulations to  
15 other services."

17 SECTION 30. Nothing in this Act requires an area agency or local governmental unit to expend local funds  
18 for the purpose of maintaining or expanding services to elderly ~~and adult disabled~~ persons.

19 SECTION 31. ORS 184.860, 327.523, 413.025 and 441.081 are repealed.

20 Section 32. If House Bill 5036 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
21 House Bill 5036), is amended to read:

22 Sec. 1. There is appropriated to the Office of the Director of the Department of Human Resources, for the  
23 biennium beginning July 1, 1981, out of the General Fund, the amount of [~~\$5,160,289~~] \$\_\_\_\_\_.

24 Section 33. If House Bill 5036 becomes law, section 2, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
25 House Bill 5036), is amended to read:

26 Sec. 2. Notwithstanding any other law, the amount of [~~\$12,341,721~~] \$\_\_\_\_\_ is established for the  
27 biennium beginning July 1, 1981, as the maximum limit for payment of expenses from fees, moneys or other  
28 revenues, including Miscellaneous Receipts, excluding federal funds, collected or received by the Office of the  
29 Director of the Department of Human Resources.

30 Section 34. If House Bill 5036 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
31 House Bill 5036), is amended to read:

32 Sec. 3. Notwithstanding any other law, the amount of [~~\$60,765,223~~] \$\_\_\_\_\_ is established for the  
33 biennium beginning July 1, 1981, as the maximum limit for the payment of expenses from federal funds  
34 collected or received by the Office of the Director of the Department of Human Resources.

35 Section 35. If Senate Bill 5532 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
36 Senate Bill 5532), is amended to read:

18 ~~10~~

37 (5) Administrative expenses..... [\$ 100,130,368] \$ \_\_\_\_\_

38 SECTION 38. (1) There are appropriated to the Senior Services Division of the Department of Human  
39 Resources, for the biennium ending June 30, 1983, out of the General Fund, the following amounts, which shall

1 (1) Assistance payments and related  
2 expenses ..... \$ 130,896,269

3 (2) Long-term care ..... [\$ 87,904,492] \$ \_\_\_\_\_

4 (3) Medical assistance for the  
5 categorically needy and  
6 general assistance  
7 medical payments..... [\$ 109,205,970] \$ \_\_\_\_\_

8 (4) Special projects ..... \$ 154,165

9 (5) Administrative expenses..... [\$ 70,909,628] \$ \_\_\_\_\_

10 Section 36. If Senate Bill 5532 becomes law, section 2, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
11 Senate Bill 5532), is amended to read:

12 Sec. 2. Notwithstanding any other law, the following amounts are established for the biennium beginning  
13 July 1, 1981, as the maximum limits for payment of expenses from fees, moneys or other revenues, including  
14 Miscellaneous Receipts, excluding federal funds, collected or received by the Adult and Family Services  
15 Division of the Department of Human Resources:

16 (1) Assistance payments and related  
17 expenses ..... \$ 26,242,967

18 (2) Medical assistance for the  
19 categorically needy and  
20 general assistance payments ..... [\$ 5,004,677] \$ \_\_\_\_\_

21 (3) Administrative expenses..... [\$ 2,639,843] \$ \_\_\_\_\_

22 Section 37. If Senate Bill 5532 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
23 Senate Bill 5532), is amended to read:

24 Sec. 3. Notwithstanding any other law, the following amounts are established for the biennium beginning  
25 July 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Adult and  
26 Family Services Division of the Department of Human Resources. Such amounts shall be credited to the Public  
27 Welfare Account within the General Fund as they are made available by the United States Government and  
28 subject to the approval of the Executive Department, may be expended for the following purposes:

29 (1) Assistance payments and related  
30 expenses ..... \$ 138,413,098

31 (2) Long-term care ..... [\$ 101,609,727] \$ \_\_\_\_\_

32 (3) Medical assistance for the  
33 categorically needy and  
34 general assistance medical  
35 payments..... [\$ 94,497,655] \$ \_\_\_\_\_

36 (4) Special projects ..... \$ 68,989,424

37 (5) Administrative expenses..... [\$ 100,130,368] \$ \_\_\_\_\_

38 SECTION 38. (1) There are appropriated to the Senior Services Division of the Department of Human  
39 Resources, for the biennium ending June 30, 1983, out of the General Fund, the following amounts, which shall

~~SB 19~~ 19

1 be placed in the Senior Services Account in quarterly instalments based upon estimates of expenditure  
2 requirements approved by the Executive Department, to be expended for the following purposes:

- 3 (a) Long-term care ..... \$ \_\_\_\_\_
- 4 (b) Administrative expenses ..... \$ \_\_\_\_\_

5 (2) Notwithstanding any other law, the following amounts are established for the biennium ending June 30,  
6 1983, as the maximum limits for payment of expenses from fees, moneys or other revenues, including  
7 Miscellaneous Receipts, excluding federal funds, collected or received by the Department of Human  
8 Resources:

- 9 (a) Long-term care ..... \$ \_\_\_\_\_
- 10 (b) Administrative expenses ..... \$ \_\_\_\_\_

11 (3) Notwithstanding any other law, the following amounts are established for the biennium beginning July  
12 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Senior Services  
13 Division of the Department of Human Resources. Such amounts shall be credited to the Senior Services  
14 Account within the General Fund as they are made available by the United States Government and, subject to  
15 the approval of the Executive Department, may be expended for the following purposes:

- 16 (a) Long-term care ..... \$ \_\_\_\_\_
- 17 (b) Administrative expenses ..... \$ \_\_\_\_\_

18 SECTION 39. (1) This Act becomes effective on October 1, 1981; except that sections ~~4, 5, 9, 14 to 19 of~~

19 "5 and 15 and subsections (1), (2) and (4) of  
20 section 9 and the amendments to ORS 327.525, 441.630 and 441.590 by  
21 sections 14, 16 and 17 of".

19 this Act are operative on July 1, 1982.

20 (2) Notwithstanding subsection (1) of this section specific components of this Act may be implemented at  
21 later dates at the discretion of the Assistant Director for Senior Services.

22 ~~(3) Each unit of local government potentially affected by this Act must notify the Senior Services Division  
23 of its intent to participate in this Act on or before January 1, 1982.~~

*Deliver*

24 SECTION 40. This Act being necessary for the immediate preservation of the public peace, health and  
25 safety, an emergency is declared to exist, and this Act takes effect October 1, 1981.

1 PROPOSED AMENDMENTS TO SENATE BILL 955

2 On page 5 of the printed bill, delete lines 22 through 27 and  
3 insert:

4 "SECTION 9. (1) A type B area agency may choose to contract with  
5 the division for services or to have the state employes whose duties  
6 involve services assumed by the type B area agency become local  
7 employes of the area agency.

8 "(2) Those state employes whose duties involve services assumed  
9 by the type B area agency shall be supervised for program purposes  
10 by the area agency whether the division, local government and the  
11 area agency have negotiated a contract for services or an employe  
12 transfer agreement.

13 "(3) If state employes are transferred, by agreement, to a type  
14 B area agency, the provisions of ORS 236.610 to 236.650 shall apply  
15 and any state employe transferred to a type B area agency shall not  
16 suffer any reduction in salary or loss of employe benefits as a  
17 result of the transfer.

18 "(4) Prior to the transfer of any state employe to any other  
19 public employer under this Act or the contracting of state employe  
20 services under this Act, at a date to be".

21 In line 33, delete "(4)" and insert "(5)".

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PROPOSED AMENDMENTS TO SENATE BILL 955

On page 1 of the printed bill, after line 18, insert:

~~"(6) 'Local government' means a political subdivision of the state whose authority is general and not limited to only one function or combination of related functions, or a combination of units of general purpose local governments as defined in ORS 190.003.~~

"(7) 'Preadmission screening' means a professional program within the Department of Human Resources <sup>or Type B area agencies</sup> with staff that includes registered nurses and social workers, that assesses the needs of clients and recommends appropriate placements in residential programs administered by the Senior Services Division <sup>or Type B area agencies</sup>."

~~In line 19, delete "(6)" and insert "(8)".~~

*NUMBER SUBSEQUENT DEFINITIONS*  
~~Delete lines 21 through 23.~~

On page 3, after line 19, insert:

"SECTION 3a. (1) It is the policy of the State of Oregon that disabled persons served by the Senior Services Division shall also receive necessary services, as appropriate for their needs, from other state agencies and divisions.

"(2) In carrying out the provisions in subsection (1) of this section, the Department of Human Resources shall insure that the Senior Services Division negotiates interagency agreements and coordinates services with the Mental Health Division, Vocational Rehabilitation Division, Employment Division, Children's Services Division and the Department of Education for the provision of appropriate services to disabled clients of the Senior Services Division.

1       "(3) (a) Prior to placement in any residential program  
2 administered by the Senior Services Division, all disabled persons  
3 shall be assessed by preadmission screening to insure the  
4 appropriateness of such placement.

5       "(b) If a disabled person is diagnosed as, or is suspected of  
6 being, mentally retarded <sup>or</sup> and developmentally disabled, preadmission  
7 screening shall include assessment by the Diagnosis and Evaluation  
8 Service of the Mental Health Division.

9       "(4) The Senior Services Division, in coordination with the  
10 Mental Health Division, Children's Services Division, Vocational  
11 Rehabilitation Division and the Department of Education shall work  
12 with nursing homes which have one or more residents under 18 years  
13 of age to develop a program appropriate to the needs of such  
14 residents.

15       "SECTION 3b. (1) Agreements and coordination described in  
16 subsection (2) of section 3a of this 1981 Act shall include but not  
17 be limited to the following:

18       "(a) After creation of the Senior Services Division, the  
19 Department of Human Resources shall transfer to the Mental Health  
20 Division all fiscal and staff resources necessary for the division  
21 to operate specialized foster care homes and residential care  
22 facilities exclusively serving persons with mental retardation <sup>or</sup> and  
23 developmental disabilities, mental <sup>or</sup> and emotional disturbances, and  
24 alcohol or drug abuse or dependence. This transfer shall be  
25 completed by July 1, 1982.

26       "(b) The Department of Human Resources shall direct the Senior  
27 Services Division and the Mental Health Division to complete, by  
28 July 1, 1982, a joint study of persons with mental retardation <sup>or</sup> and

1 developmental disabilities, mental <sup>or</sup> and emotional disturbances, and  
2 alcohol or drug abuse or dependence who remain in foster care homes,  
3 residential care facilities or nursing homes.

4 "(2) The study described in paragraph (b) of subsection (1) of  
5 this section shall:

6 "(a) Assess the appropriateness of current placement for persons  
7 described in paragraph (b) of subsection (1) of this section.

8 "(b) Make recommendations for appropriate residential, day  
9 programs and support services for those persons not appropriately  
10 placed.

11 "(c) Plan needed case management for those persons who should  
12 remain as clients of the Senior Services Division.

13 "(3) Recommendations made pursuant to paragraph (b) of  
14 subsection (2) of this section shall be reflected in budget  
15 recommendations made by the Mental Health Division to the Sixty-  
16 second Legislative Assembly."

---

MY NAME IS WALTER McGETTIGAN  
I LIVE AT 6850 NW, KAISER RD.  
PORTLAND, OREGON 97229

I WISH TO SPEAK ON BEHALF OF SB 955 NOT AS CHAIRMAN OF THE GOVERNOR'S COMMISSION, OR OF THE AD HOC COMMITTEE...BUT AS A SENIOR CITIZEN, AS ONE OF THOSE WHO, LIKE EVERY PERSON IN THIS ROOM, IS ONLY A HEARTBEAT AWAY FROM BECOMING ONE OF THE PEOPLE FOR WHOM THIS BILL WAS CREATED, A BILL THAT SEEKS TO ASSURE THOSE WHO ARE THE ILL AND FRAIL A GUARANTEE THAT THEY CAN LIVE OUT THEIR DAYS IN DIGNITY AND IN HONOR--EVEN WHEN THEY BECOME COMPLETELY DEPENDENT UPON SOCIETY FOR THE VERY NECESSITIES OF LIFE,

I HAVE LISTENED TO WHAT PEOPLE THINK IS WRONG WITH THIS BILL AND WE HAVE ATTEMPTED TO MEET THESE CONCERNS WITH AMENDMENTS AND BUDGET NOTES, I SUGGEST WE NOW SHOULD TURN OUR ATTENTION TO WHAT IS RIGHT ABOUT THE BILL, IN THE WORDS OF AN OLD POPULAR SONG...  
"ACCENTUATE THE POSITIVE."

THIS BILL ADDRESSES THE PLIGHT OF THE 8 THOUSAND OLDER PERSONS WHO HAVE THE DOUBLE MISFORTUNE OF BEING NOT ONLY ILL AND FRAIL, BUT WHO ARE ALSO POOR, THOSE WHO ARE DEPENDENT UPON THE LARGESSE OF SOCIETY THROUGH TITLE XIX AND XX FUNDS FOR THEIR CARE, THIS BILL SPEAKS TO THE CONDITION OF THE UNSEEN AND UNHEARD WHO CANNOT COME TO SUCH HEARINGS AND WHO USUALLY DO NOT HAVE ADVOCATES, ONLY CASEWORKERS AND ATTENDANTS,



THIS BILL SEEKS TO BRING THESE PEOPLE INTO AN EXISTING AGING NETWORK. A NETWORK WHICH, THROUGH THE PAST EIGHT TO TEN YEARS, HAS SUCCESSFULLY ADVOCATED FOR THE MORE AFFLUENT AND ABLE-BODIED ELDERLY. WE HAVE DEVELOPED A SYSTEM THAT HAS FED LITERALLY TENS OF THOUSANDS, PROVIDED HOME AND HEALTH CARE, TRANSPORTED THE ILL TO DOCTORS, THE HANDICAPPED TO SHOP, OTHERS TO SENIOR CENTERS WHERE THEY HAVE BEEN ABLE TO MAINTAIN THEIR RELATIONSHIPS WITH OLD FRIENDS AND MAKE NEW FRIENDS. THIS BILL ENABLES THAT NETWORK TO REACH OUT AND ENCOMPASS THOSE WHO ARE POOR, THE ILL AND THE FRAIL. THAT NETWORK WILL NOW BECOME THE ADVOCATES OF THOSE WHO HAVE, UP TO NOW, RECEIVED WHATEVER CARE THEY HAVE HAD, THROUGH THE BUREAUCRACY. AS GOOD AS THAT CARE HAS BEEN, IT HAS NOT BEEN ABLE TO BRING INTO THE SYSTEM THOSE NUMEROUS ELDERLY WHO HAVE, THROUGH THEIR CONCERN AND DEVOTION AS VOLUNTEERS, ADDED SO MUCH TO THE LIFE OF THOSE SERVED BY THE AREA AGENCY NETWORK.

THIS BILL SAYS, IN LAW, TO ALL OF US, NOT ONLY TO THE ELDERLY, THAT THESE PEOPLE WHO UP TO NOW HAVE NOT BEEN A PART OF THE NETWORK, THESE ARE YOUR NEIGHBORS, THESE ARE NOW YOUR RESPONSIBILITY. THESE ARE ELDERLY WHO DO NOT HAVE ADVOCATES, AND THEY NEED YOUR CONCERN.

THESE ARE PEOPLE WHO NEED THE SAME ADVOCACY AND CONCERN THAT WE HAVE SHOWN THE MORE AFFLUENT AND ABLE-BODIED. THEY NEED A SUPPORTIVE SYSTEM JUST AS DO THE AMBULATORY AND THE SHUT-INS TO LIVE IN DIGNITY AND TO BE ABLE TO LIVE IN THEIR OWN HOMES OR IN RESIDENCES OF THEIR CHOOSING.

AND, THIS BILL SAYS TO THEM, THE POOR, THE ILL AND THE FRAIL, WE ARE AS YOU AND YOU ARE AS WE. TO YOU, THE RESOURCES THAT HAVE BEEN OURS ARE ALSO TO BE YOURS. TO THE RESOURCES THAT HAVE BEEN AVAILABLE THROUGH AFS (ADULT & FAMILY SERVICES), WE NOW ADD THE RESOURCES OF THE AGING NETWORK, THE ADVOCACY OF THE GOVERNOR'S COMMISSION, THE AREA AGENCY ADVISORY COMMITTEES, THE UNITED SENIORS, AND THE MANY SENIORS AND THEIR ADVOCATES WHO HAVE BEEN HERE IN SALEM THESE PAST MONTHS SPEAKING AND TESTIFYING,

THIS BILL UNDERSCORES A CONVICTION THAT THE ULTIMATE DETERMINER OF THE QUALITY OF CARE FOR THE ILL AND THE FRAIL ELDERLY IS WHAT HAPPENS AT THE COMMUNITY LEVEL. AS GOOD AS MAY BE THE EFFORTS OF FEDERAL AND STATE AGENCIES, THESE PEOPLE LIVE AND ARE CARED FOR AT THE COMMUNITY LEVEL. AND, THIS BILL CHARGES US AT THAT LEVEL WITH THE RESPONSIBILITY FOR THE ADMINISTRATION OF THE SERVICE DELIVERY SYSTEM FOR THESE PEOPLE.

THIS IS A BILL TO PROVIDE BETTER CARE FOR THE ELDERLY, THIS IS THE CENTRAL AND PRIMARY PURPOSE, AND UPON THAT SHOULD YOU JUDGE ITS MERITS,

THANK YOU,

# UNITED SENIORS

840 JEFFERSON St. N.E., SALEM, OREGON 97303  
585-0335

From United Seniors to: Members of the 1981 Oregon Legislative  
Assembly

## UNITED SENIORS SUPPORT NEW SENIOR SERVICES DIVISION

Six months of intensive work by forty members of the senior network, aided by local and state consultants, has resulted in a legislative proposal to combine the programs of the Adult and Family Services and the Office of Elderly Affairs into a new state division that will coordinate and combine programs devoted to senior citizens.

The new program would provide

1. Coordination of health and social services to the elderly.
2. Control and better utilization of nursing homes.
3. Incentive for use of local funds and volunteer services.
4. For more senior involvement.
5. Utilization of alternate programs for potential nursing home patients.
6. For social involvement in developing programs for elderly citizens.
7. For senior programs that will have equal status with other state agencies.
8. Removal of welfare stigma.
9. Better access to senior services for elderly persons.
10. More community involvement in nursing homes.
11. More local control with accountability to the state.

Certain disabled persons who now are cared for by Adult and Family Services and who need primarily custodial and nursing care will continue to have their care in the new division.

Governor Atiyeh has given strong support as indicated by the following editorial:

THE OREGONIAN, THURSDAY, MAY 14, 1981

## *One-stop service needed for state's aged*

Gov. Vic Atiyeh acted wisely and quickly in announcing May 7 that he will seek legislation to put state services for elderly citizens into one, easily identifiable department. The idea is worth putting under a legislative microscope.

The Governor's Commission on Aging only a week earlier had sent Atiyeh the plan to create a Senior Services Division in the state Department of Human Resources. Atiyeh caught the pass and

is running with the ball.

An array of programs and services for the elderly, run or monitored by the state, are scattered through various agencies and bureaus. If the citizen-clients can be given a one-stop shopping center, that helps them through the maze. And the quality of government service in Oregon will be improved even if administrative savings are minimal.

### PRESIDENT

Cecil W. Posey  
0586 SW Fallatine Hill Rd  
Portland, OR 97219  
536-4971

### FIRST VICE PRESIDENT

Scott P. Clevenger  
1115 NW 14th Street  
Corvallis, OR 97330  
752-4846

### SECOND VICE PRESIDENT

Lela Humiston  
211 River Loop #1  
Eugene, OR 97404  
688-3975

### SECRETARY

Eleonor Roberts  
3978 Hertel Drive South  
Salem, OR 97302  
364-4992

# Letters To The Editor

## Oppose Change

The proposed bill to establish a new Department of Human Resources Division combining Adult Family Services (Welfare) and the Office of Elderly Affairs went to the Rules Committee Wednesday.

In effect, if this bill passes, it means senior service organizations across the state, such as ours — the Senior Citizen's Council — will be welfare agencies. Such a move would be deplorable and a detriment to all Oregonians, regardless of age. There will be additional administrative costs, less service and loss of local control.

Most of our local seniors now

receiving service would not be eligible for help under this new system, or if they did receive help, could have a lien put on their home or estate.

The only way we can stop putting senior programs under the control of the Welfare Department is to flood the members of the Human Resources Committee with our letters within the next two weeks opposing the passage of this proposed reorganization. Please contact the Senior Citizen's Council, 883-7171, for the names and addresses of the seven state senators serving on the Human Resources Committee.

We urge your personal letter to any one or all of these committee senators.

Margie Patton  
Executive Director  
Senior Citizen's Council

June 18, 1981  
UNITED SENIORS  
840 Jefferson Street NE  
Salem, Oregon 97303

Mr. Ed Sage, chief planner of Area Agency On Aging, District III, consisting of Marion, Polk and Yamhill Counties, prepared the answer below to the Klamath Falls Newspaper letter.


The above letter to the editor, which appeared in the Klamath Falls newspaper, is wrong.

The letter refers to Senate Bill 955.

The bill will remove social service programs presently administered by Adult Family Services (which also administers the state welfare program) and them together with the State Office of Elderly Affairs to create the new Senior Services Division. The bill will not "combine" Adult and Family Services with the State Office of Elderly Affairs. The Adult and Family Services division will remain as a separate entity administering the welfare program. The net effect of this bill is to "de-welfarize" social services to the elderly by taking them away from the welfare agency and making them a part of local senior service organizations. The bill provided no additional funding for administrative costs, and funds presently earmarked for service cannot be used for administration. Actually, the bill will allow for increased services through reduced administrative overhead, since two programs with their separate bureaucracies are being merged into one. The bill encourages and provides for increased senior citizen input and control at the local level, it does not bring about "loss of local control".

Finally, nowhere in the bill has eligibility been changed for seniors presently receiving services. Contrary to the above letter, local seniors who are receiving service now will continue to do so under the bill. There is also no provision in the bill for seniors to have a lien put on their home or estate in order to receive services, except where the lien is presently required by state law. Thus the programs presently operated by the Klamath Senior Citizens Council under the Older American Act and Oregon Project Independence will continue as they are and no lien will be required.

It appears that the Klamath Falls Newspaper letter deliberately distorts the provisions of Senate Bill 955.

  
C. W. Posey, President  
United Seniors

# opinion

## editorials

### Give seniors a chance to serve themselves

Senior citizens are well equipped to help themselves. They should be given more opportunities and encouragement to do so.

Retired people constitute a reservoir of experience and talent. Structuring programs to utilize that talent is one of the secrets of making volunteerism work at a time when government funding is shrinking.

**THE PROBLEM** may be, in many cases, to get government structure and red tape out of the way to let volunteerism work.

We think of the Salem Townhouse and Meals on Wheels programs as examples of programs which serve seniors well without government subsidies. Much of the leadership and the volunteer support for these successful, growing endeavors come from the senior citizens themselves.

Those who can help serve those who can't.

The challenge, then, is to create government programs for the elderly with a minimum of expensive administrative cost and a maximum opportunity to use of energetic, experienced older people.

A **SIX-MONTH** study by the Governor's Commission on Aging concludes that many programs for the

elderly should be shifted from state control to regional or local control. Policy-making would move closer to the seniors themselves.

An effort by the state Department of Human Resources to give the state more control over senior citizen programs brought so much protest from the seniors themselves that the pendulum was set swinging in the opposite direction.

The governor's commission now is recommending that state programs for the elderly be consolidated in a new division, with the administration

of programs dispersed to the Area Agencies on Aging. In this region, the Area Agency on Aging is housed at the Mid-Willamette Valley Council of Governments.

**WHILE STATEWIDE** planning would remain at the state level in a new Senior Services Division of the Department of Human Resources, local policy-making would rest with the advisory board of the Area Agencies on Aging.

This would shift programs dealing with residential care homes, nursing homes and in-home services for the elderly, among others, to the regional or local level. It would mean transfer-

ring about 300 state caseworkers and other professionals to the local supervision.

Frankly, we see some potential hazards in this. The local Area on Aging advisory boards would be asked to absorb a heavy additional responsibility over funds and professional personnel.

**COUNCILS** of government, responsible to many government "bosses," are to some extent not responsible to any.

For local control to be successful, there should be clear lines of authority and a guarantee that local policy-making boards are truly representative of the senior community and not self-perpetuating.

We would hope that any major shift of responsibility from the state to the local level would be accompanied by reassurances that these criteria are met.

In the final analysis, the seniors themselves must be the watchdogs over their own programs, reinforcing them with their volunteer service. Such self-help not only will make the money go further, it will serve as a needed example to the rest of the community.

SB 955, providing for a Senior Services Division in State Government, is a unique proposal in that it has been developed by more than eighty persons over an eight month period who represented all phases of the senior population and the agencies that serve the senior population.

The proposal for a coordinated and unified program to help the elderly low income population results from nearly six years of discussion, proposals, and legislative action.

The senior population over sixty-five years of age is growing at twice the rate of the population below that age. The nursing home population has been growing at a phenomenal rate and five percent of the population above 65 years of age in Oregon are <sup>nursing home</sup> residents. The Human Resources Division of state government has undertaken a number of activities to meet the needs of the older population and to provide a more suitable living environment than the nursing home. The FIG Waiver Project in Southern Oregon proved that alternative services can be cheaper and provide a more humane living situation. The pre-admission screening is another forward movement. The growth of the Medicaid nursing home caseload is two-thirds lower in counties which implemented PAS in 1980 compared to the rest of the state.

The recently completed study of the Long-term Care Systems Development grant has carefully reviewed these activities, the funding of programs for older citizens, and lack of coordination, and concludes that "Serious re-evaluation and restruct-

uring of public programs is necessary if the needs of the elderly and disabled population of Oregon are to be addressed and met in the near future and in the decades to come."

Due to the activities discussed above, Mr. Leo Hegstrom proposed a program that would coordinate and unify programs affecting the elderly population. The senior population and local Area Agencies On Aging rejected his proposal because they had not been consulted and it appeared to be state dominated. Mr. Hegstrom then dropped his proposal. Representatives of United Seniors and the Governor's Commission On Aging petitioned the Governor to appoint a special task force of seniors and other knowledgeable people to develop a Senior Service Division to be presented to the 1981 Legislative Session. The Governor turned the task over to the Governor's Commission On Aging. The commission then appointed an ad hoc committee which began meeting last November. Consultants from the Office of Elderly Affairs, the Adult and Family Services, and Human Resources served as technical consultants.

After a series of meetings the committee decided to place as much responsibility and control at the local level as possible while recognizing the need for accountability and state responsibility for the expenditure of state and federal funds. This is a new concept in Oregon which moves the program from a state dominated bureaucratic and standardized program to one designed for localized treatment fitted to the unique concerns and situations in various areas of the state.

The need to care for certain disabled persons was recognized early in the study.

Before SB 955 could be considered for legislative action it

had to have the approval of Governor Atiyeh and the Director of Human Resources, Mr. Leo Hegstrom. Both men have given approval and are strong advocates for the passage of SB 955.

SB 955 is designed to make use of the skills and knowledge of the retired senior citizens. Regional Advisory Committees can extend their interests and responsibilities to the concerns of foster care, residential care facilities, and nursing homes. Seniors given this responsibility will respond as they already have in many service centers, meals on wheels, dial-a-ride, etc. Seniors can monitor care given in nursing homes, residential care facilities, etc.

The best use of available funds can be decided on a regional basis. Additional funds can be generated at the local level as they are now done in many of the AAA's. Flexibility in the use of funds and better placement of seniors needing help will be a possibility.

Quality programs for the elderly frail will be developed when it becomes the concerns of the local community rather than the responsibility of a state agency located in Salem. There are many fine programs, low cost in services and administration, now functioning in the Area Agencies On Aging. SB 955 will extend an opportunity to the Area Agencies to serve a wider population and unify all services at the local level.

Some Area Agencies do not want this broader responsibility and SB 955 makes provision for them to delay entry into the program. But by far the great majority of the Area Agencies are anxious to accept this responsibility in an effort to serve the entire senior population and to provide alternate types of care.



My experience in the public school field for nearly fifty years convinces me that state guidelines and standards do not hinder local control. Furthermore, accountability is an absolute necessity. This has been proven by the history of the Office of Elderly Affairs which is probably in the best condition it has been since its beginning. Those of us who served on the ad hoc committee had to rely upon technical guidance and information from state and area government agencies. They believe SB 955 will be another step forward in serving the senior population and so do thousands of senior citizens throughout Oregon. I recommend positive action and enactment before the legislature adjourns.

# Senate Bill 955

Sponsored by COMMITTEE ON HUMAN RESOURCES/AGING (at the request of Governor  
 United Seniors)

191 Signatures

Creates, operative July 1, 1982, Senior Services Division in the Department of Human Resources to provide social services to elderly and adult disabled persons. Changes name of Governor's Commission on Aging to Governor's Commission on Aging and the Disabled. Transfers certain functions from Office of Elderly Affairs and Adult and Family Services Division to the Senior Services Division.

Appropriates \$\_\_\_\_\_ to the Senior Services Division for biennium. Changes biennial appropriation to Department of Human Resources and Adult and Family Services Division.

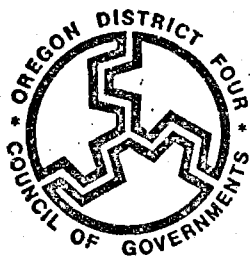
Declares emergency, effective October 1, 1981.

## SENIOR CITIZENS SUPPORT SB955

SB 955 Will Improve and Coordinate Senior Services

The Undersigned Urge Your Support

<u>Name</u>	<u>Address</u>	<u>Telephone</u>
1 Ted Mills	5190 SW 183rd Ct Aloha	649-3778
2 Myrtle C. Nullie	5190 S.W. 183rd Ct. Aloha	649-3778
3 Carolyn van der Borg	17385 S. H. Blanton, Aloha, 97007	649-6721
4 Cecily Atkinson	7925 S.W. 165th St. Aloha, 97007	642-7306
5 Margaret Hoam	5575 S.W. Franklin, 97005	644-9708
6 J. H. Hasbroun	12055 SW 111 Douglas	644-9694
7 Minnie Skonday	5385 SW Murray Blvd #B18	644-1039
8 Kathleen Clearwater	4520 S.W. Poplar Ln.	292-3722
9 A. H. Boyer	5303 SW 49 Dr	246-1758
10 Beulah Freeze	6120 SW 124th Ave #13, Beaverton	644-6437
11 Winifred H. Adomant	2075 SW 78th St. 97005	297-6787
12		
13		
14		
15		



#7 Wellsher Bldg., 460 S.W. Madison  
Corvallis, Oregon 97330  
(503) 757-6851

July 8, 1981

Senator Bill McCoy, Chairman  
Senate Human Resources and Aging Committee  
Capitol Building  
Salem, OR 97310

Dear Senator McCoy:

The Advisory Council of the Area Agency on Aging in Linn, Benton and Lincoln Counties endorses Senate Bill 955 and urges your careful consideration of the advantages of this bill. Advisory Council members think that the time is now to act on this bill. To delay until the next legislative session would be costly in terms of dollars and services to individuals.

Advisory Council members recognize that Senate Bill 955 is not perfect. The proposed amendments have improved the original bill. The bill will enable the Department of Human Resources to proceed to develop a really adequate coordinated system of long-term care services in the state of Oregon. Administrative rules can address some of the concerns that have been expressed by seniors; Area Agencies on Aging and disabled persons.

It is extremely important that the bill be moved forward as soon as possible so that the entire legislative assembly may have the opportunity to vote on this significant legislation.

The Advisory Council of the Area Agency on Aging in District 4 supports Senate Bill 955 mainly because:

- there is real potential to control nursing home costs, decrease nursing home placements and utilize the dollars saved to provide adequate alternative, in-home services.
- it provides the potential for increased involvement of seniors in decision-making regarding Title XIX and Title XX funded services at the local level.
- there is the potential for increasing the integration of nursing home care into the service delivery system for the elderly.

**LINCOLN SUB-DISTRICT**

Lincoln County  
Lincoln City  
Newport  
Siletz  
Waldport  
Depoe Bay

**LINN-BENTON SUB-DISTRICT**

Benton County	Linn County
Corvallis	Sweet Home
Philomath	Lebanon
Monroe	Albany
Adair Village	Tangent
	Brownsville
	Harrisburg
	Millersburg

Senator Bill McCoy

July 8, 1981

Page 2

- there will be a reduction in the isolation of nursing home residents from the community.
- there will be increased service coordination and better utilization of whatever resources are available.

In addition to the above reasons, it appears that Senate Bill 955 places Oregon in the best possible position to respond to the Federal changes in the making at this time. Block grants and the potential of Title XXI, Social Security Act, will both require an integrated structure in order to deliver the best possible services.

These are desperate financial times for all social services. Senate Bill 955 should be passed if, for no other reason, than to control nursing home expenditures and utilize the savings for community-based, less expensive services.

Your favorable consideration of these comments will be greatly appreciated by the seniors in Linn, Benton and Lincoln Counties.

Sincerely,



Al Kunigisky, Chairman  
Area Agency on Aging  
Advisory Council

AK/BJ/tp

cc: Senators Isham, Trow  
Representatives Yih, Rijken, VanLeewen, Schoon, Van Vliet

Testimony in Behalf of S.B. 955

before the

Senate Committee on Human Resources and Aging

by

Maxine Selling for Metropolitan Family Service  
2281 N.W. Everett  
Portland, OR 97210

Mr. Chairman, Committee Members:

We support S.B. 955 with the amendments submitted both by the Ad Hoc Committee of the Governor's Commission on Aging and the Portland/Multnomah Area Agency on Aging Task Force.

It is our understanding that the Ad Hoc Committee of the Governor's Commission on Aging is to be renewed--with a new charge, that of developing the rules for implementing S.B. 955.

Given the reputation that the Ad Hoc Committee has for accomplishing its responsibilities with thoroughness and skill, we foresee the same high quality results from their new assignment.

We do wish to be heard, though, with this particular emphasis. All the Commission members participating on the Ad Hoc Committee are the ablest of elders. We respect their knowledge and understanding. But the one dimension of their experience we feel may not be as fully realized

Testimony, S.B. 955  
Maxine Selling

relates to the very frail, isolated, non-communicating, deeply depressed, confused, self destructive, troublesome elders--nevertheless people in our communities who require very particular understanding and skilled services to support them in their fight to remain as independent as possible. To serve effectively this difficult constituency, we are asking that the Ad Hoc Committee be expanded to include professionals who have had long practical experience in working with these elders. We feel that this will assure the representation of the frail elders who cannot be at hearings and work sessions to describe for you their special needs.

Thank you.

MS:jd  
7/9/81

Senator McCoy and Members Senate Human Resources/Aging Com

I should like to add to testimony I submitted at the hearing last week.

I am Eileen Donaldson, Chairperson, Advisory Council to Central Oregon Council on Aging Executive Board.

Thursday, June 11, from 10:00 a.m. until noon, Walter McGettigan, Chairman, Governor's Commission on Aging, Dick Ladd, Department of Human Resources, Ed Sage, Director, Area Agency on Aging for Marion, Polk and Yamhill Counties, and Jim Wilson, Deputy Administrator, Adult and Family Services, conducted a hearing at the Bend Senior Center. The subject was the SB 955 proposal.

The disabled were not mentioned until 11:55 when an unidentified woman reminded those present that the proposal deals with the disabled as well as seniors.

Mr. Wilson and Mr. McGettigan responded briefly.

If the committee so wishes, I can read the page of transcript relating to that but my point is that the disabled received no more than three minutes attention at the very end of a two hour hearing. We believe that is indicative of the kind of consideration the disabled will receive if SB 955 passes.

"In other words, a division between possible before and afters?" asked Mabel Hagan.

"Yes, there could be," replied Jim Wilson "if the Fed's no longer hold our feet in the fire in that respect, it could be something that could be delegated." "We don't know, frankly, what is going to come out of these proposals for sure. With regard to the Title XX, Social Services money, I think they are going to grant the states wide discretion. It appears as though the money will be block granted, which means the states allocate and spend it anyway they want to. We haven't seen any specifics yet, so we don't know if it's really going to be that "good". It doesn't appear that with Medicaid money they are going to allow states to act much differently but maybe with a little more flexibility. When a contract is let using Title XX money, the state would still have to approve the contract."

11:55  
"Everyone here that has spoken, has spoken from the elderly standpoint, noone has mentioned that we deal with the disabled also." This statement was made by an unidentified person.

Jim Wilson's answer was "one of the things that the people on the Ad Hoc Task Force who were represented insisted upon was that if we had to give up our social services - adult social services network - we wanted some insurance that those who are presently adults and are disabled would receive services because we would be giving up our entire social services staff except for a very few people who work with people with aged and dependent children and mothers who are getting into the employment stream. So, except for a few people, we would be giving up our entire social services network and those adult service workers presently not only provide services to the elderly but also to the disabled. Most of the disabled are people who are near elderly, but there are some over 21 who receive social services, so those people would continue to be served by this division. That might not be an optimal situation - I don't know. The Senior Services Division was not seen as the end point, perhaps somewhere down the line some adjustments would have had to be made to have some other division such as the Vocational Rehabilitation Division provide services to the disabled, but that was our main concern. Let me anticipate another question, questions have been asked about what would happen to the AFS staff. We did as much as we could to try to protect AFS staff. In a transfer, if AFS staff are laid off after having been transferred to a local agency, they would have re-instatement rights in the AFS Division for a year. It would be as though they had continued to be employed. What I suspect would happen, some of the AAA's that took AFS staff in would decide to use the money for the AFS on other things and other functions. If a staff person lost their job because of that, they would have rights back into the AFS."

<sup>The disabled</sup>  
"One final word on that point," stated Walt McGettigan "we were faced with the problem if we took that group out we would have a tremendous administrative cost problem. We were opposed to that, and it was a matter of they go along in this total transfer. Then down the road, as we develop programs we would find ways for those that would better serve somewhere else, to be transferred that way. We couldn't spell it out, we did<sup>not</sup> want to make the division because of tremendous cost of creating two divisions, at that point, out of this small group, so it was a matter of they come along. We've tried to give them some advocacy protection so they are not inundated by the elderly people, that they are not left out of consideration of services. We hope to make a definition of disabled - we are talking about a specific group. We are not interested in bringing all the

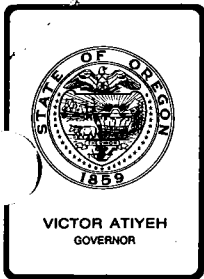


handicapped, all the disabled or the rest of them in. Those who are of the alcohol problems, and others, will be transferred out they will not be in. So, its just that group that are there. There was no humane way we could drop them and no efficient way we could separate them."

"Those people that are transferred from the AFS to the local level, they become local employees and not state employees, would not the fringe benefits be provided by the local level?" asked Frances Burgess. "What about their salaries, you can't guarantee they'd have the same salaries. Their salaries would be affected."

"Yes, eventually they would be," stated Walt McGettigan. "We tried to protect everybody in this and we wrote into this that they had a right within a year to going back. There is no way any of us is guaranteed our jobs. We tried to protect everybody, and that's part of the problem we created, we tried to be everything to everybody. Where you accept responsibility for them, they will become your employees. Now, there's going to be a difference of salaries, we recognize that this is going to create some problems; but down the line we anticipate as the local area agency assumes responsibility of that problem, they will work it out, in time. The money for their salaries and fringe benefits comes with them. The cost of them and their doing business comes with them. It doesn't come out of service dollars.

THE END. 12:00 MDCM



## *Statewide Health Coordinating Council*

3886 BEVERLY STREET N.E., SUITE 19, SALEM, OREGON 97303 PHONE 378-4684

July 7, 1981

TO: Sen. Bill McCoy, Chairman  
Senate Human Resources and Aging Committee

FROM: Bryant Williams, Chairman *BWmw*  
Statewide Health Coordinating Council Legislative Review Committee

SUBJECT: Senate Bill 955

On behalf of the Statewide Health Coordinating Council (SHCC)  
I would like to enter into the record the attached testimony  
in support of Senate Bill 955.

cc: Ralph Crawshaw, M.D. Chairman  
Statewide Health Coordinating Council

July 2, 1981

TESTIMONY  
SENATE BILL 955  
SENATE COMMITTEE ON HUMAN RESOURCES AND AGING  
PRESENTED BY THE STATEWIDE HEALTH COORDINATING COUNCIL

The Statewide Health Coordinating Council supports the passage of Senate Bill 955.

The 1981 State Health Plan adopted by the Statewide Health Coordinating Council advocates consolidation and reorganization of the long-term care system at both state and local levels. The State Health Plan points out that such reorganization would improve the efficiency, appropriateness and cost effectiveness of long-term care services in Oregon.

There are currently too many separately managed, staffed, contracted, planned and advised programs for optimum efficiency and continuity of care. The creation of a Senior Services Division provides the potential for locating funds for alternative care by planning and coordinating services and thereby reducing the demand for high cost nursing home care.

The Statewide Health Coordinating Council urges the passage of Senate Bill 955 and the improvement of long-term care services provided at the state and local levels.

PHYSICALLY AND MENTALLY HANDICAPPED  
IN THE SENIOR SERVICES DIVISION

EXHIBIT "L"  
Senate Committee on  
Human Resources/Aging  
July 9, 1981  
Page 1 of 1 SB 955

The issue of a small number of physically and mentally handicapped non-elderly population (who are now served, along with the elderly, in the Long-Term Care Unit of AFS) being served in the Senior Services Division has created much concern. Almost everyone agrees that this arrangement is not ideal, that if possible, various populations should be served separately. Options that have been mentioned include retaining the handicapped in the Adult and Family Services Division, transferring the handicapped to the Mental Health Division and Vocational Rehabilitation, or creating a separate handicapped division. All of these options involve major system problems, and all would require additional funds.

The long-term care service programs in Adult and Family Services Division which we proposed to be transferred to the Senior Services Division are now administered by program and not by client group. For example, the nursing home program is administered by type of nursing home (Skilled Nursing Facility and Intermediate Care Facility) and not by the clients who use the facility (elderly, mentally retarded, mentally ill, physically handicapped). The mix of clients in nursing homes is constantly changing, but the type of nursing facility seldom changes. Under these conditions administration by clients would be more expensive than administration by type.

To transfer to the Senior Services Division only elderly clients in nursing homes (83%) would cause a change from "type" administration to "client" administration in a very costly program. This necessarily would require duplicative nursing home programs. The Senior Services Division would administer one nursing home program for elderly clients and Adult and Family Services Division (or Vocational Rehabilitation or Mental Health Divisions) would administer another nursing home program for their clients.

Such a system would not only be more expensive to operate, it would be more confusing. Since very few nursing homes serve a single category of client, they would each have to deal with two (or more) divisions for policy, reimbursement and other administrative details. At the state level, many of the administrative functions would have to be duplicated in each of the divisions with nursing home clients.

While the example used is also valid for non-medical residential living programs, and in-home service programs, several of these programs in AFS do, however, have accompanying programs in other divisions (Mental Health Division, for example). In these cases some transfers would be possible, as where a service such as an Adult Foster Home is now serving a population which is totally or mostly mentally retarded.

This analysis shows that while totally separating the handicapped from the elderly in the Senior Services Division may be desirable, it would cost more money and require additional staff. Transferring the handicapped, along with the elderly, from Adult and Family Services to the Senior Services Division, would not cost additional money, and would not preclude establishing interagency agreements between the Senior Services Division and other divisions and departments which deal with the handicapped.

June 25, 1981

President  
George Telisman  
Vancouver, Washington

First Vice President  
Clifford Whitman  
Buffalo, New York

Second Vice President  
Phyllis Pinkerton  
Bloomington, Illinois

Secretary  
Jackie Goodman  
Flagstaff, Arizona

Treasurer  
Russell D. Proffitt  
Cedar Rapids, Iowa

Executive Director  
Raymond Mastalish  
Washington, D.C.

Area Agency Liaison  
H. Kay Samec  
Washington, D.C.

Nutrition/Social  
Services Liaison  
Daniel Hickman  
Washington, D.C.

Training Specialist  
Jim Davis  
Washington, D.C.

Bill McCoy, Chairman  
Senate Human Resources Commission/Aging  
447 D Street - Capitol  
Salem, Oregon 98310

Dear Senator McCoy:

The National Association of Area Agencies on Aging would like to communicate its full support for the effort being made in the State of Oregon to reorganize the system for providing services to the elderly.

Background information provided to us by Mr. Ed Sage of the District 3 Area Agency on Aging indicates the thoughtful process you have gone through. We especially were pleased with the involvement of older persons themselves in the decision making process.

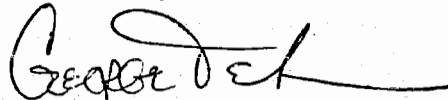
Since the inception of the Older Americans Act the focus has been on "those in greatest need". This surely translates into those older persons who are most frail, most at risk of premature institutionalization. The integration of the "traditional services" provided by the states and institutions and the "community based systems" provided through the Area Agencies on Aging has been continually frustrated by the fragmented and separate bureaucracies which administer the discrete services.

While many states and area agencies have begun to address this problem throughout the country (see attached "Analysis of Long-Term Care Activities by Area Agencies on Aging") the Oregon proposal is one of the most far reaching in that it proposes to consolidate almost all of the crucial functions into one system. It would provide an opportunity to attack the problems of multiple entry points and "designing the older person to fit the system" instead of the more appropriate and humane "designing the system to fit the needs of the older person".

N4A and the National Association of State Units on Aging have developed a joint policy statement on Long Term Care (attached) which calls for the building of a single, centralized system around the AAA at the local level.

We strongly encourage you to enact this legislation. The most vulnerable of your elderly population will undoubtedly benefit.

Sincerely,

A handwritten signature in cursive script, appearing to read "George Telisman".

George Telisman  
President

Attachments

1245  
Salem  
July

The Honorable Bill McCoy  
Chr. Human Resources/ Aging Committee  
Oregon State Senate  
Salem, Oregon

Re: SB955

Dear Senator McCoy:

I hope that the Human Resources/Aging Committee will not approve SB955 in its present form. My concern about this stems from my status as a senior citizen, a retired social worker with wide professional and volunteer experience, a concerned citizen, and a taxpayer.

Undoubtedly much of the dissatisfaction with the present administrative structure and delivery of service is valid and changes need to be made. But the creation of another structure on the basis of age is a simplistic solution which is highly questionable both philosophically and financially. Older people may have a greater number of problems and needs than other age groups, but the nature of those needs is not confined to those over 65. Adequate care for disability is just as important when needed at 50 as at 80. To be treated with respect and to have the opportunity for the greatest possible control over your own life is important at any age. Creative ways of involving clients in delivery of services should be worked out in all programs within the Department of Human Resources. But these concerns can and should be met within a more unified structure, rather than further splintering of DHR. We need to bridge age gaps and recognize interdependence, and the proposal for a Senior Services Division could block this.

The establishment of another Division within DHR inevitably would result in greater expense at a time when funds are scarce and essential services are being curtailed. Competition for money and for volunteers would be intensified. We cannot afford to have independent empires ( even if they were desirable) and should be looking toward consolidation and coordination of programs.

I know that the Human Resources/Aging Committee is acutely aware of the Legislature's responsibility for giving priority to the common good rather than to politically potent special interests. I hope that you will seriously consider recommending that an interim study be made of the issues that have been brought out in the effort to pass SB955. What are people saying and what do they want and need and what is the best way to enable them to get it? Everyone, including personnel in DHR, legislators, and various groups in the community needs to listen and be open to change. We need to find new ways of functioning -- and establishment of another Division may not be the solution. Something creative and effective might come out of a real soul-searching effort.

Sincerely,

Frances (Mrs. A. Brooks) Poynter  
1245 Valley View N.W., Salem, Or. 97304



PRELIMINARY ANALYSIS OF  
IMPACT OF SENIOR SERVICES DIVISION (SB955) ON LOCAL GOVERNMENTS

1. Scope of Analysis

- 1.1. This is a political, not fiscal, analysis; fiscal impact apparently would not be substantial.
- 1.2. This is an analysis of SB955 with two sets of proposed amendments:
  - 1.2.1. Governor's Commission on Aging (the sponsor's own revisions)
  - 1.2.2. Portland/Multnomah SB955 Task Force (see membership list; amendments developed June 25, 1981).
- 1.3. Without these amendments, local governments' concerns would, in many instances, lead to opposition to SB955.

2. Definitions and Explanations

- 2.1. "Type A Area Agency" is an Area Agency on Aging of the type we have now. It would continue to exist, in each location, until and unless local government and the Area Agency decided (with no time limit) to convert to a "Type B" Agency (see below).
  - 2.1.1. The "Type A" Agency manages (a) Older Americans Act Title III Community Services and (b) Oregon Project Independence In-Home Care. In a locality with a "Type A" Agency, the state (now, Adult and Family Services; under SB955, a new "Senior Services Division" combining the former long-term care unit of Adult and Family Services and the former Office of Elderly Affairs), manages (c) Social Security Act Title XX In-Home Care and Substitute Homes (adult foster care, Home for Aged), and (d) Title XIX Nursing Home Care. Income eligibility for Title XX and XIX services is determined by state staff.
  - 2.1.2. The "Type A" Agency may be governed in any of the following ways:
    - 2.1.2.1. As an administrative unit within city or county government
    - 2.1.2.2. As an administrative unit under a combination of local governments, like a council of governments
    - 2.1.2.3. As a non-profit organization, with the responsibility officially delegated to it by a local government or combination of them
    - 2.1.2.4. As a free-standing non-profit, with no local government responsible.
- 2.2. "Type B Area Agency" is an optional restructuring under SB955, after thorough, participative planning involving all affected parties.
  - 2.2.1. The "Type B" Agency manages, under one roof, not only (a) Title III and (b) Project Independence, but also the (c) Title XX and (d) Title XIX programs mentioned above. Income eligibility for Title XX and XIX services would still be determined by state staff, who would be outstationed at Area Agency locations when physically feasible. Funding would be on a reimbursement-to-provider basis, rather than grants to the Area Agencies, and the state would be liable for audit exceptions and over-runs.
  - 2.2.2. The "Type B" Agency, because of the ten-fold increase in annual dollar level of program, must be governed under 2.1.2.1., 2.1.2.2., or 2.1.2.3., not 2.1.2.4. In addition, under specified, limited, circumstances, because of the state's liability for audit exceptions and over-runs, the Senior Services Division administrator would have the power to disapprove continuation of an Area Agency director (appealable to the Director of the Department of Human Resources and the Governor).



2.2.3. To handle the responsibility for Title XX and XIX services, the "Type B" Agency would have a choice between two options regarding the locally based state personnel who now manage these programs:

2.2.3.1. Contracting with the state for the services of this group of employees

2.2.3.2. Negotiating an agreement with the state for the transfer of this group of employees, under the existing state provisions and protections for transferred public employees as well as special provisions of SB955. This "transfer" alternative may not be feasible until a "Type B" Agency has the benefit of some experience working under the "contract" alternative. Subcontracting or retransferring these employees to non-governmental agencies would need to be negotiated at the local level, with the state as an additional party.

3. Analysis Issue: Does a Local Government Have to Choose "Type B"?

3.1. There is no time limit in SB955, with the amendments.

3.2. The first possible date to start as "Type B" is July 1, 1982.

3.3. Considerable work will be required before any locality has a complete "Type B" plan for negotiating with the state.

3.4. Local senior citizens will, in many localities, put pressure on local governments to move to "Type B"; local governments will need to be sure that local senior citizens (a) understand 3.1., 3.2., and 3.3., (b) understand relevant local issues and constraints, (c) participate fully in an open planning process.

3.5. No local government has to choose "Type B". Some may prefer to wait, watch, and see what happens to other local governments that, for practical or political reasons, convert to "Type B" first.

3.6. A local government, under SB955, can negotiate back to a "Type A" with the state, returning the "Type B" services and responsibilities and negotiating transfer of public employees under existing state provisions and protections.

3.7. A local government does not have to accept transfer of state employees (see 2.2.3.2. above) to operate as a "Type B" Agency. It can contract for their services, instead (2.2.3.1.).

4. Issue: If a Local Government Chooses "Type B", Does it put Itself at Excessive Risk of State and Federal Budget Cuts?

4.1. State and federal budget cuts are going to happen independent of SB955; it will not create them. It may, however, give state and local governments enough flexibility to blunt some of the more severe potential consequences of the state and federal cuts upon the persons served.

4.2. Because of SB955, might the state cut funds for the elderly, more than for other populations?

(a) Factors Which May Heighten Local Concern      (b) Factors Which May Reduce Local Concern      (c) Probable Net Balance Of Factors On Local Concern

- |                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                  |                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. SB955 gives a local government that chooses "Type B" more of the responsibility; state budgeteers might find it easier to cut state funds going into "local" programs. | 1. SB955 means that more local governments will be involved, knowledgeable, and in a position to lobby effectively <u>for</u> state funding through the Association of Oregon Counties and the League of Oregon Cities.                                                                                                                          | 1. Reduces concern. |
| 2. Possible fragmentation and "divide and conquer" of statewide senior citizens' lobby into groups to pressure local governments primarily.                               | 2. Size and effectiveness of the senior citizens' lobby at the state level. Cohesiveness of seniors through Governor's Commission on Aging.                                                                                                                                                                                                      | 2. Reduces concern. |
| 3. For a while, at least, not all localities will be "Type B", so might be easier for the state to cut funds for them because they are "different".                       | 3. For a while, at least, not all localities will be "Type B". Therefore, in many places, the <u>state</u> will continue to be responsible for the Title XX and XIX programs. This will make it virtually impossible, politically, for the state to cut "Type B" locally managed Title XX and XIX services more than it cuts state managed ones. | 3. Reduces concern. |

4.3. If the state cuts funds for the elderly, more than for other populations, will local elected officials get the blame?

(a) Factors Which May Heighten Local Concern      (b) Factors Which May Reduce Local Concern      (c) Probable Net Balance Of Effects On Local Concern

- |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                 |                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| 1. Locally based staff would be telling current or potential clients that services are cut, so local officials could be blamed, unless the state's responsibility were publicized.                                                                                                                                                                         | 1. <u>State</u> is responsible for service criteria, allocation of funds, and provider reimbursements, so the <u>state</u> would be blamed for decisions to cut services on a statewide basis.                                                                                                  | 1. Reduces concern.          |
| 2. Local government may decide to accept transfer of the state employees handling the Title XX and XIX programs. <u>Local</u> officials, then, <u>could be blamed for</u> decisions to cut <u>local</u> positions related to cuts in <u>state</u> funds. The fall-out could be reduced somewhat by drawing attention to the <u>state's</u> responsibility. | 2. Local government does not have to accept transfer of state employees. They may contract for services of the state employees handling the Title XX and XIX programs. The <u>state</u> would then be blamed for decisions to cut <u>state</u> positions related to cuts in <u>state</u> funds. | 2. Reduces concern somewhat. |

WAYS AND MEANS COMMITTEE LOG

Subcommittee No. 4

Date 7/24/81

Counter Bill TAPES -- 225-B,226-A Tape Side

Counter	Bill	TAPES -- 225-B,226-A	Tape	Side
		Human Resources -- SB 955		
		Members present: Rep. Katz, late, Rep. Van Vliet, Rep. Riebel, Senator Burbidge, Senator Ripper, Senator Meeker, Art Wilkinson, LFO analyst.		
001	SB 955	Rep. Van Vliet		Meeting called to order at 2:20 p.m. Introduction of public testimony relating to SB 955, relating to Social Services. General questions, comments and discussion throughout the testimony.
013		Nancy Fadeley		Testimony and review relating to the bill.
126		Lena Humiston		Testimony supporting the bill.
249		John Craig		"
369		Ruth Sheperd		"
490/e	225-B			
043	226-A	Bertha Roth		Testimony opposed to the bill.
151		Jean Higenbothem		"
242		Margie Patton		"
297		Rep. Katz		Meeting adjourned at 3:12 p.m.

WAYS AND MEANS COMMITTEE LOG

Subcommittee No. 4

Date 7/27/81

Counter	Bill	TAPES -- 226-B,227-A,228-A	Tape	Side
		Human Resources -- Members present: Rep. Katz, Ch., Rep. Van Vliet, Rep. Riebel, Senator Burbidge Senator Ripper, Senator Meeker, Art Wilkinson & Vickie Gates LFO analysts.		
002	SB 107	Rep. Katz		Meeting called to order at 1:14 p.m.
006				General comments, questions and discussion relating to SB 107, issues, amendments and other related legislation.
120	HB 5036	Rep. Katz		General introductory comments on the budgets.
130		Senator Meeker		General questions, discussion and review of issues relating to CSD's budget report and 4-C councils.
237		Senator Ripper		Motion made to move CSD's budget report out of committee.
239		Art Wilkinson		Review of issues and budget reports.
272		Senator Ripper		Motion made to move all remaining budget reports out of committee, motion carried.
278		Rep. Katz		Meeting recessed.
306	SB 955	Rep. Katz		Meeting reconvened at 2:40 p.m. General introduction of public testimony relating to SB 955.
310		Mr. Wendell		Testimony relating to the bill.
338		Walter		"
493/e	226-B			"
148		Hazel Carr		"
180		Chuck Hagerty		"
226		Paul Jones		"
330		Rollin Reynolds		"
494/e	227-A			"
041		Rep. Katz		Meeting adjourned at 3:20 p.m.

WAYS AND MEANS COMMITTEE LOG

Subcommittee No. 4

Date 7/28/81

Counter	Bill	TAPES -- 227-B, 228-B, 229-A, 230-A	Tape	Side
		Human Resources -- Work Session Members present: Rep. Katz, Ch., Rep. Van Vliet, Senator Burbidge, Senator Ripper, Senator Meeker, Art Wilkinson, LFO analyst.		
003	SB 955	Rep. Katz		Meeting called to order at 1:55 p.m. General introduction of testimony relating to the bill.
006		Rep. Grattan Kerans		General comments relating to the bill.
039	HB 2549	Rep. Katz		Introduction of HB 2549. General comments and discussion.
055		Howard Smith		Dept. of Education, comments, questions and discussion relating to the bill.
080		Gerald Johnson		CSD, comments, questions and discussion relating to the bill.
109		Les Bush		CSD, comments, questions and discussion relating to the bill.
160		Senator Debbs Potts		General comments and discussion relating to the bill.
180	SB 322	Rep. Katz		Introduction of SB 322.
185		Senator Meeker		General review of bill's history.
195		Leonard Systma		AFS, comments, questions and discussion on review of the bill and proposed amendments.
373 491/e	<u>227-B</u>	Jim Barrie		Wa. Co. DA, general comments, questions and discussion relating to the bill and issues.
076		Rep. Margie Hendriksen		Comments and continued general discussion relating to the bill.
224		Senator Meeker		General questions, discussion and review of the bill and amendments.
315 494/e	SB 955 <u>228-B</u>	Leo Hegstrom		DHR, general comments, questions and discussion relating to SB 955, relating to Senior Services division.
254		Dick Ladd		Comments and continued discussion on the bill and issues.
266		Art Wilkinson		General comments, questions, discussion and recommendations for the bill and related issues.
450 494/e	229-A	Rep. Katz		General closing comments and discussion.
033		Rep. Katz		Meeting adjourned at 3:30 p.m.

WAYS AND MEANS COMMITTEE LOG

Subcommittee No. 4

Date 7/29/81

Counter	Bill	TAPES -- 229-B	Tape	Side
		Human Resources -- Work Session Members present: Rep. Katz, Ch., Rep. Van Vliet, Rep. Riebel, Senator Ripper, Senator Meeker, Rep. Gilmour, Senator Fadeley, Art Wilkinson LFO analyst,		
000	SB 955	Rep. Katz	Meeting called to order at 5:35 p.m.	
001		Senator Meeker	Motion made to adopt proposed amendments.	
002		Art Wilkinson	General review of amendments.	
009		Senator Meeker	Motion made to move bill, as amended, to full committee with a do pass recommendation.	
017	HB 3246	Senator Meeker	Motion made to move bill to full committee, general review of related issues.	
026	HB 5036	Rep. Katz	General questions, discussion and review of restoration problems and issues beginning with the water program.	
119		Rep. Katz	Motion made to appropriate to the Health Division funds for the Water program.	
127	HB 5033	Art Wilkinson	General review of restorations relating to the Juvenile Services Commission.	
152		Rep. Katz	Restorations okayed. General questions and discussion relating to other specified restorations.	
167		Rep. Van Vliet	Motion made to adopt restoration list.	
169		Rep. Katz	General questions and discussion on priority restorations.	
196		Leo Hegstrom	Director of the Dept. of Human Resources, comments and continued general questions and discussion.	
214		Rep. Katz	Adoption of list ordered.	
218		Rep. Katz	Meeting adjourned at 6:25 p.m.	

Senate Bill 955--Relating to social services; creating new provisions; amending ORS 184.750, 184.865, 184.900 and others; repealing ORS 184.860, 327.523, 413.025 and 441.081; appropriating money; and declaring an emergency.

Senator Meeker moved that Senate Bill 955 be amended as set out on the printed agenda, and that it be reported out to the Senate "Do pass as amended."

Senator Meeker explained that this bill creates a Senior Services Division within the Department of Human Resources by combining the alternative care, nursing home and social services programs in the Adult and Family Services Division with the Office of Elderly Affairs and area agencies on aging. As the bill came to Ways and Means from the Senate Committee on Human Resources/Aging, it provided for transfer of funds from the AFS and Office of the Director based on the Governor's approved budget level. Because the amounts that will be approved by the Legislature are not known, Subcommittee No. 4 changed all of the amounts to \$1 in each of the sections. When final funding levels are known, the program can be transferred upon request to the Emergency Board. This will allow the Legislature, through the Emergency Board, to review the impact of those transfers in total. This delaying feature, he thought, had brought about additional support for the bill.

Senator Burbidge stated he would vote for this bill even though he has some skepticism about it because of the support of many people who identify themselves as senior citizens. It was his hope that the supporters would not be disappointed with the implementation of the program, noting that he has also had mail in opposition.

Senator Ripper said he also would vote for the bill, having a further opportunity to review it before going into effect when a request is presented to the Emergency Board.

Senator Fadeley commented that he had been lobbied heavily on this bill, the majority of those asking for support not having an accurate understanding of what was in the bill.

Senator Fadeley asked what was meant by the language on page 3, lines 10 through 13, of the bill relating to transferring state and federal funds. Mr. Arthur Wilkinson, Legislative Analyst, thought that the intent of that language was to authorize the senior Services Division to transfer savings which may come about through creation of the Division from one part of the state to another so alternative programs, for example, could be implemented, and would also permit state-ordered transfers within an area from one program or service to another after consultation with that area agency.

Representative Simpson said he had been lobbied by various agency people on this bill. He felt there were many senior citizens, especially within the rural areas, that do not agree with this concept, and although he would vote for the bill in Committee would study it further before it reaches the floor of the House.

Senator Roberts commented that as a member of the Human Resources Committee he had a great deal of lobbying against the bill by many who were misinformed, expressing opposition because among other things they thought it would take away local control, would classify them as welfare cases or would confuse them with the handicapped. He thought some of the strengths of the bill, as it was modified in Committee, were that it makes clear the distinction between the handicapped and senior citizens and there were only related services when needs were similar; clearly gives a local area option whether it wants to come under this or not in administering funds; and tries to coordinate related services so a person does not have to deal with a lot of different agencies. Also, one of the strengths of the bill is the tremendous encouragement it gives to local control and to volunteers in developing services for senior citizens, the emphasis being on trying to take it out of a bureaucracy centralized in Salem and placing it on the local level. He expected that there would be problems as the program is developed and changes will be required but thought this a step in the right direction.

In response to Representative Simpson's question, Senator Roberts said two types of area agencies are created under this bill, one largely a continuation of the present method of handling federal funds and the other a combination handling all of the services.

Senator Meeker thought this gives a much higher degree of visibility from the local level upwards to the problems of seniors. The Subcommittee basically looked at the financial impact of the bill, and felt that the \$1 limit is the appropriate method of developing implementation of the Act. Some time in the future, all of the plans will be presented to the Emergency Board and there will be a much better understanding of how the transfers will occur.

Senator Meeker's motion carried, with Representative Jones voting "no" on roll call vote.

House Bill 2923--Relating to Teachers' Retirement System; creating new provisions; amending ORS 237.051, 239.118 and 239.150; and declaring an emergency.

Representative Cherry moved that House Bill 2923 be amended as set out on the printed agenda, and that it be reported out to the House "Do pass as amended."

Representative Cherry said this bill relates only to the Retirement System for teachers in the Portland School District #1 and its relationship to PERS. He noted that the Teachers' Retirement Fund Association long preceded PERS in the Portland School District. There has been an effort for many years to have TRFA buy into PERS and have a single group, but that has not been successful. All parties involved are now backing this bill. The language sets up a mechanism by which the systems can be combined, and will not have a cost impact on PERS. The new language makes available to the District four methods of advancing funding of the merger. These are: (1) a 30-year financial agreement



FULL COMMITTEE

DATE July 30, 1981

COUNTER  
READINGBILL  
NO.

TAPE # 57 SIDE A

COUNTER READING	BILL NO.		
200		Senator Meeker	Closing statements.
208		Rep. Gilmour	Roll call motion passes.
219	SB 955	Senator Meeker	SB 955 Relating to senior serices division Recommends the bill be reported out to Senate so pass with amendments.
246		Senator Burbidge	Vote explanation.
268		Senator Ripper	" "
272		Senator Fadeley	Comments and questions legislation content.
307		Art Wilkinson	Explains and discussion follows with Senator Fadeley.
341		Rep. Simpson	Comments - vote explanation.
364		Senator Roberts	Comments on subsequent committee work on legislation.
412		Rep. Simpson	Question on Senator Roberts.
418		Senator Roberts	Answers.
		Tape 58 Side A	
001		Senaotr Meeker	Closing statements.
012		Rep. Gilmour	Roll call motion passes.
017	HB 2923	Rep. Cherry	HB 2923 Relating to Teacher's Retirement Recommends the bill be reported out to House do pass with amendments.
069		Rep. Katz	Comments.
072		Rep. Gilmour	Roll call motion passes.
080		Senator Fadeley	Vote explanation.
088		Senator Ripper	Comments.
094	HB 3191	Rep. Lindquist	HB 3191 Relating to elections Recommends the bill be reported out to House do pass with amendments.
102		Rep. Gilmour	Roll call motion passes. Announcements - adjourns meeting.

**A-Engrossed**  
**Senate Bill 955**

Ordered by the Senate July 16  
(Including Amendments by Senate July 16)

Sponsored by COMMITTEE ON HUMAN RESOURCES/AGING (at the request of Governor's Commission on Aging;  
United Seniors)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Creates, operative July 1, 1982, Senior Services Division in Department of Human Resources to provide social services to elderly [*and adult disabled persons*]. Changes name of Governor's Commission on Aging to Governor's Commission on [*Aging and the Disabled*] **Senior Services**. Transfers certain functions from Office of Elderly Affairs and Adult and Family Services Division to the Senior Services Division.

Appropriates [*\$\_\_\_\_\_*] **\$58,434,983** to Senior Services Division for biennium. Changes biennial appropriation to Department of Human Resources and Adult and Family Services Division.

Declares emergency, effective October 1, 1981.

**A BILL FOR AN ACT**

1  
2 Relating to social services; creating new provisions; amending ORS 184.750, 184.865, 184.900, 327.525, 411.590  
3 and 441.630 and sections 1 and 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled House Bill 5036); and  
4 sections 1, 2 and 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532); repealing ORS  
5 184.860, 327.523, 413.025 and 441.081; appropriating money; and declaring an emergency.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** As used in this Act:

8 (1) "Area agency" means:

9 (a) An established or proposed type A or type B Area Agency on Aging within a planning and service area  
10 designated under Section 305 of the Older Americans Act; or

11 (b) Any public or nonprofit private agency which is designated as a type A or type B Area Agency on Aging  
12 under Section 305 of the Older Americans Act.

13 (2) "Area agency board" means the local policy-making board which directs the actions of the area agency  
14 within state and federal laws and regulations.

15 (3) "Division" means the Senior Services Division of the Department of Human Resources.

16 (4) "Elderly" or "elderly persons" means persons who are served by type A area agencies or type B area  
17 agencies or by the Senior Services Division.

18 (5) "Handicapped person" means a person with a physical or mental handicap:

19 (a) Who is eligible for Supplemental Security Income or for general assistance from the Adult and Family  
20 Services Division; and

21 (b) Who meets one of the following criteria:

22 (A) Is mentally retarded or developmentally disabled and resides in or needs placement in a residential  
23 program administered by the Senior Services Division.

**NOTE:** Matter in **bold face** in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted; complete new sections begin with **SECTION**.

1 (B) Is mentally or emotionally disturbed and resides in or needs placement in a residential program  
2 administered by the Senior Services Division.

3 (C) Is an alcohol or drug abuser and resides in or needs placement in a residential program administered by  
4 the Senior Services Division.

5 (D) Has a physical or mental handicap other than those described in subparagraphs (A) to (C) of this  
6 paragraph.

7 (6) "Local government" means a political subdivision of the state whose authority is general or a  
8 combination of units of general purpose local governments.

9 (7) "Preadmission screening" means a professional program within the Senior Services Division or type B  
10 area agencies, with staff that includes registered nurses and social workers, that assesses the needs of clients  
11 and recommends appropriate placements in residential programs administered by the Senior Services Division  
12 or type B area agencies.

13 (8) "Protective services" means a service to be provided by the Senior Services Division directly or  
14 through type B area agencies, in response to the need for protection from harm or neglect to elderly persons.

15 (9) "Title XIX" means the programs in Title XIX of the Social Security Act transferred from the long term  
16 care unit of the health and social services section of the Adult and Family Services Division to the Senior  
17 Services Division but does not include Title XIX programs, other than home health, personal care and nursing  
18 home programs, or Title XIX programs in other divisions of the Department of Human Resources.

19 (10) "Title XX" means the programs in Title XX of the Social Security Act transferred from the Adult and  
20 Family Services Division to the Senior Services Division, but does not include Title XX programs in other  
21 divisions of the Department of Human Resources.

22 (11) "Type A area agency" means an area agency:

23 (a) For which either the local government or the area agency board does not agree to accept local  
24 administrative responsibility for Title XIX and Title XX; and

25 (b) That provides a service to persons 60 years of age or older.

26 (12) "Type B area agency" means an area agency:

27 (a) For which the local government agrees to accept local administrative responsibility for Title XIX and  
28 Title XX; and

29 (b) That provides a service to persons 60 years of age or older and handicapped persons who require  
30 services similar to those required by persons 60 years of age or older, or both.

31 **SECTION 2.** The State of Oregon finds that the needs of the elderly population can be best served and  
32 planned for at the local community level; that a longer life expectancy and a growing elderly population  
33 demands services be provided in a coordinated manner and a single local agency system for such services be  
34 instituted; that local resources and volunteer help will augment state funds and needed manpower; that local  
35 flexibility in providing services should be encouraged; and that a single state agency should regulate and  
36 provide leadership to insure that the elderly citizens of Oregon will receive the necessary care and services at  
37 the least cost and in the least confining situation. The State of Oregon further finds that within budgetary  
38 constraints, it is appropriate that savings in nursing home services allocations within a planning and service area  
39 be reallocated to alternative care services under Title XIX, Title XX and Oregon Project Independence in that  
40 area.

1       **SECTION 3.** (1) The Senior Services Division is created in the Department of Human Resources. The  
2 division shall administer laws and programs relating to social, health and protective services to elderly persons.

3       (2) The division shall:

4       (a) Serve as the central state agency with primary responsibility for the planning, coordination,  
5 development and evaluation of policy, programs and services for elderly persons in Oregon and the designated  
6 state unit on aging, as defined in the Older Americans Act of 1965.

7       (b) With the advice of the Governor's Commission on Senior Services, develop long-range state plans for  
8 programs, services and activities for elderly and handicapped persons. State plans should be revised annually  
9 and should be based on area agency plans, state-wide priorities and state and federal requirements.

10       (c) Have the authority to transfer state and federal funds, except Title III of the Older Americans Act  
11 funds, from one area agency to another area agency or from one program or service to another program or  
12 service after consultation with the area agencies involved in the transfer. However, no area agency shall suffer  
13 a reduction in state or federal funds due to increased local funds.

14       (d) Receive and disburse all federal and state funds allocated to the division and solicit, accept and  
15 administer grants, including federal grants or gifts made to the division or to the state for the benefit of elderly  
16 persons in this state.

17       (e) Provide technical, training and program assistance to area agencies and assist them to provide such  
18 assistance to public and private agencies and organizations.

19       (f) Assist area agencies to stimulate more effective use of existing resources and services for elderly  
20 persons and develop programs, opportunities and services which are not otherwise provided for elderly  
21 persons, with the aim of developing a comprehensive and coordinated system for the delivery of social services  
22 to elderly persons.

23       (g) Serve within government and in the state at large as an advocate for elderly persons by holding hearings  
24 and conducting studies or investigations concerning matters affecting the health, safety and welfare of elderly  
25 persons and by assisting elderly person to assure their rights to apply for and receive services and to be given  
26 fair hearings when such services are denied.

27       (h) Process fiscal and client data for all area agencies.

28       (i) Conduct regulatory functions with regard to program operation, by adopting rules for providing social  
29 services, including protective services, to elderly persons who need services that the division or area agencies  
30 are authorized to provide and rules for standard rate setting and quality assurance.

31       (j) Provide information and technical assistance to the Governor's Commission on Senior Services and  
32 keep the commission continually informed of the activities of the division.

33       (k) Make recommendations for legislative action to the Governor and to the Legislative Assembly, after  
34 consultation with the Governor's Commission on Senior Services.

35       (L) Conduct research and other appropriate activities to determine the needs of elderly persons in this  
36 state, including, but not limited to, their needs for social and health services, and to determine what existing  
37 services and facilities, private and public, are available to elderly persons to meet those needs.

38       (m) Maintain a clearinghouse for information related to the needs and interests of elderly persons.

39       (n) Provide area agencies with assistance in applying for federal, state and private grants and identifying  
40 new funding sources.

1 (3) In addition to the requirements of subsection (2) of this section, the division shall:

2 (a) Determine type A and type B area agencies annual budget levels for Oregon Project Independence and  
3 Title III of the Older Americans Act expenditures.

4 (b) For type B area agencies:

5 (A) Determine annual budget levels for planning Title XIX and Title XX reimbursed services. In  
6 determining the budget levels, the division shall retain contingency reserves against overruns and transfers in  
7 use of Title XIX and Title XX funds.

8 (B) Provide timely management information so the area agency can manage Title XIX and Title XX  
9 reimbursements within budgeted levels.

10 (c) Make payments for services within a central processing system for:

11 (A) A type A area agency, at the request of the agency, for Oregon Project Independence or Title III of the  
12 Older Americans Act expenditures, or both.

13 (B) A type B area agency, for Title XIX, Title XX and Oregon Project Independence expenditures, and at  
14 the request of the agency, for Title III of the Older Americans Act expenditures.

15 (d) Assume program responsibility for Title XIX and Title XX programs in areas served by type A area  
16 agencies and in areas where no area agency is designated.

17 **SECTION 4.** (1) It is the policy of the State of Oregon that handicapped persons served by the Senior  
18 Services Division shall also receive necessary services, as appropriate for their needs, from other state  
19 agencies and divisions.

20 (2) In carrying out the provisions in subsection (1) of this section, the Department of Human Resources  
21 shall insure that the Senior Services Division negotiates interagency agreements and coordinates services with  
22 the Mental Health Division, Vocational Rehabilitation Division, Employment Division, Children's Services  
23 Division and the Department of Education for the provision of appropriate services to handicapped clients of  
24 the Senior Services Division.

25 (3) (a) Prior to placement in any residential program administered by the Senior Services Division, all  
26 handicapped persons shall be assessed by preadmission screening to insure the appropriateness of such  
27 placement.

28 (b) If a handicapped person is diagnosed as, or is suspected of being, mentally retarded or developmentally  
29 disabled, preadmission screening shall include assessment by the Diagnosis and Evaluation Service of the  
30 Mental Health Division.

31 (4) The Senior Services Division, in coordination with the Mental Health Division, Children's Services  
32 Division, Vocational Rehabilitation Division and the Department of Education shall work with nursing homes  
33 which have one or more residents under 18 years of age to develop a program appropriate to the needs of such  
34 residents.

35 **SECTION 5.** (1) Agreements and coordination described in subsection (2) of section 4 of this Act shall  
36 include but not be limited to the following:

37 (a) After creation of the Senior Services Division, the Department of Human Resources shall transfer to  
38 the Mental Health Division jurisdiction over specialized foster care homes and residential care facilities  
39 exclusively serving persons with mental retardation or developmental disabilities, mental or emotional

1 disturbances, and alcohol or drug abuse or dependence. This transfer shall be completed by July 1, 1982, and  
2 shall include associated fiscal and staff resources.

3 (b) The Department of Human Resources shall direct the Senior Services Division and the Mental Health  
4 Division to complete, by July 1, 1982, a joint study of persons with mental retardation or developmental  
5 disabilities, mental or emotional disturbances, and alcohol or drug abuse or dependence who remain in foster  
6 care homes, residential care facilities or nursing homes.

7 (2) The study described in paragraph (b) of subsection (1) of this section shall:

8 (a) Assess the appropriateness of current placement for persons described in paragraph (b) of subsection  
9 (1) of this section.

10 (b) Make recommendations for appropriate residential, day programs and support services for those  
11 persons not appropriately placed.

12 (c) Plan needed case management for those persons who should remain as clients of the Senior Services  
13 Division.

14 (3) Recommendations made pursuant to paragraph (b) of subsection (2) of this section shall be reflected in  
15 budget recommendations made by the Mental Health Division to the Sixty-second Legislative Assembly.

16 **SECTION 6.** All programs and functions performed by the Office of Elderly Affairs and the Adult and  
17 Family Services Division, Health and Social Services Section, Long-Term Care Unit, are transferred to the  
18 Senior Services Division.

19 **SECTION 7.** (1) The Department of Human Resources is the designated single state agency for all federal  
20 programs under this Act.

21 (2) Except as provided in paragraph (d) of subsection (3) of section 3 and section 10 of this Act, the  
22 administration of services to clients under this Act shall be through area agencies, and shall comply with all  
23 applicable federal regulations.

24 **SECTION 8.** On and after the effective date of this Act, a type A area agency shall operate in the same  
25 manner as it operated with local administrative responsibility for Title III of the Older Americans Act and  
26 Oregon Project Independence before the effective date of this Act. Nothing in this Act requires a type A area  
27 agency to become a type B area agency.

28 **SECTION 9.** (1) A local government shall be responsible for all actions of a type B area agency in its  
29 jurisdiction, including but not limited to the accountability for funds and compliance with federal and state laws  
30 and rules. Such responsibility shall include all geographic areas in which the type B area agency is designated  
31 to operate.

32 (2) The respective local government shall appoint a director of the type B area agency in its jurisdiction  
33 who must meet minimum qualifications established by the division. The director shall serve with the continuing  
34 approval of the Assistant Director for Senior Services. Continuing approval may be withdrawn by the assistant  
35 director only when it can be shown that the state or federal rules have not been complied with by the type B  
36 area agency, state or federal funds are not being expended for the purposes for which they were intended or the  
37 elderly are not receiving appropriate services within available funds. Withdrawal of continuing approval is  
38 appealable to the Director of Human Resources and the Governor by the local government.

39 **SECTION 10.** (1) In the event that a local government withdraws the designation of an area agency, or the  
40 division withdraws the area agency designation in accordance with the Older Americans Act, the division shall

1 administer the services to clients previously performed by the area agency until a new area agency is  
2 designated.

3 (2) The division may withdraw any particular program or service, except Title III of the Older Americans  
4 Act programs, from the area agency, and administer such programs and services. Before such action is taken,  
5 the division must consult with the director of the area agency and the chief elected official of the affected local  
6 government. Such action shall be taken by the division only when it can be shown the federal or state laws or  
7 rules have not been complied with, state or federal funds are not being expended for the purposes for which  
8 they were intended, or the elderly are not receiving appropriate services within available resources.  
9 Withdrawal of any particular program or service is appealable to the Director of Human Resources and the  
10 Governor.

11 **SECTION 11.** (1) Each area agency shall have an area agency advisory council, with members appointed  
12 by the area agency board.

13 (a) For a type A area agency, membership of the council shall include consumers of services under Senior  
14 Services Division programs, including low income, minority and handicapped persons.

15 (b) For a type B area agency, membership of the council shall include persons described in paragraph (a) of  
16 this subsection and handicapped persons. Representation of handicapped persons on the council shall be in  
17 proportion to the ratio of such persons to all persons in the jurisdiction of the area agency who received Title  
18 XIX and Title XX services, or both, during the preceding 12-month period, but shall not be fewer than one.

19 (2) Each area agency advisory council shall:

20 (a) Recommend basic policy guidelines for the administration of the activities of the area agencies on  
21 behalf of elderly persons, and advise the area agency on questions of policy.

22 (b) Advise the area agency with respect to development of the area plan and budget, and review and  
23 comment on the completed area plan and budget before its transmittal to the Assistant Director for Senior  
24 Services.

25 (c) Review and evaluate the effectiveness of the area agency in meeting the needs of elderly persons in the  
26 planning and service area.

27 (d) Meet at least quarterly. The meetings are subject to ORS 192.610 to 192.690.

28 **SECTION 12.** Each type A area agency shall:

29 (1) Conduct local planning functions for Title III of the Older Americans Act and Oregon Project  
30 Independence.

31 (2) Develop a local plan for service delivery that complies with federal and state requirements and is in  
32 accord with locally determined objectives consistent with the state policy on aging. This plan shall be reviewed  
33 and approved by the division.

34 (3) Assess the needs of elderly persons within the planning and service delivery area for service for social  
35 and health services, and determine what resources are currently available to meet those needs.

36 (4) Assume the responsibility of determining services required to meet the needs of elderly persons, assure  
37 that such services are provided within the resources available and determine when such services are no longer  
38 needed.

1 (5) Endeavor to coordinate and expand existing resources in order to develop within its planning and  
2 service area a comprehensive and coordinated system for the delivery of social and health services to elderly  
3 persons.

4 (6) Serve as an advocate within government and within the community at large for the interests of elderly  
5 persons within its planning and service area.

6 (7) Make grants to or enter into contracts with any public or private agency for the provision of social or  
7 health services not otherwise sufficiently available to elderly persons within the planning and service area.

8 (8) Monitor and evaluate the activities of its service providers to insure that the services being provided  
9 comply with the terms of the grant or contract. Where a provider is found to be in breach of the terms of its  
10 grant or contract, the area agency shall enforce the terms of the grant or contract.

11 (9) Conduct research, evaluation, demonstration or training activities appropriate to the achievement of the  
12 goal of improving the quality of life for elderly persons within its planning and service area.

13 (10) Comply with division requirements that have been developed in consultation with the area agencies for  
14 client and fiscal information and provide to the division information necessary for federal and state reporting,  
15 program evaluation, program management, fiscal control and research needs.

16 **SECTION 13.** Each type B area agency shall:

17 (1) Comply with the provisions of subsection (1) and subsections (3) to (10) of section 12 of this Act.

18 (2) Conduct local planning functions for Title XIX and Title XX of the Social Security Act.

19 (3) Develop a local plan for service delivery subject to review and approval by the division and the  
20 responsible unit of local government that complies with federal and state requirements and in accord with  
21 locally determined objectives consistent with the state policy on aging.

22 (4) Provide protective services within available resources.

23 **SECTION 14.** Each area agency may use, with the consent of state and municipal departments and  
24 agencies, their services, equipment, facilities and personnel, and pay therefor, within the limits of its resources,  
25 as agreed between the agencies and cooperate with other public and private agencies as to the use of services,  
26 equipment and facilities.

27 **SECTION 15.** (1) A type B area agency may contract with the division for services of state employees or  
28 have such employees transferred to employment by the area agency by transfer agreement.

29 (2) State employees whose services have been contracted to a type B area agency shall be supervised for  
30 program purposes by the area agency.

31 (3) If state employees are transferred to a type B area agency, the provisions of ORS 236.610 to 236.650 shall  
32 apply.

33 (4) Prior to transfer of any state employee to any other public employer under this Act, at a date to be  
34 determined by the Assistant Director for Senior Services, each type B area agency shall prepare a plan in  
35 coordination with local staff of the Adult and Family Services Division for implementation of this Act. The  
36 plan shall show how statutory responsibilities are to be met and how all staff are to be utilized.

37 **SECTION 16.** (1) Prior to the designation of an area agency as a type B area agency, the area agency, the  
38 responsible unit of local government and the division must jointly agree upon a plan under which the area  
39 agency will operate.

40 (2) The plan described in subsection (1) of this section shall:



1 (a) Establish an administrative structure and qualification for key personnel that reflect the population to  
2 be served.

3 (b) Be developed in coordination with the appropriate local mental health authority.

4 (c) Include any necessary interagency agreements regarding which agency is to have responsibility for each  
5 specific group of clients under 60 years of age.

6 (d) Address necessary transfers of staff, available equipment and administrative and service funds.

7 (e) Be prepared with the participation of potentially affected clients, staff and other individuals at the local  
8 level, including but not limited to physically handicapped individuals.

9 Section 17. ORS 184.900 is amended to read:

10 184.900. (1) The Governor's Commission on [*Aging*] **Senior Services** is created. The commission shall  
11 consist of at least [*19*] **21** members appointed by the Governor for terms of three years.

12 (2) Prior to making appointments, the Governor shall request and consider recommendations from the area  
13 agencies on aging and other interested senior organizations. The Governor shall designate a member to serve at  
14 [*his*] **the pleasure of the Governor** as chairman for a term of two years with such duties as [*he*] **the Governor**  
15 shall prescribe. The membership of the commission shall be composed of [*members*] **persons** broadly  
16 representative of major public and private agencies who are experienced in or have demonstrated particular  
17 interest in the special needs of [*the*] **elderly persons**, including [*citizens*] **persons** who have been active in [*senior*]  
18 **organizations and advocates on behalf of [*senior citizens*] elderly persons. [*Of the members appointed to the***  
19 ***commission under this subsection, a majority shall be actual*] Additionally, membership shall include persons**  
20 **who are active in advocacy organizations representing the interests of handicapped persons who are served in**  
21 **programs under the Senior Services Division and consumers of services under the [*aging*] Senior Services Division**  
22 **programs, including low income, [*and*] minority [*older*] and handicapped persons [*at least in proportion to the***  
23 ***number of minority and older persons in the state*]. At least a majority of members shall be 60 years of age or**  
24 **older.**

25 [*2*] (3) In addition to the members of the commission appointed under subsection (1) of this section, the  
26 President of the Senate shall appoint one member from the Senate and the Speaker of the House of  
27 Representatives shall appoint one member from the House of Representatives. [*The members of the*  
28 ***commission appointed under this subsection shall be entitled to actual and necessary expenses.*]**

29 [*3*] (4) The Governor's Commission on [*Aging*] **Senior Services** shall advise the Governor, [*and*] the  
30 Director of the Department of Human Resources **and the Assistant Director for Senior Services** on needs of [*the*]  
31 **elderly [*and*] persons, and recommend actions by the Governor, the Department of Human Resources, the**  
32 **Senior Services Division, other governmental entities and the private sector, appropriate to meet such needs.**

33 [*4*] (5) The commission shall have authority to study programs and budgets of all state agencies which  
34 affect [*senior citizens*] **elderly persons**. After such study, the commission shall make recommendations to the  
35 Governor and to the agencies involved. Such recommendations shall be designed to provide coordination of  
36 programs for [*the*] **elderly persons**, to avoid unnecessary duplication in provision of services, and to point out  
37 gaps in provision of services. The commission shall also recommend development of a comprehensive plan for  
38 delivery of services to [*the*] **elderly persons**. In carrying out these tasks, the commission shall coordinate its  
39 efforts with other advisory groups within the Department of Human Resources to avoid duplication of effort.

1        [(5)] (6) The commission shall promote responsible state-wide advocacy for [*senior citizens*] **elderly**  
2 **persons**.

3        [(6)] (7) Members of the commission, other than legislators, shall be entitled to compensation and expenses  
4 as provided in ORS 292.495.

5        **SECTION 18.** On the effective date of this Act, the terms of incumbent members of the Governor's  
6 Commission on Aging shall end. In the first year appointments required by ORS 184.900 as amended by section  
7 17 of this Act are made, the members will be appointed as follows:

- 8        (1) One-third shall be appointed for one year;  
9        (2) One-third shall be appointed for two years; and  
10       (3) One-third shall be appointed for three years.

11       Section 19. ORS 184.750 is amended to read:

12       184.750. (1) The Department of Human Resources is created.

13       (2) The Department of Human Resources shall provide programs for the delivery to the public of services  
14 relating to public assistance, children and families, health and health-related affairs, mental health, corrections,  
15 employment, vocational rehabilitation, [*aging,*] **elderly persons** and such other services as may be assigned to  
16 the Department of Human Resources.

17       (3) The Department of Human Resources shall provide the programs and services enumerated in  
18 subsection (2) of this section through the divisions and other organizational units, including but not limited to  
19 the following:

- 20       (a) The Adult and Family Services Division;  
21       (b) The Children's Services Division;  
22       (c) The Mental Health Division;  
23       (d) The Corrections Division;  
24       (e) The Employment Division;  
25       (f) The Vocational Rehabilitation Division;  
26       (g) The Health Division; and  
27       (h) The [*Office of Elderly Affairs*] **Senior Services Division**.

28       (4) The Department of Human Resources shall be the recipient of all federal funds paid or to be paid to the  
29 state to enable the state to provide the programs and services assigned to the Department of Human Resources.

30       Section 20. ORS 184.865 is amended to read:

31       184.865. (1) The Department of Human Resources is directed to develop and place in effect a program of  
32 supportive social services for persons age 60 or older.

33       (2) The Department of Human Resources is authorized to develop and adopt such rules as necessary for  
34 the sound, efficient and economical administration of the provisions of this section and ORS 184.900 to  
35 184.910, including the implementation of a fee for service schedule based upon ability to pay, and to assure that  
36 no eligible person, resident in a skilled nursing home or intermediate care facility, shall be removed and placed  
37 in an alternative care program unless such services are determined to be more appropriate for the individual

1 citizen based upon appropriate, individual, service considerations.

2 *[(3) There is hereby created an Office of Elderly Affairs in the Department of Human Resources. The office*  
3 *shall have responsibility for all programs and functions heretofore performed by the State Program on Aging and*  
4 *the Office of Special Assistant for Programs for the Elderly, and for such other functions as shall be assigned to*  
5 *it by the Legislative Assembly, the Governor or the Director of the Department of Human Resources.]*

6 *[(4) In accordance with any applicable provisions of ORS 183.310 to 183.500, the office may make such*  
7 *rules as are necessary to carry out the provisions of ORS 184.750, 184.760, 184.900 and this section.]*

8 *[(5) The office shall be staffed by one administrator and one assistant administrator, both of whom shall be*  
9 *in the unclassified service, and by such other personnel as may be necessary. The Director of the Department of*  
10 *Human Resources shall appoint the administrator and the assistant administrator.]*

11 Section 21. ORS 327.525 is amended to read:

12 327.525. The School Lunch Revolving Account of the General Fund is continuously appropriated for the  
13 purposes of ORS 327.520 [*and 327.523*]. All money received under the provisions of ORS 327.520 [*and 327.523*]  
14 shall be paid by the superintendent to the State Treasurer for credit to the School Lunch Revolving Account.

15 Section 22. ORS 441.630 is amended to read:

16 441.630. As used in ORS 441.630 to 441.680:

17 (1) "Abuse" means:

18 (a) Any physical injury to a patient of a long term care facility which has been caused by other than  
19 accidental means, including any injury which appears to be at variance with the explanation given of the injury.

20 (b) Neglect which leads to physical harm.

21 (c) Failure to provide direct patient care.

22 (2) "Division" means the [*Adult and Family*] **Senior** Services Division of the Department of Human  
23 Resources.

24 (3) "Law enforcement agency" means:

25 (a) Any city or municipal police department.

26 (b) Any county sheriff's office.

27 (c) The Oregon State Police.

28 (d) Any district attorney.

29 (4) "Public or private official" means:

30 (a) Physician, including any intern or resident.

31 (b) Licensed practical nurse or registered nurse.

32 (c) Employee of the Department of Human Resources, county health department, community mental health  
33 program or a long term care facility or person who contracts to provide services to a long term care facility.

34 (d) Peace officer.

35 (e) Clergyman.

36 (f) Registered social worker.

37 (g) Physical therapist.

38 (h) Legal counsel for a resident or guardian or family member of the resident.

39 Section 23. ORS 411.590 is amended to read:

1       411.590. A person who is employed as a housekeeper, homemaker or otherwise as a domestic servant in  
2 the house of a recipient of public assistance or services, whose compensation is paid in whole or in part by the  
3 Adult and Family Services Division, the Senior Services Division or the Children's Services Division and is not  
4 otherwise employed by [either] the division, shall not for any purposes be deemed to be an employe of the State  
5 of Oregon whether or not the division selects the person for employment or exercises any direction or control  
6 over the person's employment. Such person shall be deemed to be a nonsubject [workman] worker under ORS  
7 656.027.

8       **SECTION 24.** (1) On written request of the Senior Services Division, the Executive Department shall draw  
9 warrants on amounts appropriated to the Senior Services Division for operating expenses for use by the  
10 division as a revolving fund. The revolving fund shall not exceed the aggregate sum of \$50,000 including  
11 unreimbursed advances. The revolving fund shall be deposited with the State Treasurer to be held in a special  
12 account against which the division may draw checks.

13       (2) The revolving fund may be used by the division to pay for travel expenses for employes of the division  
14 and for any consultants or advisers for whom payment of travel expenses is authorized by law, or advances  
15 therefor, or for purchases required from time to time or for receipt or disbursement of federal funds available  
16 under federal law.

17       (3) All claims for reimbursement of amounts paid from the revolving fund shall be approved by the division  
18 and by the Executive Department. When such claims have been approved, a warrant covering them shall be  
19 drawn in favor of the division and charged against the appropriate fund or account, and shall be used to  
20 reimburse the revolving fund.

21       **SECTION 25.** (1) There is established in the General Fund of the State Treasury an account to be known as  
22 the Senior Services Account. All moneys in the Senior Services Account are continuously appropriated for and  
23 shall be used by the Senior Services Division for the respective purposes authorized by law. The moneys in the  
24 Senior Services Account and all appropriations for the Senior Services Division shall be subject to allotment  
25 made by the Executive Department.

26       (2) The Senior Services Division shall keep a record of all moneys credited to and deposited in the Senior  
27 Services Account. The record shall indicate by separate cumulative accounts the source from which the  
28 moneys are derived and the individual activity or program against which each withdrawal is charged.

29       (3) The unobligated balance in the Senior Services Account on June 30 of each odd-numbered year shall be  
30 determined by the Senior Services Division as of September 30 following the close of each biennium and  
31 certified to the Executive Department. The amount certified pursuant to this subsection shall revert to the  
32 General Fund and become available for general governmental purposes.

33       **SECTION 26.** The assistant director may appoint and employ such personnel as may be necessary for the  
34 Senior Services Division and appoint and fix the compensation of all assistants and employes of the division.

35       **SECTION 27.** The Senior Services Division shall make and enforce rules governing the custody, use and  
36 preservation of the records, papers, files and communications by any other agency or department of  
37 government or person to which the records may be furnished. Use shall be limited to the purposes for which  
38 the records are furnished and by the provisions of the law under which they may be furnished.

39       **SECTION 28.** For the protection of applicants for and recipients of services, the Senior Services Division  
40 shall not disclose or use the contents of any records, files, papers or communications for purposes other than

1 those directly connected with the administration of the laws of Oregon, and these records, files, papers and  
2 communications are considered confidential subject to the rules of the Senior Services Division, except as  
3 otherwise provided in ORS 411.325 to 411.335. In any judicial proceedings, except proceedings directly  
4 connected with the administration of public assistance laws, their contents are considered privileged  
5 communications.

6 **SECTION 29.** Any reference to the Adult and Family Services Division or the Office of Elderly Affairs  
7 with respect to such duties, functions and powers transferred by this Act is intended to be and shall be  
8 considered a reference to the Senior Services Division of the Department of Human Resources.

9 **SECTION 30.** (1) The Adult and Family Services Division and the Office of Elderly Affairs whose duties,  
10 functions and powers are assigned and transferred to the Senior Services Division by this Act shall transfer and  
11 deliver to the Senior Services Division all supplies, materials, equipment, facilities, contracts, books, maps,  
12 plans, papers, records and property of every description within its jurisdiction or control which relate to the  
13 duties, functions and powers so transferred and shall also transfer thereto those employes engaged primarily in  
14 the exercise of the duties, functions and powers so transferred. The Assistant Director for Senior Services  
15 shall take possession of such property and shall take charge of such employes and, except as provided in  
16 subsection (2) of this section, shall employ them in the exercise of their respective duties, functions and powers  
17 assigned or transferred by this Act, without reduction of compensation.

18 (2) The Assistant Director for Senior Services may abolish positions and change duties to the extent that  
19 the assistant director finds it desirable for the sound, efficient and economical administration and enforcement  
20 of the duties, functions and powers transferred by this Act. However, in the case of any transfer of personnel  
21 made pursuant to this section, any employe occupying a classified position who is so transferred shall, so far as  
22 possible, retain the same salary classification and status.

23 (3) Any controversy relating to the transfers of property and employes made by this section shall be  
24 resolved by the Director of the Executive Department.

25 **SECTION 31.** Nothing in this Act shall relieve any person of any obligation with respect to any tax, fee,  
26 fine or other charge, interest, penalty, forfeiture or other liability, duty or obligation accruing under, or with  
27 respect to, the duties, functions and powers transferred by this Act. After the effective date of this Act the  
28 Senior Services Division may undertake the collection or enforcement of such tax, fee, fine, charge, interest,  
29 penalty, forfeiture or other liability, duty or obligation; but such liability, duty or obligation shall not be  
30 increased or decreased or continued beyond the period authorized by law for its existence or beyond the time  
31 when it would have terminated if this Act had not been passed.

32 **SECTION 32.** (1) The Senior Services Division shall be considered and held to constitute a continuation of  
33 the Adult and Family Services Division and the Office of Elderly Affairs with respect to powers, functions and  
34 duties and obligations of the Adult and Family Services Division or the Office of Elderly Affairs legally  
35 incurred under contracts, leases and business transactions executed, entered into or commenced prior to the  
36 effective date of this Act. The Senior Services Division shall exercise such rights, powers, duties and  
37 obligations with the same force and effect as if they had not been transferred; but such right, power, duty or  
38 obligation shall not be continued beyond the period authorized by law for its existence or beyond the time when  
39 it would have terminated if this Act had not been passed.

1 (2) The continuation of powers and functions described in this section shall include rulemaking authority  
 2 pertaining to functions, duties and obligations transferred by this Act, and rulemaking authority for functions,  
 3 duties and obligations established by this Act.

4 **SECTION 33.** Any proceeding, court action, prosecution or other business or matter undertaken or  
 5 commenced prior to the effective date of this Act by the Adult and Family Services Division or Office of  
 6 Elderly Affairs with respect to the duties, functions or powers which are by this Act assigned and transferred to  
 7 the Senior Services Division, and still pending on the effective date of this Act, may be conducted and  
 8 completed by the Senior Services Division in the same manner and under the same terms and conditions and  
 9 with the same effect as though it were undertaken or commenced and were conducted or completed by the  
 10 Adult and Family Services Division or the Office of Elderly Affairs prior to transfer.

11 **SECTION 34.** (1) Whenever in any other law or resolution of the Legislative Assembly, or in any rule,  
 12 regulation, document, record or proceeding authorized by the same, any word or phrase is used in reference to  
 13 or descriptive of the Adult and Family Services Division or the Office of Elderly Affairs whose duties,  
 14 functions or powers are by this Act assigned or transferred, such word, phrase or reference shall, after the  
 15 effective date of this Act, unless the context or provisions of this Act require otherwise, be considered to refer  
 16 to, include and describe the Senior Services Division which is charged with carrying out such powers, functions  
 17 and duties, as the context and provisions of this Act may require.

18 (2) Notwithstanding the transfer of duties, functions and powers by this Act, any lawful authorization,  
 19 designation, determination, directive, license, order, permit, policy, privilege, rule or other action of the Adult  
 20 and Family Services Division or the Office of Elderly Affairs whose powers, functions and duties are by this  
 21 Act assigned and transferred to the Senior Services Division, in effect on the effective date of this Act, shall  
 22 continue in effect until superseded by, or repealed by the lawful action of the Senior Services Division; but it  
 23 shall not continue any such action beyond the period authorized by law for its existence or beyond the time  
 24 when the action would have terminated if this Act had not been passed.

25 **SECTION 35.** The functions of the Adult and Family Services Division or the Office of Elderly Affairs  
 26 described in this Act are transferred to and vested in the Senior Services Division.

27 **SECTION 36.** Nothing in this Act extends estate claims requirements and procedures related to certain  
 28 Title XIX and Title XX services under current Oregon statutes and federal regulations to other services.

29 **SECTION 37.** Nothing in this Act requires an area agency or local governmental unit to expend local funds  
 30 for the purpose of maintaining or expanding services to elderly and handicapped persons.

31 **SECTION 38.** ORS 184.860, 327.523, 413.025 and 441.081 are repealed.

32 ~~Section 39. If House Bill 5036 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
 33 House Bill 5036), is amended to read:~~

34 ~~Sec. 1. There is appropriated to the Office of the Director of the Department of Human Resources, for the  
 35 biennium beginning July 1, 1981, out of the General Fund, the amount of [~~\$5,160,289~~] \$642,582.~~

36 ~~Section 40. If House Bill 5036 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled  
 37 House Bill 5036), is amended to read:~~

38 ~~Sec. 3. Notwithstanding any other law, the amount of [~~\$60,765,223~~] \$45,296,089 is established for the  
 39 biennium beginning July 1, 1981, as the maximum limit for the payment of expenses from federal funds  
 40 collected or received by the Office of the Director of the Department of Human Resources.~~

Section 41. If Senate Bill 5532 becomes law, section 1, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532), is amended to read:

Sec. 1. There are appropriated to the Adult and Family Services Division of the Department of Human Resources, for the biennium beginning July 1, 1981, out of the General Fund, the following amounts, which shall be placed in the Public Welfare Account in quarterly instalments based upon estimates of expenditure requirements approved by the Executive Department, to be expended for the following purposes:

(1)	Assistance payments and related expenses .....	\$ 130,896,269	
(2)	Long-term care .....	[\$ 87,904,492]	\$ 41,230,180
(3)	Medical assistance for the categorically needy and general assistance medical payments.....	\$ 109,205,970	
(4)	Special projects .....	\$ 154,165	
(5)	Administrative expenses.....	[\$ 70,909,628]	\$ 67,524,298

Section 42. If Senate Bill 5532 becomes law, section 2, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532), is amended to read:

Sec. 2. Notwithstanding any other law, the following amounts are established for the biennium beginning July 1, 1981, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, excluding federal funds, collected or received by the Adult and Family Services Division of the Department of Human Resources:

(1)	Assistance payments and related expenses .....	\$ 26,242,967	
(2)	Medical assistance for the categorically needy and general assistance payments .....	\$ 5,004,677	
(3)	Administrative expenses.....	[\$ 2,639,843]	\$ 2,637,763

Section 43. If Senate Bill 5532 becomes law, section 3, chapter \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532), is amended to read:

Sec. 3. Notwithstanding any other law, the following amounts are established for the biennium beginning July 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Adult and Family Services Division of the Department of Human Resources. Such amounts shall be credited to the Public Welfare Account within the General Fund as they are made available by the United States Government and subject to the approval of the Executive Department, may be expended for the following purposes:

(1)	Assistance payments and related expenses .....	\$ 138,413,098	
(2)	Long-term care .....	[\$ 101,609,727]	\$ 47,492,280
(3)	Medical assistance for the categorically needy and general assistance medical payments.....	\$ 94,497,655	

- 1 ~~(4)~~ Special projects ..... \$ 68,989,424
- 2 ~~(5)~~ Administrative expenses ..... [~~\$ 100,130,368~~] \$ 92,296,108

3 <sup>39</sup>  
**SECTION 44.** (1) There are appropriated to the Senior Services Division of the Department of Human  
 4 Resources, for the biennium ending June 30, 1983, out of the General Fund, the following amounts, which shall  
 5 be placed in the Senior Services Account in quarterly instalments based upon estimates of expenditure  
 6 requirements approved by the Executive Department, to be expended for the following purposes:

- 7 (a) Long-term care ..... ~~\$ 54,604,349~~ <sup>#</sup>
- 8 (b) Administrative expenses ..... ~~\$ 3,830,634~~ <sup>#</sup>

9 (2) Notwithstanding any other law, <sup>#</sup>~~\$2,080~~ is established for the biennium ending June 30, 1983, as the  
 10 maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous  
 11 Receipts, excluding federal funds, collected or received by the Department of Human Resources for  
 12 administrative expense.

13 (3) Notwithstanding any other law, the following amounts are established for the biennium beginning July  
 14 1, 1981, as the maximum limits for the payment of expenses from federal funds received by the Senior Services  
 15 Division of the Department of Human Resources. Such amounts shall be credited to the Senior Services  
 16 Account within the General Fund as they are made available by the United States Government and, subject to  
 17 the approval of the Executive Department, may be expended for the following purposes:

- 18 (a) Long-term care ..... ~~\$ 77,420,841~~ <sup>#</sup>
- 19 (b) Administrative expenses ..... ~~\$ 8,521,862~~ <sup>#</sup>

20 <sup>40</sup>  
**SECTION 45.** Sections 7, 9, 10, 13 and 15 of this Act are operative July 1, 1982.

21 <sup>41</sup>  
**SECTION 46.** This Act being necessary for the immediate preservation of the public peace, health and  
 22 safety, an emergency is declared to exist, and this Act takes effect October 1, 1981.



SENATE BILL 955

Senate Bill 955 creates a Senior Services Division within the Department of Human Resources by combining the alternative care, nursing home, and social services programs in the Adult and Family Services Division with the Office of Elderly Affairs and area agencies on aging.

As the bill came to Ways and Means from the Senate Committee on Human Resources/ Aging, it provided for transfer of funds from the AFS and Office of the Director based on the Governor's approved budget level. As the final appropriation amounts which will be approved by the Legislature are not known the Committee amended the bill by inserting a \$1 figure in each of the appropriation/limitation categories so that when final funding levels for the programs to be transferred are known the Department of Human Resources can appear before the State Emergency Board for establishment of position and funding authority for the new Division. The Committee made no other changes to the bill.



June 18, 1981

MEMO TO: Nancie Fadeley  
Senate Committee on Human Resources/Aging

FROM: Art Wilkinson

RE: Fiscal Impact on SB 955

Please accept the attached fiscal and/or organizational analysis prepared by the Department of Human Resources as our preliminary estimate of funds which would be transferred from the Office of the Director and Adult and Family Services Division to formulate the operating budget for the Senior Services Division as proposed in SB 955.

At this point, the estimate is based on the transfer of funds as contained in the Governor's revised budget and will require updating to reflect Ways and Means action on the budget for AFS and Office of the Director when completed. As the bill has a subsequent referral to Ways and Means, it would seem reasonable that those adjustments could be made at that time.

In reference to your specific question about loss of Title XIX Medicaid funds, the administration of DHR indicates that creation of the Division should not impact the receipt of federal funds. Examples cited were Title XIX funds being received and expended directly by the Mental Health and Children's Services Divisions.

AW:dj  
attachments



## *Oregon State Adult and Family Services Review Commission*

PUBLIC SERVICE BUILDING, SALEM, OREGON 97310

July 21, 1981

Senior citizens and the disabled are now being well served by the existing system. Creation of a new agency will result in increased administrative costs at a time when the State of Oregon is supposed to be in financial difficulty.

At the meeting of the Public Welfare Review Commission of July 13, 1981, some of the concerns expressed were:

1. What happens to the Adult and Family Services employes who are transferred to the new division? Do they become county employes without tenure?
2. Will there be county politics involved if the local AAA's run the programs at the county level?
3. Will the money be used for the purpose that it was originally intended?
4. The disabled population which is not elderly is sort of included as an afterthought. There is a lot of concern about the services being appropriately divided between the two populations. Will there be expertise available to deal with disability issues?
5. When county government takes over a project of this kind they find out in a very short time that there are always added costs and somehow these moneys have to be provided once you have obligated the county to that degree.
6. How can any bill which would be passed at this point be liberal enough to be able to make all the changes that are going to be necessary by 1982?

Volunteers - In my research I have learned that there is a drop out of volunteers and more expected to drop out because they will not be reimbursed for expenses and they cannot afford, therefore, to participate as volunteers.

Proponents of the bill represent that under this bill the elderly will have opportunity to participate in the promulgation and development of programs serving the elderly; yet there was blatant failure by the proponents to inform elderly groups during the period of development of this proposed change in the administrative processes that will so greatly impact aged. This has resulted in confusion, lack of understanding and the increasing fear that a now functioning adequate system will be lost - to the detriment of the aged and disabled.

The Public Welfare Review Commission, a 15-member governor-approved body with statewide representation, was unanimously opposed to SB 9553

ADULT & FAMILY SERVICES REVIEW COMMISSION

Larry E. Callahan 2725 Pilkington Corvallis, OR 97330	Orvo Nikula 2285 Manion Drive Warrenton, OR 97146	William S. Born 61474 Barleycorn Lane Bend, OR 97701	Hugh B. Elder c/o Wasco County Court House The Dalles, Or. 97058	Norman L. Myers 3123 NE Bryce Portland, Or. 97212	Doris L. Simpson 3415 NE 19th Portland, Or. 97212	Ennis R. Keizer, M.D. P.O. Box 667 North Bend, Or. 97459	William S. Vian 5213 Buckhorn Road Roseburg, Or. 97470	JerraLynn Ness Rt. 2, Box 423A Portland, Or. 97231	Emma J. Hill 680 River Drive Independence, Or. 97351	Shirley Kaping 260 Crona Junction City, Or. 97448	Roberta Taylor 401 East 8th The Dalles, Or. 97058	Jean Higginbotham 1335 SE Hawthorne Portland, Or. 97058	Gregory Long 2211 Golden Gardens Eugene, OR 97402	Eugene Jackson Route 1, Box 314 Molalla, OR 97038
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

District 1

District 2

District 3

District 4

FROM COUNTY PUBLIC WELFARE BOARDS

CLIENTS OR FORMER CLIENTS

INTERESTED ORGANIZATIONS

District 1

District 2

District 3

District 4

Benton  
Clackamas  
Clatsop  
Columbia  
Multnomah  
Polk  
Tillamook  
Washington  
Yamhill

Baker  
Crook  
Deschutes  
Gilliam  
Grant  
Harney  
Hood River  
Jefferson  
Klamath  
Lake

Linn  
Malheur  
Marion  
Morrow  
Sherman  
Umatilla  
Union  
Wallowa  
Wasco  
Wheeler

Multnomah

Coos  
Curry  
Douglas  
Jackson  
Josephine  
Lane

ORS 411.125 Public Welfare (Adult & Family Services) Review Commission: appointment and qualifications. (1) There is established a Public Welfare (Adult & Family Services) Review Commission of 15 members. The members shall be appointed by the Governor for a term of two years. Eight members shall be appointed, two from each of the four congressional districts, from county public welfare boards; five members shall be recipients or former recipients of the aid or services of the Public Welfare Division (Adult & Family Services Division); two members shall be appointed as representatives of the state agencies or public or private organizations interested in public welfare.

Saslow  
7/8/81

SUMMARY OF SB955 (SENIOR SERVICES DIVISION) WITH THE TWO MAJOR SETS OF PROPOSED AMENDMENTS:

- (a) Governor's Commission on Aging amendments (the sponsor's own revisions)
- (b) Portland/Multnomah SB955 Task Force (see membership list; amendments developed June 25, 1981)

SECTION 1: Defines terms. Identifies two types of Area Agencies on Aging. "Type A" Area Agencies on Aging are the existing type, which (Section 5) can continue as long as locally desired; "Type B" Area Agencies are an alternative type, authorized by SB955, consolidating additional services (now provided by the state) with the existing services in a single local agency. Under Sections 5, 9 and 39, existing Area Agencies (Type A) can, together with local government, exercise the Type B option, after a thorough planning process, at any time after July 1, 1982 (see "Preliminary Analysis of Impact of Senior Services Division (SB955) on Local Governments," separate paper). In addition, Type B Agencies are expected to provide certain services now provided by Adult and Family Services (AFS), to a small number of nonelderly physically or mentally handicapped persons whose long-term care and protective needs are similar to those of the elderly. The amendments also make it clear that just Title XIX and XX long-term care programs are being transferred--not Title XIX medical programs or other Title XX programs (without the proposed amendments, the definitions were not sufficiently clear for local government to work with).

SECTION 2: Explains purpose of act. Increases local responsibility for coordination and planning of services to elderly, to include long-term care programs now in AFS, to "insure...necessary care and services at the least cost and in the least confining situation."

SECTION 3: Lists responsibilities of new state-level Senior Services Division of the state Department of Human Resources, created (without fiscal impact) by consolidating the existing state Office of Elderly Affairs and the existing long-term care unit of the AFS Division, both already within the state Department of Human Resources. The new state division would prepare state plans, enter into contracts, receive and disburse funds, hold hearings and conduct studies, assure rights of elderly to services, prepare federal reports, process data and payments to providers of service, assist the Area Agencies, and serve as an advocate for the elderly. With the amendments, the state is clearly responsible to (1) provide "Type B" Agencies with annual Title XIX and XX budget levels for planning purposes, (2) maintain contingency reserves to adjust for shifts in utilization and over-runs, (3) allow reallocation of local general fund savings in Title XIX nursing home care, to local alternative care under Title XX and Oregon Project Independence; and (4) provide sufficient timely management information so that Type B Agencies can manage their Title XIX and XX reimbursement within budgeted levels (without the proposed amendments, local government

would have had insufficient assurance of financial support and lacked financial incentive to plan and manage in a manner consistent with the purpose of the act (see Section 2)).

SECTION 4: Combines the existing Office of Elderly Affairs and the existing long-term care unit of the AFS Division, both within the state Department of Human Resources, into a new division of that department, the Senior Services Division.

SECTION 5: Describes relationships between Area Agencies, local governments, and the state (see separate paper, "Preliminary Analysis of Impact of Senior Services Division (SB955) on Local Governments"). Allows existing Area Agencies (Type A) to continue to operate, indefinitely, as they have been; or, at the option of an existing Area Agency and local government (city, county, or council of governments), to operate as a Type B Agency. In a Type B Agency, local government appoints the director, who must meet minimum qualifications established by the state. The state determines financial eligibility (for Title XIX and XX services), handles the provider reimbursements, and is financially responsible for over-runs, audit exceptions, and shifts in utilization between localities. Note also (Section 30) that local governments are not required to expend local funds for the purpose of maintaining or expanding services to elderly persons. Because the state is financially liable for actions of the local director, the proposed amendments specify narrow grounds on which the division may withdraw its approval of a local director if state or federal rules are broken or state or federal funds are being improperly expended. Withdrawal of approval of the local director by the division may be appealed to the director of the state Department of Human Resources and to the Governor, making it reasonably certain that this sanction will be applied rarely and appropriately. (Without the amendments, the approval sanction would have been excessively broad. Local government, without the amendments, would not have been able to function in a partnership relationship with the state.) There are also provisions in Section 5 for withdrawal of particular programs and for withdrawal of designation of an Area Agency (under federal law), and for maintenance of services by the division in either case while the local problems are being resolved.

SECTION 6: Describes Area Agency Advisory Boards. Describes membership, which, with amendments, must include persons eligible for services, low-income, minority, and nonelderly persons. Must meet at least quarterly. Duties include recommending policy, advising the Area Agency, and reviewing and evaluating the operation of the Area Agency (without the amendments, existing Area Agency Advisory Board membership might have been too narrow to represent the interests of all parties who should be involved in considering the Type B option and in advising a Type B Agency. From a local government point of view, the amendments improve SB955).

SECTION 7: Defines responsibilities of Type A and Type B Area Agencies. The Area Agencies conduct local planning for their scope of program responsibility; prepare a local service delivery plan for division approval; assess needs of the population to be served; determine service

needs of individuals (state determines financial eligibility for Titles XIX and XX, with the intent to outstation eligibility workers at the Area Agency); assure provision of services as long as needed, within available resources; develop a comprehensive and coordinated system of services; serve as an advocate; enter, monitor, and evaluate contracts for services; conduct research, training, and evaluation; provide client and fiscal data to meet division requirements, developed in consultation with the Area Agencies, to enable adequate management at local and state levels and to meet federal reporting requirements; and, with proposed amendments, to assure that, for Type B Agencies, local government signs off on the proposed local plan and is provided adequate management information for fiscal control. (Without the amendments, local government would not have been able to acceptable accountability.)

SECTION 8: Allows Area Agencies to use and pay for resources of state and local governments.

SECTION 9: Transfer of personnel from state to Type B Area Agencies in accord with locally prepared plan. The state employees whose duties involve services assumed by a Type B Area Agency are transferred to and supervised by that agency under ORS 236.610 to 236.650 (establishes provisions for protection of public employees transferred between levels of government when services are transferred). The Type B Agency may choose either (a) to contract with the division for the services of those employees, who then remain state employees, or (b) to have them become employees of the Type B Area Agency without reduction of salary or loss of benefits (the state continuing to pay the costs); with a year's extra layoff rights for such former state employees if the position is later abolished by the Area Agency. With the proposed amendments, a plan must first be prepared for such transfers, "showing how statutory responsibilities are to be met and how staff are to be utilized," and addressing staff, equipment, administrative costs, and service dollars, with the participation of potentially affected clients, staff, and other parties at the local level, including the physically handicapped. The plan must be prepared in coordination with the local mental health authority, and necessary interagency agreements and transfers negotiated (without the amendments, the rights and concerns of all clients, current state employees, local governments, and local agencies, were not adequately reflected in the bill, and local government could not have entered into arrangements with a great deal of confidence).

SECTION 10 and 11: Renames Governor's Commission on Aging to Governor's Commission on Senior Services, expands membership to include persons eligible for service (including low-income, minority, physically or mentally handicapped), specifies duties and compensation, and sets lengths of terms.

SECTION 12: Includes Senior Services Division in the Department of Human Resources.

SECTION 13: Closes Office of Elderly Affairs, while retaining Oregon Project Independence in the new division.

SECTION 14: Removes obsolete section of statute on food commodities.



SECTION 15: Gives new division rule-making authority, like for other divisions.

SECTION 16: Transfers AFS long-term care client abuse responsibilities to new division.

SECTION 17: Allows Senior Services Division to employ housekeepers or homemakers, like other divisions.

SECTION 18: Creates revolving fund, like for other divisions.

SECTION 19: Establishes general fund account, like for other divisions.

SECTION 20: Allows employment of personnel and fixing of compensation, like for other divisions.

SECTIONS 21, 22: Requires division to protect and safeguard all records and prohibits disclosure except under certain conditions, as with other divisions.

SECTION 23: Converts references to Office of Elderly Affairs and to transferred parts of AFS, to references to the Division of Senior Services.

SECTION 24: Transfer of equipment and personnel to new division from AFS and OEA; allows administrator of new division to change or abolish positions, as with other divisions.

SECTIONS 25, 26, 27, 28 and 29: Allows new division to collect existing obligations; continue existing powers, functions and rules; continue and complete any proceedings; replace OEA and AFS in existing statutes, regulations, or policies; and receive transferred functions of OEA and of those parts of AFS that are transferred. With proposed amendments, makes it clear that SB955 does not amend or extend current Oregon statutes and federal regulations regarding estates claims (property liens in lieu of payments) requirements beyond those Title XIX and XX services presently tied to such requirements (without the proposed amendments, some individuals and agencies were concerned that these requirements might be extended further).

SECTION 30: Local governments not required to expend local funds for the purpose of maintaining or expanding services to elderly persons.

SECTION 31: Repeals outdated statutes replaced by this bill.

SECTIONS 32, 33, 34, 35, 36, 37, 38: Transfers appropriations from Office of Elderly Affairs and portions of AFS, to Senior Services Division (\$132,840,760 for biennium, under Governor's revised budget) as a series of transfers without new fiscal impact.

SECTION 39: With proposed amendments, establishes state level, consolidated, division, as of October 1, 1981; allows Area Agencies to begin to function as Type B Agencies after July 1, 1982; removes any deadline by which Area Agencies and local governments must decide to convert to Type B Agencies (without the amendments, local governments in complex

political situations or in metropolitan areas having high number of clients and services might not have had the lead time needed to work through their options, make the Type A or Type B decisions, and negotiate arrangements. With the amendments, local governments have as much time as they need to take).

SECTION 40: "Emergency Clause" to allow act to take effect October 1, 1981.



## Oregon State Adult and Family Services Review Commission

PUBLIC SERVICE BUILDING, SALEM, OREGON 97310

July 15, 1981

The Honorable Vera Katz  
Chairperson, Subcommittee #4  
Joint Legislative Ways and Means Committee  
H178 State Capitol  
Salem, Oregon 97310

Dear Chairperson Katz:

At its meeting of July 13, 1981, the Governor's welfare advisory board adopted the following motion:

"On a motion by Jean Higginbotham and seconded by Emma Hill, the Commission went on record as being opposed to SB 955 in its present form at this time."

I wish to call your attention to the exact wording of the motion. Please note that we are not rejecting the concept. We are concerned that many issues must still be resolved, and do not believe the funding and the staffing uncertainties of the next few years produce the proper climate for this change at this time.

We also call your attention to the fact that we serve in an advisory capacity to the Administrator of the Adult and Family Services Division. The Administrator, Keith Putman, is free to accept or reject our advice. While he has listened to our concerns about SB 955, he has made it clear that his conditions for supporting the bill have been met and that he would not follow our advice if we recommended he oppose this bill. For that reason, we are making our concerns known to you directly.

Sincerely,

*William S. Vian*  
William S. Vian  
Chairman

WSV/nlb

Chairperson:  
SEN. BILL McCOY  
Vice-Chairperson:  
SEN. JOHN KITZHABER



Members:  
SEN. L. B. DAY  
SEN. LENN HANNON  
SEN. RUTH McFARLAND  
SEN. ROD MONROE  
SEN. FRANK ROBERTS

Staff:  
JAMES T. HAVEL  
Administrator  
NANCIE FADELEY  
Research Assistant  
BECKY HOODYE  
Assistant

SENATE COMMITTEE ON  
HUMAN RESOURCES/AGING

447D State Capitol  
SALEM, OREGON 97310  
(503) 378-5797

July 16, 1981

The Honorable Ed Fadeley  
The Honorable Jeff Gilmore  
Co-chairs  
Ways and Means Committee  
H178 State Capitol  
Salem, Or

Dear Gentlemen:

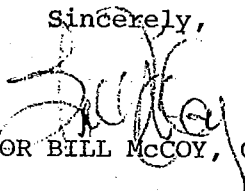
As you know, SB 955 which is a proposal to create a Senior Services Division in DHR and which is now in your committee, was not introduced until June. As you also know, a bill of this magnitude is the kind of legislation that deserves careful legislative attention, the kind of attention that is not easily given in the closing weeks of the session.

The United Seniors and the Director of DHR have both indicated that this is an important bill and urged us to move on it quickly. We moved as quickly as we could on this major piece of legislation.

Now I am sure that they will be demanding quick action from you and that you have many other end-of-session demands requiring your attention and the attention of your staff. I also recognize that some of the finer technical points of A-Eng. SB 955 may need additional review.

This letter is an offer to work with you and to make my committee staff available to work with you as you analyze this bill so we can do the best job possible in assuring that this proposal will actually serve the seniors and other citizens of our state in the best possible way.

Sincerely,

  
SENATOR BILL McCOY, Chairperson

Edward N. Sage  
Chief Planner  
District 3 Area Agency on Aging  
Mid Willamette Valley  
Council of Governments  
400 Senator Building  
220 High St. NE  
Salem, OR 9730  
Phone - 588-6177

July 16, 1981

SENATE BILL 955

I am speaking to you today in support of Senate Bill 955 (as amended by the Seante Human Resources Committee). I have over ten years of experience in working in elderly programs here in Oregon at the direct service level, the Area Agency on Aging level, and the state level. I most recently served on the Governor's Commission on Aging's Ad Hoc Task Force which produced the original Senate Bill 955.

The present system of services for the elderly in Oregon is fragmented. Two major systems exist side-by-side to serve the elderly: the state operated Adult and Family Services Division (which manages Titles XIX and XX of the Social Security Act) and the locally operated Area Agencies on Aging (which manage Title III of the Older Americans Act and Oregon Project Independence).

A major study of the present system was completed last spring by the Department of Human Resources. The study concluded that the present system was deficient, that too much reliance was placed on nursing homes to provide services, and that a very high degree of confusion and lack of coordination of services exist. Although the study found many opinions on how to correct the deficiencies, it found no one who was satisfied with the present system.

A constructive alternative to the present system is being offered in Senate Bill 955, which would create the Senior Services Division. Supported by all major senior groups, the legislation provides for a structure that allows Title XIX, Title XX, OPI, and Title III programs for the elderly (and some disabled) to be advocated, planned, administered, and monitored at the local level through Area Agencies on Aging at the option of the local Area Agency on Aging. It also allows those Area Agency on Aging areas of the state which are not ready to undertake this major step to remain as they are until such time as they wish to participate in this new system.

At the state level, the legislation provides for regulatory, training, program assistance, data, and payment systems, research, and monitoring functions through the new Senior Services Division. It will bring together for the first time in one division the state's major elderly programs. This should provide increased cost effectiveness in administering these programs.

The legislation also provides for a strong role for both the Area Agency Advisory Councils and the Governor's Commission on Aging (which changes its name to the Governor's Commission on Senior Services). This is important, since the elderly and those disabled to be transferred into the new division need to be represented in the programmatic and policy decision-making process of these programs.

The Senior Services Division will have an administrative structure that will provide better incentives and methods of controlling nursing home utilization. It will allow savings from the nursing home program to be utilized in alternative In-Home or substitute home services.

For example, the Department of Human Resources has estimated that if the nursing home utilization rate is dropped only one percent for the population 65 and over, savings per the next five years would generate over \$7,000,000 a year in state General Fund monies. This represents almost twice the amount of state General Fund money presently being spent for alternative programs.

By providing control of service placements at the local level (including Pre-Admission Screening Teams), and allowing Area Agencies to use at least a percentage of savings in the nursing home program for In-Home services, the Senior Services Division has a high potential of generating a better balanced system. Such a system will allow more people to be served and would allow more independence for a higher percentage of clients.

Placing the major services to the elderly and disabled in one local agency will create a focal point for those in need of services. Questions of financial eligibility will be resolved after the need for services has been determined, not before as is presently done. This will prevent referrals back and forth between agencies until a service is found that the client qualifies for financially. The Senior Services Division will not provide a single-agency entry system, it will, however, come about as close to this desirable concept as can reasonably be expected.

Placing the control over the service component at the local level should greatly increase local involvement in services. Area Agencies have a very extensive volunteer network in operation that involves the community in services. We are less dependent on federal and state funds,

and receive more than half of our support through local sources, including volunteers. This high degree of local involvement should be expected to continue under the Senior Services Division.

Perhaps the largest benefit from local involvement would be the de-isolation of nursing homes. Presently, local involvement exists in only a very few of the approximately 200 nursing homes in Oregon, beyond the level of providing entertainment and recreation. Those homes with local involvement generally have higher quality programs and require less regulatory presence. Increased local involvement in nursing homes will allow those residents who require this level of care to feel that they are still a part of the community.

The benefits of Senate Bill 955 can be summarized as follows:

1. Gives clients a single focus for entry into a comprehensive service system - will serve to eliminate duplicative assessment procedures performed on the same client by several agencies;
2. Increases service coordination - merging the state Adult and Family Services programs and AAA programs will help integrate a fragmented service system;
3. Eliminates duplicate administrative structures (e.g., currently the state and the AAA often contract for the same service with the same agency);
4. Establishes a clear service orientation in the administration of programs at the local level;



5. Provides an administrative structure into which current trends in federal philosophy will easily fit;
6. Reduces the regulatory presence of the state and, thus, reduces or eliminates the welfare stigma from service programs for the elderly;
7. Integrates nursing home programs and clients into a community based system, thereby, reducing their isolation;
8. Places increased attention and incentive at the local level to decrease nursing home caseloads and re-channel dollars to alternative services; and finally,
9. Increases the involvement (and the voice) of the elderly and those disabled served by the new division in the administration of a broader array of programs.

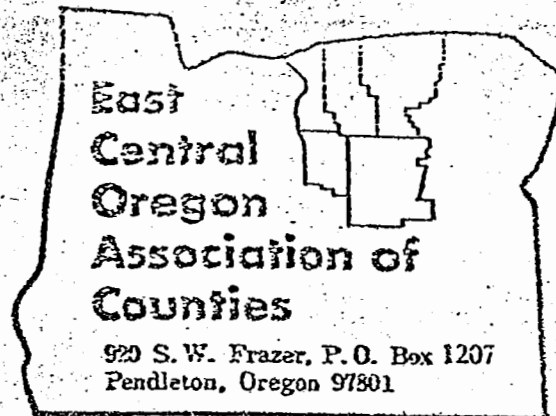
It was for these reasons that the Mid Willamette Valley Council of Governments, the Boards of Commissioners for Marion, Polk, and Yamhill counties, the Area Agency on Aging Advisory Council, and other major senior organizations in our area have all endorsed Senate Bill 955. We encourage you to act quickly on this bill so that it may become law during this session.

CHAIRMAN  
Commissioner Dorothy Krebs

VICE CHAIRMAN  
Mayor Dale Courtney

SECRETARY-TREASURER  
Mayor Glenn Findlay

EXECUTIVE DIRECTOR  
Lewis "Tony" Barnhart



July 20, 1981

Phone (503) 276-6732

Governor Victor Atiyeh  
Office of the Governor  
254 State Capital  
Salem, Oregon 97310

Dear Governor Atiyeh:

The East Central Oregon Association of Counties Board of Directors met on July 16, 1981, and voted to unanimously support the concept and passage of Senate Bill 955, during this legislative session.

The concept of the Bill offers several advantages over the existing operations by two separate agencies (Office of Elderly Affairs, and Adult and Family Services). Some of the major advantages of the Bill include:

1. The elderly in District 12 will have a greater voice and opportunity for input into the policies and programs operated under the new Senior Services Division. This input would be via an excellent Area Agency on Aging Committee covering all five Counties of District 12, County Committees, and several site committees now functioning throughout the 18 sites in the District. All these local committees are now in place and controlled by very active seniors who strongly advocate for programs and services needed by the elderly. This proposal will enhance the role of the elderly and the adult disabled in program formation in Oregon.
2. Under the proposed new Division, the State can retain the overall responsibility to regulate programs and set guidelines, but the local staff can combine and supply the necessary services at the local levels. The process of combining services at the local level will not only minimize duplication, but will also cut the operating and administration expenses. These cuts will allow greater funds to be channeled directly to the targeted populations for expanded services.
3. The proposal also starts a unique process, whereby combining all senior related programs in the local area, and would ultimately devise a single entry point for the elderly to receive services.

While this distinct proposal will not combine all the various senior and adult disabled programs in District 12, it will combine the two largest programs and will have the greatest impact on achieving the single entry point for services. Single point entry will lead to a more comprehensive service delivery, and will avoid the elderly from going to several different agencies to seek needed services.

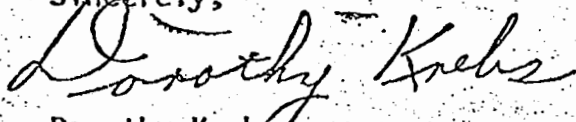
It is critical that the legislature act on this Bill this session. Action now would still not result in actual transition of operations until July 1, 1982. A great deal of time and effort has been placed into developing the concept of Senate Bill 955. The elderly and adult disabled have all spoken strongly in favor of the Bill. Passage this session would enable a major change in the delivery of services to the elderly and adult disabled to be set in motion, with the advantages listed above starting to be realized by July 1, 1982. Delay until the 1983 session would not only mean continued duplication of services, but an untimely delay in placing the elderly and adult disabled in the position of designing programs they require and need.

ECOAC stands ready to support and implement the concepts of this Bill. The elderly and local governments in District 12 have spoken strongly in favor of gaining greater control over the programs affecting local area residents. The impact of this proposal is very positive and will streamline badly needed services to the elderly and the adult disabled.

The ECOAC Board of Directors strongly encourage your support for Senate Bill 955 and its passage this legislative session.

If I can be of further assistance, or answer any questions, please call me.

Sincerely,

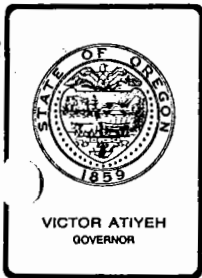


Dorothy Krebs  
Chairman, ECOAC Board of Directors

DK/TB:mb

cc: Senator Bob Smith  
Senator Ken Jernstedt  
Senator Mike Thorne  
Bob Zeigen, OEA

Representative Bill Bellamy  
Representative Bob Harper  
Representative Bob Brogoitti  
Representative Max Simpson



*Department of Human Resources*  
**OFFICE OF THE DIRECTOR**

318 PUBLIC SERVICE BUILDING, SALEM, OREGON 97310 PHONE 378-3033

July 22, 1981

TO: Lee Johnson

FROM: Leo Hegstrom *LH*

SUBJECT: Senate Bill 955: Senior Services Division

Senate Bill 955 creates the Senior Services Division (SSD) from existing staff and resources. It combines the entire Office of Elderly Affairs with the Long-Term Care programs of Adult and Family Services. Included in the transfer to create SSD are 369 positions (64 at the central office and 305 in the field), and \$132,027,270 for the 1981-83 biennium (before legislative actions).

The Senior Services Division will be responsible for four different programs which provide services to the elderly and handicapped. They include:

1. the nursing home program now administered by AFS,
2. the community services program (including substitute homes and in-home services) now in AFS,
3. Oregon Project Independence now in the Office of Elderly Affairs, and
4. the Older Americans Act program also in the Office of Elderly Affairs.

Since one of the primary purposes of the last three listed programs is to prevent or delay placement in nursing homes, it makes great sense to combine these programs with the nursing home program in one division.

SB 955 provides for local administration of all programs through the existing Area Agencies on Aging. In its initial version, SB 955 required all Area Agencies to accept this local responsibility, and also required a unit of local general purpose government to accept responsibility for the Area Agency. There are 18 Area Agencies, and 12 of these are presently under a unit of local government. Six of the Area Agencies are private non-profit corporations and opposition to the bill was expressed

July 22, 1981

by some of these (especially Bend and Klamath Falls). These Area Agencies felt threatened because if local government refused to accept responsibility for them, they would essentially be out of business.

SB 955 has been amended. The A-Engrossed version of the bill provides for two types of Area Agencies: Type A Area Agencies will continue after the bill becomes effective in the same manner as they now operate (they are grandfathered in); Type B Area Agencies accept the responsibility of locally administering all SSD programs. At this point it appears that at least 13 of the 18 Area Agencies will become Type B (these 13 represent more than 90% of the elderly population).

Initial opposition to SB 955 was also expressed by two additional groups. One of these groups represented the interests of the non-elderly handicapped clients that are now being served by Adult and Family Services, and will be served by the Senior Services Division (to leave these handicapped in AFS would require additional administrative funds). The A-Engrossed version of SB 955 defines very clearly who the handicapped are and how they will be served. The elderly agree with these amendments and the handicapped groups are now supporting the bill.

The bill has also been opposed by many staff in Adult and Family Services. Most of this opposition is among field workers and reflects their concern about how people will be served and about their own personal future. How people will be served is a concern of all parties involved; most, however, feel confident that services will be improved. Field workers in AFS will either be transferred to Area Agencies or supervised by them under contract with the state. This decision will be made by the Area Agencies, and it is understandable that AFS field staff have concerns. At this point they don't know whether they will become Area Agency employees or remain state employees.

Local administration has some advantages and pitfalls. We feel the advantages outweigh the pitfalls; even so, we have insisted on certain provisions in the bill to help mitigate these pitfalls. The advantages are chiefly centered around more local involvement, especially in the nursing home program. The Area Agencies have been very successful at attracting local resources and volunteers, and we are confident this will continue and expand with these additional responsibilities. It has been our experience that local involvement increases when local areas have a stake in the programs, and decreases when most everything is controlled from Salem.

The pitfalls are chiefly centered around Senior Services Division accountability and responsibility for the programs which will be locally administered. About 70% of the SSD budget will be devoted to the nursing home program. This program is funded by the state and federal government and requires no local match. Under local administration there exists the possibility that any given Area Agency could greatly expand the nursing home program, and not have to be fiscally responsible for the results. To prevent this the bill provides for the following safeguards:

1. local government must accept responsibility for the Area Agency (Type B Area Agencies)

2. the Area Agency director serves with the continuing approval of the SSD administrator (Type B Area Agencies)
3. programs can be withdrawn from local administration under certain conditions (including fiscal irresponsibility)
4. the Senior Services Division is given regulatory responsibilities including:
  - a) rule making authority
  - b) rate setting
  - c) quality assurance
  - d) data processing
  - e) payments to service providers
  - f) ability to transfer funds between Area Agencies and/or programs
  - g) monitoring and evaluation authority over local programs.

Senate Bill 955 provides for a long implementation period. The Division is created October 1, 1981; however, no Area Agency can become a Type B Area Agency until at least July 1, 1982. Each Area Agency which decides to accept Type B status must submit a plan to the Senior Services Division showing how services will be delivered to the elderly and handicapped, how the programs will be administered, how the programs will interface with other local services and programs, and how the elderly and handicapped will be involved in the local decision-making process.

Attached is a list of groups and organizations which have expressed support for SB 955. The list of those groups and organizations which oppose the bill is also attached.

LTH:lg

Enc.

A-EMGROSSED  
SENATE BILL 955

BY AREA AGENCY DISTRICT

SUPPORTIVE

Statewide Organizations:

Oregon Association of Retired Persons  
Oregon Council of Senior Citizens  
Governor's Commission on Aging  
National Association of Retired Teachers  
Oregon Residential Care Facility Association  
Oregon Retired Educators Association  
United Seniors  
Association of Retarded Citizens of Oregon (testified in support)

District 1 (Clatsop, Tillamook), Cannon Beach, OR

AAA Advisory Council

District 2 (Clackamas) Marylhurst, OR.

Clackamas AAA Advisory Council (support "concept")  
Clackamas Board of County Commissioners (support "concept" informally)

(Multnomah) Portland, OR

Area Agency on Aging--staff and contractors  
Area Agency on Aging Advisory Council

(Washington) Hillsboro, OR

Council on Aging  
Washington County Board of County Commissioners (informal support)

District 3 (Marion, Polk, Yamhill) Salem, OR

Marion Polk Yamhill Council on Aging  
Mid-Willamette Valley Council of Governments  
Marion, Polk & Yamhill County Commissioners  
Salem Area Seniors

District 4 (Benton, Linn, Lincoln) Corvallis, OR

Tri-County AAA Advisory Council

District 5 (Lane) Eugene, OR

Lane COG Citizens Advisory Committee on Aging  
Lane COG Board of Directors  
Lane County Steering Committee for United Seniors  
(Members: Eugene Mayor's Commission on Aging  
Eugene Commission on Rights of Aging  
Eugene Senior Lobby)

District 5 (cont.)

Gray Panthers  
L-COG Advisory Committee on Aging  
AARP Legislative Committee  
Emerald Empire Council on Aging  
National Assoc. of Retired Federal Employees  
National Assoc. of Educators  
National Assoc. of Veterans' Railway Employees  
Society of Hearing Impaired  
Nutrition Project Council)

District 6 (Douglas) Roseburg, OR

Douglas County Program on Aging Advisory Council

District 7 (Coos, Curry) North Bend, OR

Legislative Committee for the AAA Advisory Council  
AAA Advisory Council

District 8 (Jackson, Josephine) Central Point, OR

Rogue Valley Council of Governments  
AAA Advisory Council

District 9 (Hood River, Sherman, Wasco) The Dalles, OR

Mid-Columbia Area Agency on Aging Council of Governments

District 12 (Gilliam, Grant, Morrow, Umatilla, Wheeler) Pendleton, OR

East Central Oregon Assoc. of Counties Board of Directors  
AAA Advisory Board

---



A-ENGROSSED  
SENATE BILL 955  
BY AREA AGENCY DISTRICT

UNDECIDED--Neutral

Statewide Organizations:

Oregon Architectural Barriers Council (originally opposed, neutral while reviewing amendments)  
Oregon Council of Homemaker Services  
Oregon Association of Home Health Agencies (tend toward support)  
Oregon Health Care Association

District 1 (Clatsop, Tillamook) Cannon Beach, OR

Council of Governments (tend toward support)

District 2 (Multnomah) Portland, OR

City of Portland (policy to remain neutral until legislation passes)  
Multnomah County " " " "

District 4 (Linn, Benton, Lincoln) Corvallis, OR

Tri-County Council of Governments (meet next Tuesday, July 28)

District 6 (Douglas) Roseburg, OR

County Board of Commissioners

District 7 (Coos, Curry) North Bend, OR

Coos/Curry Council of Governments

District 10 (Crook, Deschutes, Jefferson) Bend, OR

Central Oregon Council on Aging Executive Board

District 13 (Baker, Union, Wallowa) LaGrande, OR

Eastern Oregon Community Development Council Board of Directors

District 14 (Malheur) Ontario, OR

Malheur Council on Aging Board of Directors (meet next Wednesday, July 29)

A-ENGROSSED  
SENATE BILL 955

BY AREA AGENCY DISTRICT

NONSUPPORTIVE

District 10 (Crook, Deschutes, Jefferson) Bend, OR

Central Oregon Council on Aging Advisory Board  
County Commissioners

District 11 (Klamath, Lake) Klamath Falls, OR

Klamath Basin Senior Citizens Council Board of Directors

District 14 (Harney) Burns, OR

Advisory Board, Harney County Senior Citizens, Inc.

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REBECCA (BECKY) DE BOER  
JACKSON COUNTY  
DISTRICT 50

REPLY TO ADDRESS INDICATED:

House of Representatives  
Salem, Oregon 97310  
 2580 Cedar Links Drive  
Medford, Oregon 97501



COMMITTEES  
Member:  
Education  
Business and Consumer Affairs

HOUSE OF REPRESENTATIVES  
SALEM, OREGON  
97310

July 23, 1981

Rep. Vera Katz, Chr.  
Ways and Means Committee  
Subcommittee #4  
State Capitol Building  
Salem OR 97310

Dear Rep. Katz:

I wish to express my strong support for Senate Bill 955. I think that the creation of the Elderly Services Division will help us provide services to our elderly citizens in the best possible way. I support local planning and coordination of senior services. We need to develop alternative, less costly methods of providing care for the elderly, including home services that will permit them to stay in their own homes as long as possible.

Thank you very much for your help in achieving these worthwhile and necessary goals.

Sincerely,

  
Rep. Becky DeBoer

BD/ez

# WITNESS REGISTRATION

W. Jm  
Senator or House

Committee on

Human Resources  
Name of Committee

Date: July 24, 1981 Time: AFTER FULL Room: 170

◇ Public Hearing on SB 955 ◇  
(Measure No.)

PLEASE REGISTER IF YOU WISH TO TESTIFY ON THE ABOVE-NAMED MEASURE.

Name and Address PLEASE PRINT	Representing	For	Against
<del>1) W.L. VAN LOAN - Corvallis 2553 S.W. Whitland Dr. 97333</del>	AAA Lim, Benton Lincoln Ln Cit Council Benton Co.	X X	
<del>2) Earl S. Hunsbottam 1010 SE WAVERLEY Ct MILWAUKIE</del>	<del>HFS REVIEW Commission</del>		X
<del>3) Emma Hill 680 River Drive Independence</del>	<del>Public Welfare Review Comm.</del>		X
<del>4) Cecil Posey et al to be read - if approved</del>	<del>United Seniors</del>		
<del>5) Dr. O.P. Haggerty 744 Maden AVE SE Astoria</del>	<del>Legis Comm.</del>		
<del>6) Ruth Shepherd 1765 East St Eugene</del>	<del>United Seniors</del>	X	
<del>7) Edna McInnis 5908 SW Jordan Blvd 97019</del>	<del>Blind/Mult. Conveying</del>	X	
<del>8) Hazel Kase 4330 S.W. Charming Way, Portland</del>	<del>SCOA</del>		
<del>9) John &amp; Craig 2042 Washington, Eugene</del>	<del>Lane County United Seniors</del>	X	
<del>10) Pam Brown - J. Randi - Franke Marion Co Courthouse</del>	<del>Marion Co. Board of Comm.</del>	X	
<del>11) Dale Hamistad 24 River Loop #1 Eugene</del>	<del>Citizens Advisory Council, Dept - Lane Council of Govts Board</del>	X	
<del>12) Brenda Rose - Sherwood 4444 Banger St SE 97140</del>			X
13) Jim Carl 3161 Box 820 Lakeview	Legislative Comm SHCC	X	

A-ENGROSSED

SENATE BILL 955

BY AREA AGENCY DISTRICT

SUPPORTIVE

Statewide Organizations:

Oregon Association of Staffs of Area Agencies on Aging  
Oregon Association of Retired Persons  
Oregon State Council for Senior Citizens  
American Association of Retired Persons  
Governor's Commission on Aging  
National Association of Retired Teachers  
Oregon Residential Care Facilities Association  
Oregon Retired Educators Association  
United Seniors  
Association for Retarded Citizens of Oregon  
Oregon Association of Homes for the Aged  
Oregon State Tenants Association  
Senior Centers Association  
Oregon Gerontological Association  
Oregon Green Thumb  
Metropolitan Association of Senior Organizations

District 1 (Clatsop, Tillamook)

AAA Advisory Council

District 2 (Clackamas)

Clackamas AAA Advisory Council (support "concept")  
Clackamas Board of County Commissioners (support "concept" informally)

(Multnomah)

Area Agency on Aging--staff and contractors  
Area Agency on Aging Advisory Council  
Portland/Multnomah Commission on Aging

(Washington)

Council on Aging  
Washington County Board of County Commissioners (informal support)

District 3 (Marion, Polk, Yamhill)

Marion Polk Yamhill Council on Aging  
Mid-Willamette Valley Council of Governments  
Marion, Polk & Yamhill County Commissioners  
Salem Area Seniors

District 4 (Benton, Linn, Lincoln)

Tri-County AAA Advisory Council

District 5 (Lane)

Lane COG Citizens Advisory Committee on Aging

Lane COG Board of Directors

Lane County Steering Committee for United Seniors

(Members: Eugene Mayor's Commission on Aging  
Eugene Commission on Rights of Aging  
Eugene Senior Lobby

Gray Panthers

L-COG Advisory Committee on Aging

AARP Legislative Committee

Emerald Empire Council on Aging

National Assoc. of Retired Federal Employes

National Assoc. of Educators

National Assoc. of Veterans' Railway Employes

Society of Hearing Impaired

Nutrition Project Council)

District 6 (Douglas)

Douglas County Program on Aging Advisory Council

District 7 (Coos, Curry)

Legislative Committee for the AAA Advisory Council  
AAA Advisory Council

District 8 (Jackson, Josephine)

Rogue Valley Council of Governments

AAA Advisory Council

District 9 (Hood River, Sherman, Wasco)

Mid-Columbia Area Agency on Aging Council of Governments

District 12 (Gilliam, Grant, Morrow, Umatilla, Wheeler)

East Central Oregon Assoc. of Counties Board of Directors  
AAA Advisory Board

A-ENGROSSED  
SENATE BILL 955  
BY AREA AGENCY DISTRICT

UNDECIDED--Neutral

Statewide Organizations:

Oregon Architectural Barriers Council (originally opposed, neutral while reviewing amendments)

Oregon Council of Homemaker Services

Oregon Association of Home Health Agencies (tend toward support)

Oregon Health Care Association

*Assn. of Oregon Association of Counties*

District 1 (Clatsop, Tillamook)

Council of Governments (tend toward support)

District 2 (Multnomah)

City of Portland (policy to remain neutral until legislation passes)

Multnomah County " " " "

District 4 (Linn, Benton, Lincoln)

Tri-County Council of Governments (meet next Tuesday, July 28)

District 6 (Douglas)

County Board of Commissioners

District 7 (Coos, Curry)

Coos/Curry Council of Governments

District 10 (Crook, Deschutes, Jefferson)

Central Oregon Council on Aging Executive Board

District 13 (Baker, Union, Wallowa)

Eastern Oregon Community Development Council Board of Directors

District 14 (Malheur)

Malheur Council on Aging Board of Directors (meet next Wednesday, July 29)

A-ENGROSSED

SENATE BILL 955

BY AREA AGENCY DISTRICT

NONSUPPORTIVE

Public Welfare Review Commission  
National Association of Social Workers, Oregon Chapter  
Oregon Public Employees Union

District 10 (Crook, Deschutes, Jefferson)

Central Oregon Council on Aging Advisory Board  
County Commissioners

District 11 (Klamath, Lake)

Klamath Basin Senior Citizens Council Board of Directors

District 14 (Harney)

Advisory Board, Harney County Senior Citizens, Inc.

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BUDGET REPORT - Joint Committee on Ways and Means - 61st Legislative Assembly

<u>Agency</u>	Department of Human Resources Senior Services Division	<u>Budget Page</u>	<u>LFO Analysis Page</u>	<u>Bill No.</u>	<u>Biennium</u>
		--	--	SB 955	1981-83

Subcommittee No. 4

Sens: Burdidge, Meeker Ripper

Reps: Katz, Riebel, Van Vliet

*Vera Katz*  
Rep. Vera Katz, Chairperson

Prepared by: (Executive Department)  
Wayne J. Wolfe *Wayne J. Wolfe*

Reviewed by: (Legislative Fiscal Office)  
Arthur L. Wilkinson *Arthur L. Wilkinson*

Date: July 30, 1981

<u>Budget Description</u>	<u>1979-81</u>	<u>1981-83</u>		
	<u>Estimated Expenditures</u>	<u>Governor's Printed Budget Recommendation</u>	<u>Committee Recommendation</u>	<u>Differences from Governor's Rec.</u>
<u>Administrative Expenses</u>				
General Fund	--	--	\$1	\$+1
Other Funds	--	--	1	+1
Federal Funds	--	--	1	+1
Total	--	--	<u>\$3</u>	<u>\$+3</u>
<u>Long-Term Care</u>				
General Fund	--	--	\$1	\$+1
Federal Funds	--	--	1	+1
Total	--	--	<u>\$2</u>	<u>\$+2</u>
<u>Agency Totals</u>				
General Fund	--	--	\$2	\$+2
Other Funds	--	--	1	+1
Federal Funds	--	--	<u>2</u>	<u>+2</u>
Total	--	--	<u>\$5</u>	<u>\$+5</u>

POSITION SUMMARY

Positions	--	--	--	--
Full-time equivalent positions	--	--	--	--

SUMMARY OF SUBCOMMITTEE ACTION

The Subcommittee recommends approval of amended Senate Bill 955 which transfers programs of the Office of Elderly Affairs and the Long-Term Care unit of the Adult and Family Services Division to a newly created Senior Services Division. Appropriations and limitations of \$1 are established to enable the Director of the Department of Human Resources to request funding transfers from the Emergency Board when a transition plan is completed.



DOUGLAS  
COUNTY

## BOARD OF COMMISSIONERS

BRUCE LONG

BILL VIAN

DOUG ROBERTSON

Courthouse

Roseburg, Oregon 97470

(503) 672-3311

July 20, 1981

Emma Hill  
Governors Advisory Committee  
c/o Bill Todd  
Dept. of Human Resources  
Adult & Family Services Division  
Public Service Building  
Salem, OR 97310

Dear Emma:

You have contacted me in regard to the new Senior Services Department that is being proposed in the Legislature at this time.

It has been the concensus of our Advisory Commission that a "slivering off" and creation of a new department would add to Oregon's already unwieldly administration to the senior citizens of the State. The Adult and Family Services Division has been charged with the responsibility of administering to the seniors, and it is our contention they are not doing such a bad job. If there are areas of concern, we also contend those areas can and would be addressed if pointed out.

We feel the new department has been hastily conceived and recommend more time be given before it is finalized and adopted.

Sincerely,

*Bill Vian*

Bill Vian, Chairman  
Adult & Family Services  
Review Commission

BV:dm

cc: John DeGroot  
Bill Todd  
Keith Putman  
Senator Jack Ripper  
Senator Anthony Meeker  
Senator Keith Burbidge  
Vera Katz  
Tony Van Vliet  
Al Riebel



HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS

Tapes H-81-AMA-132  
H-81-AMA-133  
H-81-AMA-134

July 16, 1981

1:30 p.m.

Room 50, Capitol

Members Present: Rep. Wally Priestley, Chairperson  
Rep. John Schoon, Vice Chairperson  
Rep. Shirley Gold (left at 3:29 p.m.)  
Rep. Peg Jolin (left at 2:50 p.m.)  
Rep. Max Rijken  
Rep. George Trahern (left at 2:45 p.m.)

Members Excused: Rep. Jeannette Hamby

Staff Present: Dick Wilson, Committee Administrator  
Carole Van Eck, Committee Assistant

Witnesses: Nancy Fadeley, Senate Human Resources/Aging  
Leo Hegstrom, Department of Human Resources  
Bob Zeigen, Office of Elderly Affairs  
Keith Putnam, Adult & Family Services  
Jim Wilson, Adult & Family Services  
Walter McGettigan, Governor's Commission on Aging  
Ed Sage, District 3 Area Agency on Aging  
James Toews, Oregon Association of Retarded Citizens  
Loren Simonds, Oregon Architectural Barriers Council  
Cecil Posey, United Seniors

Tape H-81-AMA-132, Side A

- 006 CHAIRMAN PRIESTLEY called the meeting to order at 1:49 p.m. He announced that this hearing will be a presentation on SB 955. He pointed out that the bill hasn't been assigned to any committee and apparently hasn't been printed yet.
- 032 REP. RIJKEN expressed his concerns with the bill coming up late in the session.
- 045 NANCY FADELEY, Senate Human Resources/Aging, gave a brief description of what A-engrossed SB 955 will do if it is adopted by this legislative session. She referred to the Legislative Counsel copy of the bill (see Exhibit A). This is the way the bill came from the Senate Human Resources Committee. She provided written testimony (see Exhibit H).
- 227 There was discussion with Ms. Fadeley concerning her testimony.
- 246 MR. WILSON referred to a summary of SB 955, prepared by Mike Saslow (see Exhibit B). Mr. Saslow also provided the committee with a preliminary analysis of impact of Senior Services Division on local governments (see Exhibit C).
- 264 LEO HEGSTROM, Department of Human Resources, provided the committee with written testimony (see Exhibit D).

407 There was brief discussion about the effect of the bill.

Tape H-81-AMA-133, Side A

001 Discussion continued with Mr. Hegstrom.

295 MR. HEGSTROM stated that there are areas that the elderly are concerned about in transportation and other things that this bill does not address. He thinks those are issues that can be looked at in the future.

376 BOB ZEIGEN, Office of Elderly Affairs, provided the committee with written testimony (see Exhibit E).

Tape H-81-AMA-132, Side B

001 MR. ZEIGEN continued his testimony.

044 KEITH PUTNAM, Adult and Family Services, stated that he sees the function of this new division as primarily being one of giving the elderly an opportunity to have greater impact on the factors that affect the kind of programs that they are now providing.

067 JIM WILSON, Adult and Family Services, talked about what the creation of this division would involve. He also talked about some of the concerns of those who worked with AFS during the process.

201 REP. RIJKEN and MR. WILSON talked about the extra costs involved in establishing a new division.

229 VANCE ~~MCDONALD~~<sup>MAC DOWELL</sup> of the Willamette Health Care Association, and MILAN MILLER of Rep. Throop's office, both had questions of Mr. Putnam concerning the new division.

300 There was further discussion with Mr. Putnam.

354 WALTER MCGETTIGAN, Governor's Commission on Aging, indicated that for the last eight or ten years, the seniors in Oregon have been pushing for a division on aging and a commission on aging, preferably associated with the executive branch.

Tape H-81-AMA-133, Side B

001 MR. MCGETTIGAN continued his testimony. He stated that the basic concept is to bring together the poor, ill and frail elderly into a network that is an ongoing vital concern that has a tremendous army of volunteers and has provided services throughout the state. That is the primary goal of this bill and gives them the responsibility at the local level to be concerned about them as they have been concerned about themselves.

018 ED SAGE, District 3 Area Agency on Aging, provided written

July 16, 1981

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testimony in support of the bill (see Exhibit F).

- 141 JAMES TOEWS, Oregon Association of Retarded Citizens, indicated that they were among the groups representing the disabled that had extensive concerns initially when this bill was introduced. The concerns to a large extent have now been resolved through introduction of amendments. The main reason they were concerned is that the bill proposes to dismantle major programs in Adult and Family Services -- many of those programs which currently serve disabled persons. He talked about the proposed amendments to the bill. He concluded his testimony by stating that he supports the concept of the bill of bringing the consumer population and local government more directly into the process of providing services.
- 223 LOREN SIMONDS, Oregon Architectural Barriers Council, indicated that their concern was that the handicap may not be able to get adequate education programs or employment programs. Many elderly people may not want to pursue any additional educational or employment skills, but there are still many people who are interested in pursuing these areas. If you have a proposal which would create the Senior Services Division viewed as being a cure-all provider of the essential services necessary, he thinks that is a very devastating mistake. They support the intent of the bill.
- 291 There was extensive discussion with Mr. Toews and Mr. Simonds.  
Tape H-81-AMA-134, Side A
- 001 CECIL POSEY, United Seniors, provided the committee with written testimony (see Exhibit G). He talked about Multnomah, Washington and Clackamas county nursing homes and the support to the bill from these counties. He also talked about the work of the coordinating councils.
- 126 The meeting was adjourned at 3:55 p.m.

Respectfully submitted,

*Carole M. Van Eck*

Carole M. Van Eck  
Committee Assistant

EXHIBIT SUMMARY:

- A - Proposed amendments to SB 955
- B - Summary of SB 955, Mike Saslow
- C - Preliminary analysis of impact of senior services division on local governments, Mike Saslow
- D - Prepared testimony, Leo Hegstrom
- E - Prepared testimony, Bob Zeigen
- F - Prepared testimony, Edward Sage
- G - Prepared testimony, Cecil Posey
- H - Prepared testimony, Nancy Fadeley

HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS

Tapes H-81-AMA-135  
H-81-AMA-136  
H-81-AMA-137  
H-81-AMA-138

July 21, 1981

1:30 p.m.

Room 50, Capitol

Members Present: Rep. Wally Priestley, Chairperson  
Rep. John Schoon, Vice Chairperson (arr. 1:56 p.m.)  
Rep. Shirley Gold (left 3:57 p.m.)  
Rep. Jeannette Hamby (left 4:18 p.m.)  
Rep. Peg Jolin (left 3:20 p.m.)  
Rep. Max Rijken (left 2:34 p.m.)

Members Excused: Rep. George Trahern

Staff Present: Dick Wilson, Committee Administrator  
Carole Van Eck, Committee Assistant

Witnesses: Cecil Posey, United Seniors  
Emma Hill, Public Welfare Review Commission  
Jean Higginbotham, Public Welfare Review Commission  
Ms. Wickes Beal, Governor's Commission on Aging  
Eileen Donaldson, Bend AAA Advisory Board  
Bob Zeigen, Office of Elderly Affairs  
Margie Patton, Area Agency on Aging  
Mike Saslo, Portland-Multnomah Area Agency on Aging  
Jim Wilson, Adult and Family Services  
Sharon Tofell, Klamath Basin Senior Citizen Council  
Rollin Reynolds, ECOAC  
Paul Jones, ECOAC  
Lela Humiston, Citizens Advisory Committee  
Maxine Nightingale, Area Agency on Aging  
Doris Sanders  
Clayton Nyberg, Washington County Council on Aging  
Chuck Haggerty, Salem Area Seniors  
Ester McGinnis, Portland-Multnomah Commission on Aging  
John DeGroot, Oregon Association of Area Agencies

Tape H-81-AMA-135, Side A

- 007 CHAIRPERSON PRIESTLEY called the meeting to order at 1:43 p.m. He announced that this is a continued hearing on SB 955.
- 010 CECIL POSEY, United Seniors, read his prepared testimony (see Exhibit A). He spoke in favor of the bill.
- 215 CHAIRPERSON PRIESTLEY asked Mr. Posey if he wanted the committee to ask the Ways and Means Committee to expedite action on the bill.
- 217 MR. POSEY replied very, very much. He recommended that they do expedite and get this bill moving as soon as possible.

HOUSE COMMITTEE ON AGING  
AND MINORITY AFFAIRS

July 21, 1981

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- 260 After brief discussion, the committee consensus was to write the letter to Ways and Means.
- 272 EMMA HILL, Public Welfare Review Commission, read her prepared testimony (see Exhibit B). She spoke in opposition to the bill.
- 377 JEAN HIGGINBOTHAM, Public Welfare Review Commission, stated that their special concerns as a commission are the funding, the staffing on certainties and the timeliness of this bill. They have no quarrel with the general concept of it. She indicated that another biennium would possibly allow a smoother transition when we can better understand the bill and federal cutbacks and guidelines will be understood.

Tape H-81-AMA-136, Side A

- 001 MS. HIGGINBOTHAM continued her testimony.
- 016 MS. HILL asked several question of concern. She also referred to a copy of the proposed area agency on aging budget for 1981-1982 (see Exhibit C).
- 089 There was extensive discussion. Ed Sage, Aging Program, Council of Governments, helped answer some of the questions.
- 385 MS. WICKES BEAL read a statement from Walter McGettigan, Governor's Commission on Aging (see Exhibit D).

Tape H-81-AMA-135, Side B

- 001 MS. WICKES BEAL continued reading Mr. McGettigan's testimony.
- 096 MS. WICKES BEAL expressed her own concerns of why she feels this bill is very necessary. She stated that they aren't satisfied now about the present system for delivery of services.
- 214 In response to a question by Rep. Schoon, Ms. Wickes Beal talked about options A and B. Also, in response to another question by Rep. Schoon, she talked about the existing federal and state regulations.
- 259 EILEEN DONALDSON, Bend AAA Advisory Board, read her prepared testimony (see Exhibit E).
- 340 BOB ZEIGEN, Office of Elderly Affairs, clarified a misconception concerning nonprofits.
- 372 There was further discussion between Ms. Donaldson, Mr. Zeigen and Rep. Schoon concerning nonprofits.



Tape H-81-AMA-136, Side B

- 001 Discussion continued.
- 038 MARGIE PATTON, Area Agency on Aging, expressed the concerns of her Board of Directors that the bill has not been tested. In its present form, it is not a good bill. There are too many people who are non-seniors who are included in it under the title of senior services division. She talked about liens and the difference between type A and type B. She concluded her testimony by stressing that they do not want to see services reduced to provide more dollars for administration at a time when the economy is, in fact, being tightened and certainly seniors are those who are most hard hit.
- 136 REP. GOLD read several questions from Rep. Rijken, who had to leave earlier. Ms. Patton responded.
- 222 There was further discussion with Ms. Patton concerning her testimony.
- 390 In response to a request by Chairperson Priestly, Mike Saslo, Portland-Multnomah Area Agency on Aging, talked about Section 31.

Tape H-81-AMA-137, Side A

- 001 There was brief discussion between Ms. Patton and Mr. Saslo.
- 047 JIM WILSON, Adult and Family Services, clarified a point made by Ms. Patton concerning service dollars.
- 087 There was further discussion.
- 184 SHARON TOFELL, Klamath Basin Senior Citizen Council, testified in opposition to the bill. She talked about some problems that have been brought to her by seniors.
- 246 ROLLIN REYNOLDS, ECOAC, handed out a copy of a determination by their area agency advisory council to have SB 955 approved (see Exhibit F). He also read a letter to Governor Atiyeh from ECOAC (see Exhibit G).
- 344 PAUL JONES, ECOAC, indicated that his concept of the bill and the need of it expresses the desire of the senior citizens of Oregon to have a Senior Services Division within their State of Oregon. He thinks that this will be a bill that will be extremely far reaching in their state. He pointed out that the committee is establishing, if the bill is passed, a Senior Services Division which is needed to represent a segment of the people who are rapidly growing and who, until this bill is passed, do not have any direct

touch with the Legislature or with other state government agencies.

422 He spoke of the question raised to him concerning the COG Board overruling an area agency advisory council.

Tape H-81-AMA-138, Side A

- 001 MR. REYNOLDS continued his testimony regarding the overruling. He urged the committee to vote favorably on the bill.
- 031 REP. SCHOON and MR. REYNOLDS talked about the funding of the program.
- 053 CHAIRPERSON PRIESTLY interjected that there was a question from Emma Hill which she indicated was unanswered regarding one spouse being over 60 and one being under 60 and both currently being served by Adult and Family Services. Mr. Wilson explained who would serve the couple now.
- 087 LELA HUMISTON, Citizens Advisory Committee, read her prepared testimony in support of the bill. (see Exhibit H)
- 138 MAXINE NIGHTINGALE, Area Agency on Aging, pointed out that the majority of the seniors do favor the bill. She talked about the objections to the bill that have been voiced by others. She urged the committee to take the necessary steps at this time on this bill. By so doing, you will bring about a transition that has been needed and wanted by efficient and truly concerned service providers and their clients for years. Delay would be a waste of time and money.
- 274 DORIS SANDERS indicated that the Coos Bay seniors and the legislative council are very much in support of this program. They feel that Oregonians are more than willing to assume responsibility and the privilege of taking care of their own affairs and are interested in seeing this whole concept implemented.
- 292 CLAYTON NYBERG, Washington County Council on Aging, spoke in support of the bill.
- 375 CHUCK HAGGERTY, Legislative Chairman for Salem Area Seniors, stated that they are very concerned that this legislation be acted on very shortly and it be moved properly through the legislature in its present form, without change or modification. He talked about what he thinks the bill provides.
- 420 ESTER MCGINNIS, Portland-Multnomah Commission on Aging, stated that she was in agreement with all of the positive testimony that has been heard today.

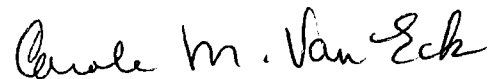
July 21, 1981

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Tape H-81-AMA-137, Side B

- 001 MS. MCGINNIS pointed out one issue that has not been emphasized is that this bill will allow for a kind of coordination that area agencies were set up to facilitate but because of different kinds of federal funding outside of the older American's act and of certain situations that exist within the state, they have been unable.
- 027 JOHN DEGROOT, Oregon Association of Staffs of Area Agencies on Aging, spoke in support of SB 955. He talked about what the bill will provide. Personally, he encouraged the committee to do everything in its power to move the bill this session. It is a very important piece of legislation.
- 087 CHAIRPERSON PRIESTLEY adjourned the meeting at 4:45 p.m.

Respectfully submitted,



Carole M. Van Eck  
Committee Assistant

EXHIBIT SUMMARY:

- A - Prepared testimony, Cecil Posey
- B - Prepared testimony, Emma Hill
- C - Proposed Area Agency on Aging Budget, Emma Hill
- D - Prepared testimony, Walter McGettigan
- E - Prepared testimony, Eileen Donaldson
- F - Copy of a determination, Rollin Reynolds
- G - Letter to Governor Atiyeh from ECOAC
- H - Prepared testimony, Lela Humiston

HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS

July 28, 1981 1:30 p.m. Room 50 State Capitol

MEMBERS PRESENT: Wally Priestley, Chairperson  
John Schoon, Vice-Chairperson  
Jeannette Hamby  
Peg Jolin  
Max Rijken (arrived 2:25)  
Shirley Gold (arrived 2:35)

MEMBER EXCUSED: George Trahern

STAFF: Dick Wilson, Committee Administrator  
Pamela Burke, Committee Assistant

MEASURE: SB 955 - Relating to Senior Services Division

WITNESSES: Dick Ladd, Department of Human Resources  
Mike Saslow, State Health Planning  
Emma Hill, Public Welfare Review Commission  
Bill Gordon, Portland Multnomah County Commission on Aging

TAPES: H-81-AMA-139 and H-81-AMA-140

TAPE H-81-AMA-139, SIDE A

006 CHAIRPERSON PRIESTLEY convened the meeting at 1:39 p.m.

HEARING

SB 955 - Relating to Senior Services Division

016 DICK LADD, Department of Human Resources, testified in favor of SB 955. He submitted and read informational material concerning the Department of Human Resources' budget (Exhibit A),

General discussion followed.

215 MIKE SASLOW, State Health Planning, testified in favor of SB 955. He submitted and read a summary and analysis of SB 955 (Exhibit B).

General discussion followed.

TAPE H-81-AMA-140, SIDE A

General discussion followed.

360 REP. RIJKEN stated that an advisory letter should be sent to the Senate President and the House Speaker that the committee supports SB 955.

TAPE H-81-AMA-139, SIDE B

- 010 REP. GOLD suggested that the committee send their recommendation of SB 955 to the Ways and Means Committee.
- 045 MOTION: REP. HAMBY moved to send a letter of recommendation of SB 955 to the Co-Chairperson of The Ways and Means Committee and the Senate President.
- There were no objections.
- 056 CHAIRPERSON PRIESTLEY stated that Dick Wilson, Committee Administrator, would write and send the letters of recommendation.
- 063 EMMA HILL, Public Welfare Review Commission, testified in opposition of SB 955. She submitted written testimony in opposition from THE OREGON PUBLIC EMPLOYES UNION, LOCAL 503 (Exhibit C) and written testimony in opposition from ENNIS R. KEIZER, M.D. (Exhibit D). She stated that she has not had a fair chance in stating her opposition to SB 955 and would like an interim study done on SB 955.
- 171 BILL GORDON, Portland Multnomah County Commission on Aging, testified in favor of SB 955. He stated that Multnomah County has the biggest concentration of nursing homes in Oregon. There needs to be an organization that represents the elderly, just like Children Services represents the children.
- 225 CHAIRPERSON PRIESTLEY adjourned the meeting at 2:55 p.m.

Respectfully submitted,

Pamela Burke  
Committee Assistant

TAPE LOG: H-81-AMA-139, SIDES A and B  
H-81-AMA-140, SIDE A

EXHIBIT LOG: Exhibit A - SB 955, informational material from DICK LADD, Department of Human Resources  
Exhibit B - SB 955, summary and analysis from MIKE SASLOW, State Health Planning  
Exhibit C - SB 955, testimony from THE OREGON PUBLIC EMPLOYES UNION, LOCAL 503, submitted by EMMA HILL, Public Welfare Review Commission  
Exhibit D - SB 955, testimony from ENNIS R. KEIZER, M.D., submitted by EMMA HILL, Public Welfare Review Commission

HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS

July 30, 1981 1:30 p.m. Room 50 State Capitol

MEMBERS PRESENT: Wally Priestley, Chairperson  
John Schoon, Vice-Chairperson (arrived 2:10)  
Shirley Gold  
Max Rijken

MEMBERS EXCUSED: Jeannette Hamby  
Peg Jolin  
George Trahern

STAFF: Dick Wilson, Committee Administrator  
Pamela Burke, Committee Assistant

MEASURE: SB 955 - Relating to Senior Services Division

WITNESSES: Mike Saslow, State Health Planning  
Bob Zeigen, Office of Elderly Affairs

TAPES: H-81-AMA-141 and H-81-AMA-142

TAPE H-81-AMA-141, SIDE A

006 CHAIRPERSON PRIESTLEY convened the meeting at 1:55 p.m.

HEARING

SB 955 - Relating to Senior Services Division

015 DICK WILSON, Committee Administrator, in response to Chairperson Priestley, stated that he sent an advisory letter to the Co-Chairperson of The Ways and Means Committee concerning the concept of SB 955. He also sent a copy of the letter to the Senate President.

021 MIKE SASLOW, State Health Planning, testified in favor of SB 955. He continued reading his summary and analysis of SB 955 (See: Exhibit B, July 28, 1981).

TAPE H-81-AMA-142, SIDE A

035 BOB ZEIGEN, Office of Elderly Affairs, in response to Rep. Schoon, stated that officers are elected to the Triple A Board.

General discussion followed.

160 CHAIRPERSON PRIESTLEY adjourned the meeting at 2:35 p.m.

Respectfully submitted,

Pamela Burke  
Committee Assistant

TAPE LOG: H-81-AMA-141, SIDE A  
H-81-AMA-142, SIDE A

HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS

July 31, 1981 3:45 p.m. Room 50 State Capitol

MEMBERS PRESENT: Wally Priestley, Chairperson  
John Schoon, Vice-Chairperson (arrived 3:55)  
Shirley Gold  
Jeannette Hamby  
Max Rijken  
George Trahern

MEMBER EXCUSED: Peg Jolin

STAFF: Dick Wilson, Committee Administrator  
Pamela Burke, Committee Assistant

WITNESSES: Bob Davis, Public Affairs Counsel  
Emma Hill, Public Welfare Review Commission  
Walter McGettigan, United Seniors

MEASURE: SB 955 - Relating to Senior Services Division

TAPES: H-81-AMA-143 and H-81-AMA-144

004 CHAIRPERSON PRIESTLEY convened the meeting at 3:50 p.m.

HEARING

SB 955 - Relating to Senior Services Division

008 DICK WILSON, Committee Administrator, briefed the committee on the bill. He submitted and read a staff measure analysis to SB 955 (Exhibit A).

063 BOB DAVIS, Public Affairs Counsel, testified in favor of SB 955. He stated that it would be a good idea to bring all of the programs dealing with the elderly together, forming one program.

140 EMMA HILL, Public Welfare Review Commission, testified in opposition to SB 955. She referred to written testimony that she submitted from ENNIS R. KEIZER, M.D. (See: Exhibit D, July 28, 1981). She submitted and read a letter that she sent to Governor Atiyeh (Exhibit B).

WORK SESSION

SB 955

340 MOTION: CHAIRPERSON PRIESTLEY moved at the request of the Speaker of the House, to reseed the subsequent referral to Ways and Means if there are no amendments that have a fiscal impact.

General discussion followed.

- 371 WALTER McGETTIGAN, United Seniors, in response to Dick Wilson, stated that the Board of Directors elect the administrators for the Aging Affairs Commission.

TAPE H-81-AMA-144, SIDE A

- 010 CHAIRPERSON PRIESTLEY stated that there are no objections to the motion to remove the subsequent referral to Ways and Means unless any proposed amendments are adopted that have a fiscal impact.
- 055 MOTION: CHAIRPERSON PRIESTLEY moved SB 955 to the floor with a "do pass" recommendation.

General discussion followed.

- 130 The motion carried 5-1 with Rep. Gold, Hamby, Rijken, Schoon and Chairperson Priestley voting aye. Rep. Trahern voted nay. Rep. Jolin was excused.
- 140 CHAIRPERSON PRIESTLEY adjourned the meeting at 4:35 p.m.

Respectfully submitted,

Pamela Burke  
Committee Assistant

TAPE LOG: H-81-AMA-143, SIDE A  
H-81-AMA-144, SIDE A

EXHIBIT LOG: Exhibit A - SB 955, staff measure analysis submitted by Dick Wilson,  
Committee Administrator  
Exhibit B - SB 955, written testimony submitted by Emma Hill,  
Public Welfare Review Commission



1 PROPOSED AMENDMENTS TO SENATE BILL 955

2 On page 1 of the printed bill, line 3, delete ", 2".

3 In line 5, after "money" insert "; prescribing an effective  
4 date".

5 Delete lines 7 through 25 and pages 2 through 13 and insert:

6 SECTION 1. As used in this Act:

7 "(1) 'Area agency' means:

8 "(a) An established or proposed type A or type B Area Agency on  
9 Aging within a planning and service area designated under Section  
10 305 of the Older Americans Act; or

11 "(b) Any public or nonprofit private agency which is designated  
12 as a type A or type B Area Agency on Aging under Section 305 of the  
13 Older Americans Act.

14 "(2) 'Area agency board' means the local policy-making board  
15 which directs the actions of the area agency within state and  
16 federal laws and regulations.

17 "(3) 'Division' means the Senior Services Division of the  
18 Department of Human Resources.

19 "(4) 'Elderly' or 'elderly persons' means persons who are served  
20 by type A area agencies or type B area agencies or by the Senior  
21 Services Division.

22 "(5) 'Handicapped person' means a person with a physical or  
23 mental handicap:

24 "(a) Who is eligible for Supplemental Security Income or for  
25 general assistance from the Adult and Family Services Division; and

26 "(b) Who meets one of the following criteria:

1       "(A) Is mentally retarded or developmentally disabled and  
2 resides in or needs placement in a residential program administered  
3 by the Senior Services Division.

4       "(B) Is mentally or emotionally disturbed and resides in or  
5 needs placement in a residential program administered by the Senior  
6 Services Division.

7       "(C) Is an alcohol or drug abuser and resides in or needs  
8 placement in a residential program administered by the Senior  
9 Services Division.

10       "(D) Has a physical or mental handicap other than those  
11 described in subparagraphs (A) to (C) of paragraph (b) of this  
12 subsection.

13       "(6) 'Local government' means a political subdivision of the  
14 state whose authority is general or a combination of units of  
15 general purpose local governments.

16       "(7) 'Preadmission screening' means a professional program  
17 within the Senior Services Division or type B area agencies, with  
18 staff that includes registered nurses and social workers, that  
19 assesses the needs of clients and recommends appropriate placements  
20 in residential programs administered by the Senior Services Division  
21 or type B area agencies.

22       "(8) 'Protective services' means a service to be provided by the  
23 Senior Services Division directly or through type B area agencies,  
24 in response to the need for protection from harm or neglect to  
25 elderly persons.

26       "(9) 'Title XIX' means the programs in Title XIX of the Social  
27 Security Act transferred from the long term care unit of the health  
28 and social services section of the Adult and Family Services

1 Division to the Senior Services Division but does not include Title  
2 XIX programs, other than home health, personal care and nursing home  
3 programs, or Title XIX programs in other divisions of the Department  
4 of Human Resources.

5 "(10) 'Title XX' means the programs in Title XX of the Social  
6 Security Act transferred from the Adult and Family Services Division  
7 to the Senior Services Division, but does not include Title XX  
8 programs in other divisions of the Department of Human Resources.

9 "(11) 'Type A area agency' means an area agency:

10 "(a) For which either the local government or the area agency  
11 board does not agree to accept local administrative responsibility  
12 for Title XIX and Title XX; and

13 "(b) That provides a service to persons 60 years of age or  
14 older.

15 "(12) 'Type B area agency' means an area agency:

16 "(a) For which the local government agrees to accept local  
17 administrative responsibility for Title XIX and Title XX; and

18 "(b) That provides a service to persons 60 years of age or older  
19 and handicapped persons who require services similar to those  
20 required by persons 60 years of age or older, or both.

21 "SECTION 2. The State of Oregon finds that the needs of the  
22 elderly population can be best served and planned for at the local  
23 community level; that a longer life expectancy and a growing elderly  
24 population demands services be provided in a coordinated manner and  
25 a single local agency system for such services be instituted; that  
26 local resources and volunteer help will augment state funds and  
27 needed manpower; that local flexibility in providing services should  
28 be encouraged; and that a single state agency should regulate and

1 provide leadership to insure that the elderly citizens of Oregon  
2 will receive the necessary care and services at the least cost and  
3 in the least confining situation. The State of Oregon further finds  
4 that within budgetary constraints, it is appropriate that savings in  
5 nursing home services allocations within a planning and service area  
6 be reallocated to alternative care services under Title XIX, Title  
7 XX and Oregon Project Independence in that area.

8 "SECTION 3. (1) The Senior Services Division is created in the  
9 Department of Human Resources. The division shall administer laws  
10 and programs relating to social, health and protective services to  
11 elderly persons.

12 "(2) The division shall:

13 "(a) Serve as the central state agency with primary  
14 responsibility for the planning, coordination, development and  
15 evaluation of policy, programs and services for elderly persons in  
16 Oregon and the designated state unit on aging, as defined in the  
17 Older Americans Act of 1965.

18 "(b) With the advice of the Governor's Commission on Senior  
19 Services, develop long-range state plans for programs, services and  
20 activities for elderly and handicapped persons. State plans should  
21 be revised annually and should be based on area agency plans, state-  
22 wide priorities and state and federal requirements.

23 "(c) Have the authority to transfer state and federal funds,  
24 except Title III of the Older Americans Act funds, from one area  
25 agency to another area agency or from one program or service to  
26 another program or service after consultation with the area agencies  
27 involved in the transfer. However, no area agency shall suffer a  
28 reduction in state or federal funds due to increased local funds.

1       "(d) Receive and disburse all federal and state funds allocated  
2 to the division and solicit, accept and administer grants, including  
3 federal grants or gifts made to the division or to the state for the  
4 benefit of elderly persons in this state.

5       "(e) Provide technical, training and program assistance to area  
6 agencies and assist them to provide such assistance to public and  
7 private agencies and organizations.

8       "(f) Assist area agencies to stimulate more effective use of  
9 existing resources and services for elderly persons and develop  
10 programs, opportunities and services which are not otherwise  
11 provided for elderly persons, with the aim of developing a  
12 comprehensive and coordinated system for the delivery of social  
13 services to elderly persons.

14       "(g) Serve within government and in the state at large as an  
15 advocate for elderly persons by holding hearings and conducting  
16 studies or investigations concerning matters affecting the health,  
17 safety and welfare of elderly persons and by assisting elderly  
18 person to assure their rights to apply for and receive services and  
19 to be given fair hearings when such services are denied.

20       "(h) Process fiscal and client data for all area agencies.

21       "(i) Conduct regulatory functions with regard to program  
22 operation, by adopting rules for providing social services,  
23 including protective services, to elderly persons who need services  
24 that the division or area agencies are authorized to provide and  
25 rules for standard rate setting and quality assurance.

26       "(j) Provide information and technical assistance to the  
27 Governor's Commission on Senior Services and keep the commission  
28 continually informed of the activities of the division.

1       "(k) Make recommendations for legislative action to the Governor  
2 and to the Legislative Assembly, after consultation with the  
3 Governor's Commission on Senior Services.

4       "(L) Conduct research and other appropriate activities to  
5 determine the needs of elderly persons in this state, including, but  
6 not limited to, their needs for social and health services, and to  
7 determine what existing services and facilities, private and public,  
8 are available to elderly persons to meet those needs.

9       "(m) Maintain a clearinghouse for information related to the  
10 needs and interests of elderly persons.

11       "(n) Provide area agencies with assistance in applying for  
12 federal, state and private grants and identifying new funding  
13 sources.

14       "(3) In addition to the requirements of subsection (2) of this  
15 section, the division shall:

16       "(a) Determine type A and type B area agencies annual budget  
17 levels for Oregon Project Independence and Title III of the Older  
18 Americans Act expenditures.

19       "(b) For type B area agencies:

20       "(A) Determine annual budget levels for planning Title XIX and  
21 Title XX reimbursed services. In determining the budget levels, the  
22 division shall retain contingency reserves against overruns and  
23 transfers in use of Title XIX and Title XX funds.

24       "(B) Provide timely management information so the area agency  
25 can manage Title XIX and Title XX reimbursements within budgeted  
26 levels.

27       "(c) Make payments for services within a central processing  
28 system for:

1       "(A) A type A area agency, at the request of the agency, for  
2 Oregon Project Independence or Title III of the Older Americans Act  
3 expenditures, or both.

4       "(B) A type B area agency, for Title XIX, Title XX and Oregon  
5 Project Independence expenditures, and at the request of the agency,  
6 for Title III of the Older Americans Act expenditures.

7       "(d) Assume program responsibility for Title XIX and Title XX  
8 programs in areas served by type A area agencies and in areas where  
9 no area agency is designated.

10       "SECTION 4. (1) It is the policy of the State of Oregon that  
11 handicapped persons served by the Senior Services Division shall  
12 also receive necessary services, as appropriate for their needs,  
13 from other state agencies and divisions.

14       "(2) In carrying out the provisions in subsection (1) of this  
15 section, the Department of Human Resources shall insure that the  
16 Senior Services Division negotiates interagency agreements and  
17 coordinates services with the Mental Health Division, Vocational  
18 Rehabilitation Division, Employment Division, Children's Services  
19 Division and the Department of Education for the provision of  
20 appropriate services to handicapped clients of the Senior Services  
21 Division.

22       "(3) (a) Prior to placement in any residential program  
23 administered by the Senior Services Division, all handicapped  
24 persons shall be assessed by preadmission screening to insure the  
25 appropriateness of such placement.

26       "(b) If a handicapped person is diagnosed as, or is suspected of  
27 being, mentally retarded or developmentally disabled, preadmission  
)

1 screening shall include assessment by the Diagnosis and Evaluation  
2 Service of the Mental Health Division.

3 "(4) The Senior Services Division, in coordination with the  
4 Mental Health Division, Children's Services Division, Vocational  
5 Rehabilitation Division and the Department of Education shall work  
6 with nursing homes which have one or more residents under 18 years  
7 of age to develop a program appropriate to the needs of such  
8 residents.

9 "SECTION 5. (1) Agreements and coordination described in  
10 subsection (2) of section 4 of this Act shall include but not be  
11 limited to the following:

12 "(a) After creation of the Senior Services Division, the  
13 Department of Human Resources shall transfer to the Mental Health  
14 Division jurisdiction over specialized foster care homes and  
15 residential care facilities exclusively serving persons with mental  
16 retardation or developmental disabilities, mental or emotional  
17 disturbances, and alcohol or drug abuse or dependence. This transfer  
18 shall be completed by July 1, 1982, and shall include associated  
19 fiscal and staff resources.

20 "(b) The Department of Human Resources shall direct the Senior  
21 Services Division and the Mental Health Division to complete, by  
22 July 1, 1982, a joint study of persons with mental retardation or  
23 developmental disabilities, mental or emotional disturbances, and  
24 alcohol or drug abuse or dependence who remain in foster care homes,  
25 residential care facilities or nursing homes.

26 "(2) The study described in paragraph (b) of subsection (1) of  
27 this section shall:



1       "(a) Assess the appropriateness of current placement for persons  
2 described in paragraph (b) of subsection (1) of this section.

3       "(b) Make recommendations for appropriate residential, day  
4 programs and support services for those persons not appropriately  
5 placed.

6       "(c) Plan needed case management for those persons who should  
7 remain as clients of the Senior Services Division.

8       "(3) Recommendations made pursuant to paragraph (b) of  
9 subsection (2) of this section shall be reflected in budget  
10 recommendations made by the Mental Health Division to the Sixty-  
11 second Legislative Assembly.

12       "SECTION 6. All programs and functions performed by the Office  
13 of Elderly Affairs and the Adult and Family Services Division,  
14 Health and Social Services Section, Long-Term Care Unit, are  
15 transferred to the Senior Services Division.

16       "SECTION 7. (1) The Department of Human Resources is the  
17 designated single state agency for all federal programs under this  
18 Act.

19       "(2) Except as provided in paragraph (d) of subsection (3) of  
20 section 3 and section 10 of this Act, the administration of services  
21 to clients under this Act shall be through area agencies, and shall  
22 comply with all applicable federal regulations.

23       "SECTION 8. On and after the effective date of this Act, a type  
24 A area agency shall operate in the same manner as it operated with  
25 local administrative responsibility for Title III of the Older  
26 Americans Act and Oregon Project Independence before the effective  
27 date of this Act. Nothing in this Act requires a type A area agency  
28 to become a type B area agency.

1        "SECTION 9. (1) A local government shall be responsible for all  
2 actions of a type B area agency in its jurisdiction, including but  
3 not limited to the accountability for funds and compliance with  
4 federal and state laws and rules. Such responsibility shall include  
5 all geographic areas in which the type B area agency is designated  
6 to operate.

7        "(2) The respective local government shall appoint a director of  
8 the type B area agency in its jurisdiction who must meet minimum  
9 qualifications established by the division. The director shall serve  
10 with the continuing approval of the Assistant Director for Senior  
11 Services. Continuing approval may be withdrawn by the assistant  
12 director only when it can be shown that the state or federal rules  
13 have not been complied with by the type B area agency, state or  
14 federal funds are not being expended for the purposes for which they  
15 were intended or the elderly are not receiving appropriate services  
16 within available funds. Withdrawal of continuing approval is  
17 appealable to the Director of Human Resources and the Governor by  
18 the local government.

19        "SECTION 10. (1) In the event that a local government withdraws  
20 the designation of an area agency, or the division withdraws the  
21 area agency designation in accordance with the Older Americans Act,  
22 the division shall administer the services to clients previously  
23 performed by the area agency until a new area agency is designated.

24        "(2) The division may withdraw any particular program or  
25 service, except Title III of the Older Americans Act programs, from  
26 the area agency, and administer such programs and services. Before  
27 such action is taken, the division must consult with the director of  
28 the area agency and the chief elected official of the affected local

1 government. Such action shall be taken by the division only when it  
2 can be shown the federal or state laws or rules have not been  
3 complied with, state or federal funds are not being expended for the  
4 purposes for which they were intended, or the elderly are not  
5 receiving appropriate services within available resources.  
6 Withdrawal of any particular program or service is appealable to the  
7 Director of Human Resources and the Governor.

8 "SECTION 11. (1) Each area agency shall have an area agency  
9 advisory council, with members appointed by the area agency board.

10 "(a) For a type A area agency, membership of the council shall  
11 include consumers of services under Senior Services Division  
12 programs, including low income, minority and handicapped persons.

13 "(b) For a type B area agency, membership of the council shall  
14 include persons described in paragraph (a) of subsection (1) of this  
15 section and handicapped persons. Representation of handicapped  
16 persons on the council shall be in proportion to the ratio of such  
17 persons to all persons in the jurisdiction of the area agency who  
18 received Title XIX and Title XX services, or both, during the  
19 preceding 12-month period, but shall not be fewer than one.

20 "(2) Each area agency advisory council shall:

21 "(a) Recommend basic policy guidelines for the administration of  
22 the activities of the area agencies on behalf of elderly persons,  
23 and advise the area agency on questions of policy.

24 "(b) Advise the area agency with respect to development of the  
25 area plan and budget, and review and comment on the completed area  
26 plan and budget before its transmittal to the Assistant Director for  
27 Senior Services.

1       "(c) Review and evaluate the effectiveness of the area agency in  
2 meeting the needs of elderly persons in the planning and service  
3 area.

4       "(d) Meet at least quarterly. The meetings are subject to ORS  
5 192.610 to 192.690.

6       "SECTION 12. Each type A area agency shall:

7       "(1) Conduct local planning functions for Title III of the Older  
8 Americans Act and Oregon Project Independence.

9       "(2) Develop a local plan for service delivery that complies  
10 with federal and state requirements and is in accord with locally  
11 determined objectives consistent with the state policy on aging.  
12 This plan shall be reviewed and approved by the division.

13       "(3) Assess the needs of elderly persons within the planning and  
14 service delivery area for service for social and health services,  
15 and determine what resources are currently available to meet those  
16 needs.

17       "(4) Assume the responsibility of determining services required  
18 to meet the needs of elderly persons, assure that such services are  
19 provided within the resources available and determine when such  
20 services are no longer needed.

21       "(5) Endeavor to coordinate and expand existing resources in  
22 order to develop within its planning and service area a  
23 comprehensive and coordinated system for the delivery of social and  
24 health services to elderly persons.

25       "(6) Serve as an advocate within government and within the  
26 community at large for the interests of elderly persons within its  
27 planning and service area.

1       "(7) Make grants to or enter into contracts with any public or  
2 private agency for the provision of social or health services not  
3 otherwise sufficiently available to elderly persons within the  
4 planning and service area.

5       "(8) Monitor and evaluate the activities of its service  
6 providers to insure that the services being provided comply with the  
7 terms of the grant or contract. Where a provider is found to be in  
8 breach of the terms of its grant or contract, the area agency shall  
9 enforce the terms of the grant or contract.

10       "(9) Conduct research, evaluation, demonstration or training  
11 activities appropriate to the achievement of the goal of improving  
12 the quality of life for elderly persons within its planning and  
13 service area.

14       "(10) Comply with division requirements that have been developed  
15 in consultation with the area agencies for client and fiscal  
16 information and provide to the division information necessary for  
17 federal and state reporting, program evaluation, program management,  
18 fiscal control and research needs.

19       "SECTION 13. Each type B area agency shall:

20       "(1) Comply with the provisions of subsection (1) and  
21 subsections (3) to (10) of section (12) of this Act.

22       "(2) Conduct local planning functions for Title XIX and Title XX  
23 of the Social Security Act.

24       "(3) Develop a local plan for service delivery subject to review  
25 and approval by the division and the responsible unit of local  
26 government that complies with federal and state requirements and in  
27 accord with locally determined objectives consistent with the state  
28 policy on aging.

1 "(4) Provide protective services within available resources.

2 "SECTION 14. Each area agency may use, with the consent of state  
3 and municipal departments and agencies, their services, equipment,  
4 facilities and personnel, and pay therefor, within the limits of its  
5 resources, as agreed between the agencies and cooperate with other  
6 public and private agencies as to the use of services, equipment and  
7 facilities.

8 "SECTION 15. (1) A type B area agency may contract with the  
9 division for services of state employes or have such employes  
10 transferred to employment by the area agency by transfer agreement.

11 "(2) State employes whose services have been contracted to a  
12 type B area agency shall be supervised for program purposes by the  
13 area agency.

14 "(3) If state employes are transferred to a type B area agency,  
15 the provisions of ORS 236.610 to 236.650 shall apply.

16 "(4) Prior to transfer of any state employe to any other public  
17 employer under this Act, at a date to be determined by the Assistant  
18 Director for Senior Services, each type B area agency shall prepare  
19 a plan in coordination with local staff of the Adult and Family  
20 Services Division for implementation of this Act. The plan shall  
21 show how statutory responsibilities are to be met and how all staff  
22 are to be utilized.

23 "SECTION 16. (1) Prior to the designation of an area agency as a  
24 type B area agency, the area agency, the responsible unit of local  
25 government and the division must jointly agree upon a plan under  
26 which the area agency will operate.

27 "(2) The plan described in subsection (1) of this section shall:

1       "(a) Establish an administrative structure and qualification for  
2 key personnel that reflect the population to be served.

3       "(b) Be developed in coordination with the appropriate local  
4 mental health authority.

5       "(c) Include any necessary interagency agreements regarding  
6 which agency is to have responsibility for each specific group of  
7 clients under 60 years of age.

8       "(d) Address necessary transfers of staff, available equipment  
9 and administrative and service funds.

10       "(e) Be prepared with the participation of potentially affected  
11 clients, staff and other individuals at the local level, including  
12 but not limited to physically handicapped individuals.

13       "Section 17. ORS 184.900 is amended to read:

14       "184.900. (1) The Governor's Commission on [Aging] Senior  
15 Services is created. The commission shall consist of at least [19]  
16 21 members appointed by the Governor for terms of three years.

17       "(2) Prior to making appointments, the Governor shall request  
18 and consider recommendations from the area agencies on aging and  
19 other interested senior organizations. The Governor shall designate  
20 a member to serve at [his] the pleasure of the Governor as chairman  
21 for a term of two years with such duties as [he] the Governor shall  
22 prescribe. The membership of the commission shall be composed of  
23 [members] persons broadly representative of major public and private  
24 agencies who are experienced in or have demonstrated particular  
25 interest in the special needs of [the] elderly persons, including  
26 [citizens] persons who have been active in [senior] organizations  
27 and advocates on behalf of [senior citizens] elderly persons. [Of  
28 the members appointed to the commission under this subsection, a

1 majority shall be actual] Additionally, membership shall include  
2 persons who are active in advocacy organizations representing the  
3 interests of handicapped persons who are served in programs under  
4 the Senior Services Division and consumers of services under the  
5 [aging] Senior Services Division programs, including low income,  
6 [and] minority [older] and handicapped persons [at least in  
7 proportion to the number of minority and older persons in the  
8 state]. At least a majority of members shall be 60 years of age or  
9 older.

10 "[ (2) ] (3) In addition to the members of the commission  
11 appointed under subsection (1) of this section, the President of the  
12 Senate shall appoint one member from the Senate and the Speaker of  
13 the House of Representatives shall appoint one member from the House  
14 of Representatives. [The members of the commission appointed under  
15 this subsection shall be entitled to actual and necessary expenses.]

16 "[ (3) ] (4) The Governor's Commission on [Aging] Senior Services  
17 shall advise the Governor, [and] the Director of the Department of  
18 Human Resources and the Assistant Director for Senior Services on  
19 needs of [the] elderly [and] persons, and recommend actions by the  
20 Governor, the Department of Human Resources, the Senior Services  
21 Division, other governmental entities and the private sector,  
22 appropriate to meet such needs.

23 "[ (4) ] (5) The commission shall have authority to study programs  
24 and budgets of all state agencies which affect [senior citizens]  
25 elderly persons. After such study, the commission shall make  
26 recommendations to the Governor and to the agencies involved. Such  
27 recommendations shall be designed to provide coordination of  
28 programs for [the] elderly persons, to avoid unnecessary duplication



1 in provision of services, and to point out gaps in provision of  
2 services. The commission shall also recommend development of a  
3 comprehensive plan for delivery of services to [the] elderly  
4 persons. In carrying out these tasks, the commission shall  
5 coordinate its efforts with other advisory groups within the  
6 Department of Human Resources to avoid duplication of effort.

7 "[~~(5)~~] (6) The commission shall promote responsible state-wide  
8 advocacy for [senior citizens] elderly persons.

9 "[~~(6)~~] (7) Members of the commission, other than legislators,  
10 shall be entitled to compensation and expenses as provided in ORS  
11 292.495.

12 "SECTION 18. On the effective date of this Act, the terms of  
13 incumbent members of the Governor's Commission on Aging shall end.  
14 In the first year appointments required by ORS 184.900 as amended by  
15 section 17 of this Act are made, the members will be appointed as  
16 follows:

17 "(1) One-third shall be appointed for one year;

18 "(2) One-third shall be appointed for two years; and

19 "(3) One-third shall be appointed for three years.

20 "Section 19. ORS 184.750 is amended to read:

21 "184.750. (1) The Department of Human Resources is created.

22 "(2) The Department of Human Resources shall provide programs

23 for the delivery to the public of services relating to public

24 assistance, children and families, health and health-related

25 affairs, mental health, corrections, employment, vocational

26 rehabilitation, [aging,] elderly persons and such other services as

27 may be assigned to the Department of Human Resources.

1       "(3) The Department of Human Resources shall provide the  
2 programs and services enumerated in subsection (2) of this section  
3 through the divisions and other organizational units, including but  
4 not limited to the following:

5       "(a) The Adult and Family Services Division;

6       "(b) The Children's Services Division;

7       "(c) The Mental Health Division;

8       "(d) The Corrections Division;

9       "(e) The Employment Division;

10       "(f) The Vocational Rehabilitation Division;

11       "(g) The Health Division; and

12       "(h) The [Office of Elderly Affairs] Senior Services Division.

13       "(4) The Department of Human Resources shall be the recipient of  
14 all federal funds paid or to be paid to the state to enable the  
15 state to provide the programs and services assigned to the  
16 Department of Human Resources.

17       "Section 20. ORS 184.865 is amended to read:

18       "184.865. (1) The Department of Human Resources is directed to  
19 develop and place in effect a program of supportive social services  
20 for persons age 60 or older.

21       "(2) The Department of Human Resources is authorized to develop  
22 and adopt such rules as necessary for the sound, efficient and  
23 economical administration of the provisions of this section and ORS  
24 184.900 to 184.910, including the implementation of a fee for  
25 service schedule based upon ability to pay, and to assure that no  
26 eligible person, resident in a skilled nursing home or intermediate  
27 care facility, shall be removed and placed in an alternative care  
28 program unless such services are determined to be more appropriate

1 for the individual citizen based upon appropriate, individual,  
2 service considerations.

3 "[ (3) There is hereby created an Office of Elderly Affairs in  
4 the Department of Human Resources. The office shall have  
5 responsibility for all programs and functions heretofore performed  
6 by the State Program on Aging and the Office of Special Assistant  
7 for Programs for the Elderly, and for such other functions as shall  
8 be assigned to it by the Legislative Assembly, the Governor or the  
9 Director of the Department of Human Resources.]

10 "[ (4) In accordance with any applicable provisions of ORS  
11 183.310 to 183.500, the office may make such rules as are necessary  
12 to carry out the provisions of ORS 184.750, 184.760, 184.900 and  
13 this section.]

14 "[ (5) The office shall be staffed by one administrator and one  
15 assistant administrator, both of whom shall be in the unclassified  
16 service, and by such other personnel as may be necessary. The  
17 Director of the Department of Human Resources shall appoint the  
18 administrator and the assistant administrator.]

19 "Section 21. ORS 327.525 is amended to read:

20 "327.525. The School Lunch Revolving Account of the General Fund  
21 is continuously appropriated for the purposes of ORS 327.520 [and  
22 327.523]. All money received under the provisions of ORS 327.520  
23 [and 327.523] shall be paid by the superintendent to the State  
24 Treasurer for credit to the School Lunch Revolving Account.

25 "Section 22. ORS 441.630 is amended to read:

26 "441.630. As used in ORS 441.630 to 441.680:

27 "(1) 'Abuse' means:

- 1        "(a) Any physical injury to a patient of a long term care  
2 facility which has been caused by other than accidental means,  
3 including any injury which appears to be at variance with the  
4 explanation given of the injury.
- 5        "(b) Neglect which leads to physical harm.
- 6        "(c) Failure to provide direct patient care.
- 7        "(2) 'Division' means the [Adult and Family] Senior Services  
8 Division of the Department of Human Resources.
- 9        "(3) 'Law enforcement agency' means:
- 10       "(a) Any city or municipal police department.
- 11       "(b) Any county sheriff's office.
- 12       "(c) The Oregon State Police.
- 13       "(d) Any district attorney.
- 14       "(4) 'Public or private official' means:
- 15       "(a) Physician, including any intern or resident.
- 16       "(b) Licensed practical nurse or registered nurse.
- 17       "(c) Employe of the Department of Human Resources, county health  
18 department, community mental health program or a long term care  
19 facility or person who contracts to provide services to a long term  
20 care facility.
- 21       "(d) Peace officer.
- 22       "(e) Clergyman.
- 23       "(f) Registered social worker.
- 24       "(g) Physical therapist.
- 25       "(h) Legal counsel for a resident or guardian or family member  
26 of the resident.
- 27       "Section 23. ORS 411.590 is amended to read:

1 "411.590. A person who is employed as a housekeeper, homemaker  
2 or otherwise as a domestic servant in the house of a recipient of  
3 public assistance or services, whose compensation is paid in whole  
4 or in part by the Adult and Family Services Division, the Senior  
5 Services Division or the Children's Services Division and is not  
6 otherwise employed by [either] the division, shall not for any  
7 purposes be deemed to be an employe of the State of Oregon whether  
8 or not the division selects the person for employment or exercises  
9 any direction or control over the person's employment. Such person  
10 shall be deemed to be a nonsubject [workman] worker under ORS  
11 656.027.

12 "SECTION 24. (1) On written request of the Senior Services  
13 Division, the Executive Department shall draw warrants on amounts  
14 appropriated to the Senior Services Division for operating expenses  
15 for use by the division as a revolving fund. The revolving fund  
16 shall not exceed the aggregate sum of \$50,000 including unreimbursed  
17 advances. The revolving fund shall be deposited with the State  
18 Treasurer to be held in a special account against which the division  
19 may draw checks.

20 "(2) The revolving fund may be used by the division to pay for  
21 travel expenses for employes of the division and for any consultants  
22 or advisers for whom payment of travel expenses is authorized by  
23 law, or advances therefor, or for purchases required from time to  
24 time or for receipt or disbursement of federal funds available under  
25 federal law.

26 "(3) All claims for reimbursement of amounts paid from the  
27 revolving fund shall be approved by the division and by the  
28 Executive Department. When such claims have been approved, a warrant

1 covering them shall be drawn in favor of the division and charged  
2 against the appropriate fund or account, and shall be used to  
3 reimburse the revolving fund.

4 "SECTION 25. (1) There is established in the General Fund of the  
5 State Treasury an account to be known as the Senior Services  
6 Account. All moneys in the Senior Services Account are continuously  
7 appropriated for and shall be used by the Senior Services Division  
8 for the respective purposes authorized by law. The moneys in the  
9 Senior Services Account and all appropriations for the Senior  
10 Services Division shall be subject to allotment made by the  
11 Executive Department.

12 "(2) The Senior Services Division shall keep a record of all  
13 moneys credited to and deposited in the Senior Services Account. The  
14 record shall indicate by separate cumulative accounts the source  
15 from which the moneys are derived and the individual activity or  
16 program against which each withdrawal is charged.

17 "(3) The unobligated balance in the Senior Services Account on  
18 June 30 of each odd-numbered year shall be determined by the Senior  
19 Services Division as of September 30 following the close of each  
20 biennium and certified to the Executive Department. The amount  
21 certified pursuant to this subsection shall revert to the General  
22 Fund and become available for general governmental purposes.

23 "SECTION 26. The assistant director may appoint and employ such  
24 personnel as may be necessary for the Senior Services Division and  
25 appoint and fix the compensation of all assistants and employes of  
26 the division.

27 "SECTION 27. The Senior Services Division shall make and enforce  
28 rules governing the custody, use and preservation of the records,

1 papers, files and communications by any other agency or department  
2 of government or person to which the records may be furnished. Use  
3 shall be limited to the purposes for which the records are furnished  
4 and by the provisions of the law under which they may be furnished.

5 "SECTION 28. For the protection of applicants for and recipients  
6 of services, the Senior Services Division shall not disclose or use  
7 the contents of any records, files, papers or communications for  
8 purposes other than those directly connected with the administration  
9 of the laws of Oregon, and these records, files, papers and  
10 communications are considered confidential subject to the rules of  
11 the Senior Services Division, except as otherwise provided in ORS  
12 411.325 to 411.335. In any judicial proceedings, except proceedings  
13 directly connected with the administration of public assistance  
14 laws, their contents are considered privileged communications.

15 "SECTION 29. Any reference to the Adult and Family Services  
16 Division or the Office of Elderly Affairs with respect to such  
17 duties, functions and powers transferred by this Act is intended to  
18 be and shall be considered a reference to the Senior Services  
19 Division of the Department of Human Resources.

20 "SECTION 30. (1) The Adult and Family Services Division and the  
21 Office of Elderly Affairs whose duties, functions and powers are  
22 assigned and transferred to the Senior Services Division by this Act  
23 shall transfer and deliver to the Senior Services Division all  
24 supplies, materials, equipment, facilities, contracts, books, maps,  
25 plans, papers, records and property of every description within its  
26 jurisdiction or control which relate to the duties, functions and  
27 powers so transferred and shall also transfer thereto those employes  
28 engaged primarily in the exercise of the duties, functions and

1 powers so transferred. The Assistant Director for Senior Services  
2 shall take possession of such property and shall take charge of such  
3 employes and, except as provided in subsection (2) of this section,  
4 shall employ them in the exercise of their respective duties,  
5 functions and powers assigned or transferred by this Act, without  
6 reduction of compensation.

7 "(2) The Assistant Director for Senior Services may abolish  
8 positions and change duties to the extent that the assistant  
9 director finds it desirable for the sound, efficient and economical  
10 administration and enforcement of the duties, functions and powers  
11 transferred by this Act. However, in the case of any transfer of  
12 personnel made pursuant to this section, any employe occupying a  
13 classified position who is so transferred shall, so far as possible,  
14 retain the same salary classification and status.

15 "(3) Any controversy relating to the transfers of property and  
16 employes made by this section shall be resolved by the Director of  
17 the Executive Department.

18 "SECTION 31. Nothing in this Act shall relieve any person of any  
19 obligation with respect to any tax, fee, fine or other charge,  
20 interest, penalty, forfeiture or other liability, duty or obligation  
21 accruing under, or with respect to, the duties, functions and powers  
22 transferred by this Act. After the effective date of this Act the  
23 Senior Services Division may undertake the collection or enforcement  
24 of such tax, fee, fine, charge, interest, penalty, forfeiture or  
25 other liability, duty or obligation; but such liability, duty or  
26 obligation shall not be increased or decreased or continued beyond  
27 the period authorized by law for its existence or beyond the time  
28 when it would have terminated if this Act had not been passed.



1        "SECTION 32. (1) The Senior Services Division shall be  
2 considered and held to constitute a continuation of the Adult and  
3 Family Services Division and the Office of Elderly Affairs with  
4 respect to powers, functions and duties and obligations of the Adult  
5 and Family Services Division or the Office of Elderly Affairs  
6 legally incurred under contracts, leases and business transactions  
7 executed, entered into or commenced prior to the effective date of  
8 this Act. The Senior Services Division shall exercise such rights,  
9 powers, duties and obligations with the same force and effect as if  
10 they had not been transferred; but such right, power, duty or  
11 obligation shall not be continued beyond the period authorized by  
12 law for its existence or beyond the time when it would have  
13 terminated if this Act had not been passed.

14        "(2) The continuation of powers and functions described in this  
15 section shall include rulemaking authority pertaining to functions,  
16 duties and obligations transferred by this Act, and rulemaking  
17 authority for functions, duties and obligations established by this  
18 Act.

19        "SECTION 33. Any proceeding, court action, prosecution or other  
20 business or matter undertaken or commenced prior to the effective  
21 date of this Act by the Adult and Family Services Division or Office  
22 of Elderly Affairs with respect to the duties, functions or powers  
23 which are by this Act assigned and transferred to the Senior  
24 Services Division, and still pending on the effective date of this  
25 Act, may be conducted and completed by the Senior Services Division  
26 in the same manner and under the same terms and conditions and with  
27 the same effect as though it were undertaken or commenced and were

1 conducted or completed by the Adult and Family Services Division or  
2 the Office of Elderly Affairs prior to transfer.

3 "SECTION 34. (1) Whenever in any other law or resolution of the  
4 Legislative Assembly, or in any rule, regulation, document, record  
5 or proceeding authorized by the same, any word or phrase is used in  
6 reference to or descriptive of the Adult and Family Services  
7 Division or the Office of Elderly Affairs whose duties, functions or  
8 powers are by this Act assigned or transferred, such word, phrase or  
9 reference shall, after the effective date of this Act, unless the  
10 context or provisions of this Act require otherwise, be considered  
11 to refer to, include and describe the Senior Services Division which  
12 is charged with carrying out such powers, functions and duties, as  
13 the context and provisions of this Act may require.

14 "(2) Notwithstanding the transfer of duties, functions and  
15 powers by this Act, any lawful authorization, designation,  
16 determination, directive, license, order, permit, policy, privilege,  
17 rule or other action of the Adult and Family Services Division or  
18 the Office of Elderly Affairs whose powers, functions and duties are  
19 by this Act assigned and transferred to the Senior Services  
20 Division, in effect on the effective date of this Act, shall  
21 continue in effect until superseded by, or repealed by the lawful  
22 action of the Senior Services Division; but it shall not continue  
23 any such action beyond the period authorized by law for its  
24 existence or beyond the time when the action would have terminated  
25 if this Act had not been passed.

26 "SECTION 35. The functions of the Adult and Family Services  
27 Division or the Office of Elderly Affairs described in this Act are  
28 transferred to and vested in the Senior Services Division.

1        "SECTION 36. Nothing in this Act extends estate claims  
2 requirements and procedures related to certain Title XIX and Title  
3 XX services under current Oregon statutes and federal regulations to  
4 other services.

5        "SECTION 37. Nothing in this Act requires an area agency or  
6 local governmental unit to expend local funds for the purpose of  
7 maintaining or expanding services to elderly and handicapped  
8 persons.

9        "SECTION 38. ORS 184.860, 327.523, 413.025 and 441.081 are  
10 repealed.

11        "Section 39. If House Bill 5036 becomes law, section 1, chapter  
12 \_\_\_\_\_, Oregon Laws 1981 (Enrolled House Bill 5036), is amended to  
13 read:

14        "Sec. 1. There is appropriated to the Office of the Director of  
15 the Department of Human Resources, for the biennium beginning July  
16 1, 1981, out of the General Fund, the amount of [\$5,160,289]  
17 \$642,582.

18        "Section 40. If House Bill 5036 becomes law, section 3, chapter  
19 \_\_\_\_\_, Oregon Laws 1981 (Enrolled House Bill 5036), is amended to  
20 read:

21        "Sec. 3. Notwithstanding any other law, the amount of  
22 [\$60,765,223] \$45,296,089 is established for the biennium beginning  
23 July 1, 1981, as the maximum limit for the payment of expenses from  
24 federal funds collected or received by the Office of the Director of  
25 the Department of Human Resources.

26        "Section 42. If Senate Bill 5532 becomes law, section 2, chapter  
27 \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532), is amended to  
  ) read:

1 "Sec. 2. Notwithstanding any other law, the following amounts  
2 are established for the biennium beginning July 1, 1981, as the  
3 maximum limits for payment of expenses from fees, moneys or other  
4 revenues, including Miscellaneous Receipts, excluding federal funds,  
5 collected or received by the Adult and Family Services Division of  
6 the Department of Human Resources:

7 "(1) Assistance payments and related  
8 expenses ..... \$26,242,967

9 "(2) Medical assistance for the  
10 categorically needy and  
11 general assistance payments.. \$ 5,004,677

12 "(3) Administrative expenses .... [\$ 2,639,843] \$ 2,637,763

13 "Section 43. If Senate Bill 5532 becomes law, section 3, chapter  
14 \_\_\_\_\_, Oregon Laws 1981 (Enrolled Senate Bill 5532), is amended to  
15 read:

16 "Sec. 3. Notwithstanding any other law, the following amounts  
17 are established for the biennium beginning July 1, 1981, as the  
18 maximum limits for the payment of expenses from federal funds  
19 received by the Adult and Family Services Division of the Department  
20 of Human Resources. Such amounts shall be credited to the Public  
21 Welfare Account within the General Fund as they are made available  
22 by the United States Government and subject to the approval of the  
23 Executive Department, may be expended for the following purposes:

24 "(1) Assistance payments and related  
25 expenses ..... \$138,413,098

26 "(2) Long-term care ..... [\$101,609,727] \$ 47,492,280

27 "(3) Medical assistance for the  
28 categorically needy and

1           general assistance medical  
 2           payments ..... \$ 94,497,655  
 3       "(4) Special projects ..... \$ 68,989,424  
 4       "(5) Administrative expenses ..... [\$100,130,368] \$ 92,296,108

5       "SECTION 44. (1) There are appropriated to the Senior Services  
 6 Division of the Department of Human Resources, for the biennium  
 7 ending June 30, 1983, out of the General Fund, the following  
 8 amounts, which shall be placed in the Senior Services Account in  
 9 quarterly instalments based upon estimates of expenditure  
 10 requirements approved by the Executive Department, to be expended  
 11 for the following purposes:

12           "(a) Long-term care ..... \$54,604,349  
 13           "(b) Administrative expenses ..... \$ 3,830,634

14       "(2) Notwithstanding any other law, \$2,080 is established for  
 15 the biennium ending June 30, 1983, as the maximum limit for payment  
 16 of expenses from fees, moneys or other revenues, including  
 17 Miscellaneous Receipts, excluding federal funds, collected or  
 18 received by the Department of Human Resources for administrative  
 19 expense.

20       "(3) Notwithstanding any other law, the following amounts are  
 21 established for the biennium beginning July 1, 1981, as the maximum  
 22 limits for the payment of expenses from federal funds received by  
 23 the Senior Services Division of the Department of Human Resources.  
 24 Such amounts shall be credited to the Senior Services Account within  
 25 the General Fund as they are made available by the United States  
 26 Government and, subject to the approval of the Executive Department,  
 27 may be expended for the following purposes:

          "(a) Long-term care ..... \$77,420,841

1           "(b) Administrative expenses ..... \$8,521,862

2           "SECTION 45. Sections 7, 9, 10, 13 and 15 of this Act are  
3 operative July 1, 1982.

4           "SECTION 46. This Act being necessary for the immediate  
5 preservation of the public peace, health and safety, an emergency is  
6 declared to exist, and this Act takes effect October 1, 1981."

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PRELIMINARY ANALYSIS OF  
IMPACT OF SENIOR SERVICES DIVISION (SB955) ON LOCAL GOVERNMENTS

1. Scope of Analysis

- 1.1. This is a political, not fiscal, analysis; fiscal impact apparently would not be substantial.
- 1.2. This is an analysis of SB955 with two sets of proposed amendments:
  - 1.2.1. Governor's Commission on Aging (the sponsor's own revisions)
  - 1.2.2. Portland/Multnomah SB955 Task Force (see membership list; amendments developed June 25, 1981).
- 1.3. Without these amendments, local governments' concerns would, in many instances, lead to opposition to SB955.

2. Definitions and Explanations

- 2.1. "Type A Area Agency" is an Area Agency on Aging of the type we have now. It would continue to exist, in each location, until and unless local government and the Area Agency decided (with no time limit) to convert to a "Type B" Agency (see below).
  - 2.1.1. The "Type A" Agency manages (a) Older Americans Act Title III Community Services and (b) Oregon Project Independence In-Home Care. In a locality with a "Type A" Agency, the state (now, Adult and Family Services; under SB955, a new "Senior Services Division" combining the former long-term care unit of Adult and Family Services and the former Office of Elderly Affairs), manages (c) Social Security Act Title XX In-Home Care and Substitute Homes (adult foster care, Home for Aged), and (d) Title XIX Nursing Home Care. Income eligibility for Title XX and XIX services is determined by state staff.
  - 2.1.2. The "Type A" Agency may be governed in any of the following ways:
    - 2.1.2.1. As an administrative unit within city or county government
    - 2.1.2.2. As an administrative unit under a combination of local governments, like a council of governments
    - 2.1.2.3. As a non-profit organization, with the responsibility officially delegated to it by a local government or combination of them
    - 2.1.2.4. As a free-standing non-profit, with no local government responsible.
- 2.2. "Type B Area Agency" is an optional restructuring under SB955, after thorough, participative planning involving all affected parties.
  - 2.2.1. The "Type B" Agency manages, under one roof, not only (a) Title III and (b) Project Independence, but also the (c) Title XX and (d) Title XIX programs mentioned above. Income eligibility for Title XX and XIX services would still be determined by state staff, who would be outstationed at Area Agency locations when physically feasible. Funding would be on a reimbursement-to-provider basis, rather than grants to the Area Agencies, and the state would be liable for audit exceptions and over-runs.
  - 2.2.2. The "Type B" Agency, because of the ten-fold increase in annual dollar level of program, must be governed under 2.1.2.1., 2.1.2.2., or 2.1.2.3., not 2.1.2.4. In addition, under specified, limited, circumstances, because of the state's liability for audit exceptions and over-runs, the Senior Services Division administrator would have the power to disapprove continuation of an Area Agency director (appealable to the Director of the Department of Human Resources and the Governor).

2.2.3. To handle the responsibility for Title XX and XIX services, the "Type B" Agency would have a choice between two options regarding the locally based state personnel who now manage these programs:

2.2.3.1. Contracting with the state for the services of this group of employees

2.2.3.2. Negotiating an agreement with the state for the transfer of this group of employees, under the existing state provisions and protections for transferred public employees as well as special provisions of SB955. This "transfer" alternative may not be feasible until a "Type B" Agency has the benefit of some experience working under the "contract" alternative. Subcontracting or retransferring these employees to non-governmental agencies would need to be negotiated at the local level, with the state as an additional party.

3. Analysis Issue: Does a Local Government Have to Choose "Type B"?

3.1. There is no time limit in SB955, with the amendments.

3.2. The first possible date to start as "Type B" is July 1, 1982.

3.3. Considerable work will be required before any locality has a complete "Type B" plan for negotiating with the state.

3.4. Local senior citizens will, in many localities, put pressure on local governments to move to "Type B"; local governments will need to be sure that local senior citizens (a) understand 3.1., 3.2., and 3.3., (b) understand relevant local issues and constraints, (c) participate fully in an open planning process.

3.5. No local government has to choose "Type B". Some may prefer to wait, watch, and see what happens to other local governments that, for practical or political reasons, convert to "Type B" first.

3.6. A local government, under SB955, can negotiate back to a "Type A" with the state, returning the "Type B" services and responsibilities and negotiating transfer of public employees under existing state provisions and protections.

3.7. A local government does not have to accept transfer of state employees (see 2.2.3.2. above) to operate as a "Type B" Agency. It can contract for their services, instead (2.2.3.1.).



4. Analysis Issue: If a Local Government chooses "Type B", Does it put Itself at Excessive Risk of State and Federal Budget Cuts?

4.1. State and federal budget cuts are going to happen independent of SB955; it will not create them. It may, however, give state and local governments enough flexibility to blunt some of the more severe potential consequences of the state and federal cuts upon the persons served.

4.2. Because of SB955, might the state cut funds for the elderly, more than for other populations?

(a) Factors Which May Heighten Local Concern      (b) Factors Which May Reduce Local Concern      (c) Probable Net Balance Of Factors On Local Concern

- |                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                  |                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 1. SB955 gives a local government that chooses "Type B" more of the responsibility; state budgeteers might find it easier to cut state funds going into "local" programs. | 1. SB955 means that more local governments will be involved, knowledgeable, and in a position to lobby effectively <u>for</u> state funding through the Association of Oregon Counties and the League of Oregon Cities.                                                                                                                          | 1. Reduces concern. |
| 2. Possible fragmentation and "divide and conquer" of statewide senior citizens' lobby into groups to pressure local governments primarily.                               | 2. Size and effectiveness of the senior citizens' lobby at the state level. Cohesiveness of seniors through Governor's Commission on Aging.                                                                                                                                                                                                      | 2. Reduces concern. |
| 3. For a while, at least, not all localities will be "Type B", so might be easier for the state to cut funds for them because they are "different".                       | 3. For a while, at least, not all localities will be "Type B". Therefore, in many places, the <u>state</u> will continue to be responsible for the Title XX and XIX programs. This will make it virtually impossible, politically, for the state to cut "Type B" locally managed Title XX and XIX services more than it cuts state managed ones. | 3. Reduces concern. |

4.3. If the state cuts funds for the elderly, more than for other populations, will local elected officials get the blame?

(a) Factors Which May Heighten Local Concern      (b) Factors Which May Reduce Local Concern      (c) Probable Net Balance Of Effects On Local Concern

- |                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                 |                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| 1. Locally based staff would be telling current or potential clients that services are cut, so local officials could be blamed, unless the state's responsibility were publicized.                                                                                                                                                                                | 1. <u>State</u> is responsible for service criteria, allocation of funds, and provider reimbursements, so the <u>state</u> would be blamed for decisions to cut services on a statewide basis.                                                                                                  | 1. Reduces concern.          |
| 2. Local government may decide to accept transfer of the state employees handling the Title XX and XIX programs. <u>Local</u> officials, then, <u>could be blamed for</u> decisions to cut <u>local</u> positions related to cuts in <u>state</u> funds. The fall-out could be <u>reduced</u> somewhat by drawing attention to the <u>state's</u> responsibility. | 2. Local government does not have to accept transfer of state employees. They may contract for services of the state employees handling the Title XX and XIX programs. The <u>state</u> would then be blamed for decisions to cut <u>state</u> positions related to cuts in <u>state</u> funds. | 2. Reduces concern somewhat. |

HOUSE AGING AND MINORITY AFFAIRS COMMITTEE

JULY 16, 1981

LEO HEGSTROM, DIRECTOR

DEPARTMENT OF HUMAN RESOURCES

PRESENTATION: SB 955 (SENIOR SERVICES DIVISION)

I AM HERE THIS AFTERNOON TO TESTIFY IN SUPPORT OF SENATE BILL 955, WHICH CREATES A SENIOR SERVICES DIVISION IN THE DEPARTMENT OF HUMAN RESOURCES.

I WANT TO FOCUS MY COMMENTS ON THE BROAD PURPOSE OF CREATING THIS NEW DIVISION, NOT ON THE SPECIFIC STRUCTURE IT SETS UP. THIS IS A PROPOSAL FROM THE ELDERLY, NOT FROM THE DEPARTMENT OF HUMAN RESOURCES, NOR FROM AREA AGENICIES ON AGING. THE DEPARTMENT'S OWN PROPOSAL, WHICH MANY OF YOU KNOW WAS WITHDRAWN IN AN APPEARANCE BEFORE THE HOUSE INTERIM COMMITTEE ON AGING LAST FALL, INCREASED STATE CONTROL. THE PROPOSAL BEFORE YOU TODAY INCREASES LOCAL CONTROL.

IT WOULD BE LEGITIMATE THEN FOR YOU TO ASK WHY I AM SUPPORTING THIS PLAN. THE REASON IS THAT I BELIEVE IT IS CRITICAL FOR THE STATE OF OREGON TO LAY THE FOUNDATION FOR THE FUTURE FOR THE ELDERLY. ORIGINALLY, WE PROPOSED TO PUT THE EXISTING TWO SYSTEMS OF SERVICE FOR THE ELDERLY -- FOR THOSE ON WELFARE AND THOSE NOT ON WELFARE -- UNDER THE SAME ORGANIZATION, BUT NOT TO MERGE THEM. WE EXPECTED THAT THIS WOULD EVOLVE INTO A SINGLE SYSTEM EVENTUALLY.

THE BILL BEFORE YOU TAKES THE LOGIC ALL THE WAY AND CREATES A SINGLE SYSTEM TO SERVE THE ELDERLY. THE PRESENT STRUCTURE SEPARATES SERVICES TO THE ELDERLY BETWEEN WELFARE AND NON-WELFARE. THIS DISTINCTION SERVES NO PURPOSE, FOR AT TODAY'S COSTS THE ELDERLY ARE JUST A NURSING HOME AWAY FROM WELFARE.

ALL FORMS OF 24 HOUR RESIDENTIAL CARE (HOSPITALS, INSTITUTIONS, NURSING HOMES, ETC.) ARE BECOMING COST-PROHIBITIVE. MOST PERSONS DO NOT HAVE THE RESOURCES TO REMAIN IN A NURSING HOME FOR ANY DURATION WITHOUT DEPLETING THOSE RESOURCES AND BECOMING DEPENDENT ON FINANCIAL ASSISTANCE FROM THE STATE. THE FUTURE MAY BE INDICATED BY THE CONDITIONS IN ALASKA, WHERE NURSING HOME COSTS ARE MORE THAN \$100 PER DAY AND 99 PER CENT OF THE RESIDENTS ARE WELFARE.

THIS BILL REMOVES THE STIGMA OF WELFARE FROM THE SERVICES PROVIDED TO THE ELDERLY BY TRANSFERRING THOSE SERVICES FROM THE ADULT AND FAMILY SERVICES DIVISION TO A NEW DIVISION OF SENIOR SERVICES. THIS WILL, I BELIEVE, ENABLE THOSE ELDERLY WHO CANNOT FINANCE THE COST OF THEIR CARE TO MAINTAIN THEIR DIGNITY AND THEIR PRIDE. I WOULD EXPECT THEY ALSO WOULD BE MORE WILLING TO ACCEPT SERVICES BEFORE THEIR CONDITION BECOMES SEVERE. HOPEFULLY, THIS WILL CONTRIBUTE TO THEIR ABILITY TO REMAIN IN THEIR OWN HOME FOR A LONGER PERIOD OF TIME.

I BELIEVE IT IS CRITICAL THAT WE BEGIN TO LAY THE FOUNDATION FOR THE FUTURE FOR THE ELDERLY. I SAY THIS BECAUSE THE PROBLEMS OF THE ELDERLY ARE INCREASING IN SIGNIFICANCE. THEIR POPULATION IS INCREASING 50 PER CENT FASTER THAN THOSE UNDER 65. THE COST OF CARE OF THE ELDERLY, THROUGH MEDICARE AND MEDICAID, IS A TREMENDOUS SUM.

THE AMOUNT WE ARE SPENDING FOR NURSING HOME CARE IS NOT ONLY INCREASING -- IT IS INCREASING AT AN INCREASING RATE. IN 1977-79, THE COST OF NURSING HOME CARE WAS \$101.6 MILLION AND IT REPRESENTED 36 PER CENT OF THE MEDICAID BUDGET. BY 1979-81, THE COST INCREASED BY \$20.9 MILLION TO \$122.5 MILLION AND IT NOW REPRESENTED 39 PER CENT OF THE BUDGET.

THE BUDGET PROJECTIONS FOR 1981-83 FOR NURSING HOME CARE AMOUNT TO \$154.1 MILLION, AN INCREASE OF \$31.6 MILLION, WHICH REPRESENTS 43 PER CENT OF THE MEDICAID BUDGET.

IT WOULD HAVE BEEN EVEN GREATER IF WE HAD NOT REDUCED THE TREND THROUGH PRE-ADMISSION SCREENING (PAS). THIS ENABLED US TO REDUCE OUR PROJECTIONS BY \$12.9 MILLION.

YET, THOUGH GOVERNMENT IS SPENDING HUGE SUMS FOR THEIR CARE, THE ELDERLY ARE INCREASINGLY DISSATISFIED WITH THE ADEQUACY AND ACCEPTABILITY OF THE QUALITY OF THEIR LIFE IN THEIR LAST YEARS. WHEN YOU VIEW THE PROSPECT OF SPENDING YOUR LAST YEARS IN A HOME FOR THE AGED OR A NURSING HOME, YOU CAN'T BLAME THE ELDERLY FOR BEING DISSATISFIED.

THE PROBLEM ISN'T THAT WE ARE NOT SPENDING ENOUGH MONEY ON SENIOR SERVICES. THE PROBLEM IS THAT WE AREN'T BUYING WHAT THE ELDERLY WANT OR WHAT IS MEANINGFUL TO THEM. THE PRIMARY OBJECTIVE OF THIS NEW DIVISION SHOULD BE "TO IMPROVE THE QUALITY OF LIFE FOR THOSE ELDERLY WHO CAN'T CARE FOR THEMSELVES ENTIRELY DURING THE LAST YEARS OF THEIR LIFE."

I AM NOT HERE TO TELL YOU THAT WE WILL BE ABLE TO IMPROVE THE QUALITY OF LIFE FOR THE ELDERLY IN THE SHORT TERM SIMPLY IF WE CREATE A NEW DIVISION. BUT, I DO EXPECT THAT THE NEW DIVISION WILL LAY THE FOUNDATION TO RESPOND MORE EFFECTIVELY TO THE NEEDS AND DESIRES OF THE ELDERLY IN THE LONG TERM.

FIRST, IT WILL PLACE IN A SINGLE SYSTEM BOTH THE NURSING HOME PROGRAM AND THE ALTERNATE CARE PROGRAMS. FOR THE FIRST TIME IN MY EXPERIENCE, WE HAVE BEGUN TO FIND WAYS TO CONTROL THE GROWTH OF THE NURSING HOME CASELOAD IN OREGON. THE PRE-ADMISSION SCREENING PROGRAM HAS KEPT ELDERLY PERSONS OUT OF NURSING HOMES WHO DO NOT NEED THAT KIND OF CARE AND COULD REMAIN INDEPENDENT WITH SOME HELP. A THREE-YEAR DEMONSTRATION PROJECT IN SOUTHWESTERN OREGON HAS TAUGHT US SOMETHING ABOUT GENERATING RESOURCES IN THE COMMUNITY TO MAKE SURE THERE ARE ALTERNATIVES TO PLACEMENT IN A NURSING HOME.

SECOND, THE NEW DIVISION WILL GIVE THE ELDERLY A VISIBLE PLACE TO MAKE THEIR FEELINGS KNOWN ABOUT THE FULL RANGE OF SERVICES THE STATE AND LOCAL AREAS PROVIDE. HOW MUCH INFLUENCE DO THE ELDERLY HAVE NOW ON HOW THE STATE USES ITS RESOURCES DEVOTED TO THEM? THE TRUTH IS, RELATIVELY LITTLE. THEY ARE INVOLVED IN INFLUENCING HOW STATE DOLLARS ARE SPENT UNDER THE OREGON PROJECT INDEPENDENCE PROGRAM, AND HOW FEDERAL DOLLARS ARE SPENT IN OREGON UNDER THE OLDER AMERICANS ACT. BUT THIS AMOUNTS TO ONLY 10 PER CENT OF WHAT IS SPENT BY THE DEPARTMENT OF HUMAN RESOURCES EACH YEAR ON SERVICES FOR THE ELDERLY.

THE VAST MAJORITY OF SERVICES FOR THE ELDERLY -- ABOUT 80 PER CENT, IN FACT -- ARE ADMINISTERED BY THE ADULT AND FAMILY SERVICES DIVISION. AND THOSE ARE THE EXACT SERVICES WE ARE PROPOSING TO MERGE WITH PROJECT INDEPENDENCE AND THE OLDER AMERICANS ACT IN THE SENIOR SERVICES DIVISION.

THE POINT I AM TRYING TO GET ACROSS IS THAT WHAT IS IMPORTANT IS NOT THE PRECISE STRUCTURE WE ARE LOOKING AT IN THIS PROPOSAL. WHAT IS IMPORTANT IS THAT WE PUT THE RESOURCES TOGETHER WHERE THE ELDERLY CAN HAVE SOME INFLUENCE ON THE PRIORITIES FOR THEIR USE.

PERHAPS THAT WILL LEAD US TO DEVELOP MODELS FOR THE CARE OF OUR DEPENDENT ELDERLY THAT WILL RESPOND TO WHAT IS IMPORTANT TO THEM IN THEIR LAST YEARS.

I HOPE THAT EACH OF YOU WILL SUPPORT THE CREATION OF A SENIOR SERVICES DIVISION IN THIS SESSION OF THE LEGISLATURE. I REALIZE THIS PROPOSAL IS BEING BROUGHT TO YOU AT THE ELEVENTH HOUR, BUT THAT IS BECAUSE THE GOVERNOR'S COMMISSION ON AGING HAS BEEN SO DILIGENT ABOUT GIVING ALL SENIORS WHO WANTED TO BE HEARD AN OPPORTUNITY TO OFFER THEIR OPINIONS ON THE PROPOSAL.

THE DETERMINATION OF HOW THIS LEGISLATION AFFECTS EACH COMMUNITY WILL BE MADE LOCALLY. TO MAKE THAT POSSIBLE, IT IS NECESSARY TO REORGANIZE AT THE STATE LEVEL, WHICH INVOLVES TRANSFERRING PERSONNEL FROM THE ADULT AND FAMILY SERVICES DIVISION TO THE NEW DIVISION. THE GOVERNOR'S COMMISSION HAS TRIED TO PROVIDE PROTECTIONS TO THESE EMPLOYEES, BUT THE UNCERTAINTY REMAINS WHETHER THEY WILL BE WORKING FOR THE STATE OR THE COUNTY AFTER THE TRANSFER.

I CAN APPRECIATE THE CONCERNS OF THESE EMPLOYEES, BUT THAT SHOULD NOT OVER-RIDE THE COMPELLING NEED TO BRING THESE TWO SYSTEMS TOGETHER. WE SHOULD NOT LOSE SIGHT OF THE PURPOSE FOR WHICH THESE POSITIONS EXIST -- TO SERVE THE NEEDS OF THE ELDERLY, NOT TO PROVIDE STATE EMPLOYMENT.

I BELIEVE THE CREATION OF THIS NEW DIVISION WILL LEAD TO A BETTER QUALITY OF CARE FOR THE ELDERLY. THAT WILL TAKE TIME, SO IT IS IMPORTANT THAT WE GET STARTED NOW. IN THAT SENSE, I DO NOT THINK WE CAN AFFORD TO DELAY THE DECISION FOR ANOTHER TWO YEARS. FOR THAT REASON, I URGE YOU TO APPROVE THE CREATION OF THE SENIOR SERVICES DIVISION AT THIS SESSION OF THE LEGISLATURE.



PRESENTATION TO THE HOUSE COMMITTEE  
ON AGING AND MINORITY AFFAIRS

Presenter: Bob Zeigen, Administrator, Office of Elderly Affairs

Date: July 16, 1981

SUBJECT: SB 955, Senior Services Division

Content: Mr. Chairman, Members of the Committee. In commenting on the background to the proposed Senior Services Division, I would like to focus on certain national perspectives which have evolved over the past several years. Agencies such as the Federal Council on Aging, Health Care Financing Administration and Administration on Aging, among others, have defined and sought solutions to problems caused by the increasing population of frail elderly requiring either nursing home care or alternate care if they are to remain at home. Without trying to pin down a specific definition, these older persons require what has loosely become known as long term care. Through the efforts of a variety of programs, both state and locally administered, various services are available, but in no way can these services begin to meet what has been termed a continuum of care. I think it is fair to also say that even if there were a continuum of care, it would be applied differently throughout the State of Oregon.

The National Association of State Units on Aging and the National Association of Area Agencies on Aging issued a joint policy on Long Term Care this past January. This policy paper summarizes many of the concerns and potential solutions expressed by all those who have dealt with this vital problem.

I would like to highlight their conclusions. Basically, the policy paper describes the essential components of a community based system of long term care, the barriers which State and local agencies have encountered in the development of such a system and recommendations for elimination of those barriers. I should say that the Ad Hoc Committee, independently and without prior knowledge of this policy statement, came to essentially the same conclusions and these conclusions heavily influenced the development of what subsequently became SB 955.

1. Key Problem Areas:

- a. Long term care policy has focused almost exclusively on care provided in institutions.
- b. A complete continuum of community based long term care services is consistent with the desires of older persons to live in their own communities with a sense of dignity and personal identity.

2. Through the Older Americans Act, State Units on Aging and Area Agencies on Aging are congressionally mandated to assure development of such a continuum of care.

Some barriers to this development are:

- a. Federal funding, program and reimbursement biases against non-medical and non-institutional care.
- b. Fragmented approaches to providing for the long term care needs of older persons through a variety of federal programs and funding sources.

- c. A system which focuses on the requirements of individual service providers rather than on the needs of older persons for adequate needs assessment and case management services.
  - d. Difficulties in administering programs with multiple funding sources and often times conflicting rules and regulations.
  - e. Limited mechanisms for coordination of program development at both State and service delivery levels.
3. Key to eliminating these barriers, is the alteration of the Medicaid program to eliminate incentives for institutionalization. Oregon has a leg up on this through the experience gained from the FIG/Waiver Program and implementation of Pre-Admission Screening. From what I understand, actions proposed in Congress will greatly abet this change.
  4. Essential components of a community based system of long term care, placed at the local level would include:
    - a. An assessment procedure by a multi-disciplinary team
    - b. Individualized case management
    - c. Availability of a whole range of services
    - d. Coordination of needed medical, health and social services
    - e. Enhancement of informal support networks of family members and neighborhoods.

SB 955 overcomes many of the barriers I have noted while at the same time providing the essential components in a community environment. Based on hearings throughout the state, significant amendments were made to accommodate the broad variety of local capabilities and programs. The opportunity now exists to enact legislation which allows both reasonable planning time to develop the various local alternatives and the opportunity to identify any significant problems which can only become evident through detailed planning and implementation throughout the state.

Edward N. Sage  
Chief Planner  
District 3 Area Agency on Aging  
Mid Willamette Valley  
Council of Governments  
400 Senator Building  
220 High St. NE  
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July 16, 1981

HOUSE COMM. ON AGING/MINORITY  
July 16, 1981  
Exhibit F 5 pages  
SB 955

SENATE BILL 955

I am speaking to you today in support of Senate Bill 955 (as amended by the Seante Human Resources Committee). I have over ten years of experience in working in elderly programs here in Oregon at the direct service level, the Area Agency on Aging level, and the state level. I most recently served on the Governor's Commission on Aging's Ad Hoc Task Force which produced the original Senate Bill 955.

The present system of services for the elderly in Oregon is fragmented. Two major systems exist side-by-side to serve the elderly: the state operated Adult and Family Services Division (which manages Titles XIX and XX of the Social Security Act) and the locally operated Area Agencies on Aging (which manage Title III of the Older Americans Act and Oregon Project Independence).

A major study of the present system was completed last spring by the Department of Human Resources. The study concluded that the present system was deficient, that too much reliance was placed on nursing homes to provide services, and that a very high degree of confusion and lack of coordination of services exist. Although the study found many opinions on how to correct the deficiencies, it found no one who was satisfied with the present system.

A constructive alternative to the present system is being offered in Senate Bill 955, which would create the Senior Services Division. Supported by all major senior groups, the legislation provides for a structure that allows Title XIX, Title XX, OPI, and Title III programs for the elderly (and some disabled) to be advocated, planned, administered, and monitored at the local level through Area Agencies on Aging at the option of the local Area Agency on Aging. It also allows those Area Agency on Aging areas of the state which are not ready to undertake this major step to remain as they are until such time as they wish to participate in this new system.

At the state level, the legislation provides for regulatory, training, program assistance, data, and payment systems, research, and monitoring functions through the new Senior Services Division. It will bring together for the first time in one division the state's major elderly programs. This should provide increased cost effectiveness in administering these programs.

The legislation also provides for a strong role for both the Area Agency Advisory Councils and the Governor's Commission on Aging (which changes its name to the Governor's Commission on Senior Services). This is important, since the elderly and those disabled to be transferred into the new division need to be represented in the programmatic and policy decision-making process of these programs.

The Senior Services Division will have an administrative structure that will provide better incentives and methods of controlling nursing home utilization. It will allow savings from the nursing home program to be utilized in alternative In-Home or substitute home services.

For example, the Department of Human Resources has estimated that if the nursing home utilization rate is dropped only one percent for the population 65 and over, savings per the next five years would generate over \$7,000,000 a year in state General Fund monies. This represents almost twice the amount of state General Fund money presently being spent for alternative programs.

By providing control of service placements at the local level (including Pre-Admission Screening Teams), and allowing Area Agencies to use at least a percentage of savings in the nursing home program for In-Home services, the Senior Services Division has a high potential of generating a better balanced system. Such a system will allow more people to be served and would allow more independence for a higher percentage of clients.

Placing the major services to the elderly and disabled in one local agency will create a focal point for those in need of services. Questions of financial eligibility will be resolved after the need for services has been determined, not before as is presently done. This will prevent referrals back and forth between agencies until a service is found that the client qualifies for financially. The Senior Services Division will not provide a single-agency entry system, it will, however, come about as close to this desirable concept as can reasonably be expected.

Placing the control over the service component at the local level should greatly increase local involvement in services. Area Agencies have a very extensive volunteer network in operation that involves the community in services. We are less dependent on federal and state funds,

and receive more than half of our support through local sources, including volunteers. This high degree of local involvement should be expected to continue under the Senior Services Division.

Perhaps the largest benefit from local involvement would be the de-isolation of nursing homes. Presently, local involvement exists in only a very few of the approximately 200 nursing homes in Oregon, beyond the level of providing entertainment and recreation. Those homes with local involvement generally have higher quality programs and require less regulatory presence. Increased local involvement in nursing homes will allow those residents who require this level of care to feel that they are still a part of the community.

The benefits of Senate Bill 955 can be summarized as follows: -

1. Gives clients a single focus for entry into a comprehensive service system - will serve to eliminate duplicative assessment procedures performed on the same client by several agencies;
2. Increases service coordination - merging the state Adult and Family Services programs and AAA programs will help integrate a fragmented service system;
3. Eliminates duplicate administrative structures (e.g., currently the state and the AAA often contract for the same service with the same agency);
4. Establishes a clear service orientation in the administration of programs at the local level;



5. Provides an administrative structure into which current trends in federal philosophy will easily fit;
6. Reduces the regulatory presence of the state and, thus, reduces or eliminates the welfare stigma from service programs for the elderly;
7. Integrates nursing home programs and clients into a community based system, thereby, reducing their isolation;
8. Places increased attention and incentive at the local level to decrease nursing home caseloads and re-channel dollars to alternative services; and finally,
9. Increases the involvement (and the voice) of the elderly and those disabled served by the new division in the administration of a broader array of programs.

It was for these reasons that the Mid Willamette Valley Council of Governments, the Boards of Commissioners for Marion, Polk, and Yamhill counties, the Area Agency on Aging Advisory Council, and other major senior organizations in our area have all endorsed Senate Bill 955. We encourage you to act quickly on this bill so that it may become law during this session.

TESTIMONY IN FAVOR OF SB 955 - Cecil Posey - President,  
United Seniors

SB 955, providing for a Senior Services Division in State Government, is a unique proposal in that it has been developed by more than eighty persons over an eight month period who represented all phases of the senior population and the agencies that serve the senior population.

The proposal for a coordinated and unified program to help the elderly low income population results from nearly six years of discussion, proposals, and legislative action.

The senior population over sixty-five years of age is growing at twice the rate of the population below that age. The nursing home population has been growing at a phenomenal rate and five percent of the population above 65 years of age in Oregon are <sup>nursing home</sup> residents. The Human Resources Division of state government has undertaken a number of activities to meet the needs of the older population and to provide a more suitable living environment than the nursing home. The FIG Waiver Project in Southern Oregon proved that alternative services can be cheaper and provide a more humane living situation. The pre-admission screening is another forward movement. The growth of the Medicaid nursing home caseload is two-thirds lower in counties which implemented PAS in 1980 compared to the rest of the state.

The recently completed study of the Long-term Care Systems Development grant has carefully reviewed these activities, the funding of programs for older citizens, and lack of coordination, and concludes that "Serious re-evaluation and restruct-

uring of public programs is necessary if the needs of the elderly and disabled population of Oregon are to be addressed and met in the near future and in the decades to come."

Due to the activities discussed above, Mr. Leo Hegstrom proposed a program that would coordinate and unify programs affecting the elderly population. The senior population and local Area Agencies On Aging rejected his proposal because they had not been consulted and it appeared to be state dominated. Mr. Hegstrom then dropped his proposal. Representatives of United Seniors and the Governor's Commission On Aging petitioned the Governor to appoint a special task force of seniors and other knowledgeable people to develop a Senior Service Division to be presented to the 1981 Legislative Session. The Governor turned the task over to the Governor's Commission On Aging. The commission then appointed an ad hoc committee which began meeting last November. Consultants from the Office of Elderly Affairs, the Adult and Family Services, and Human Resources served as technical consultants.

After a series of meetings the committee decided to place as much responsibility and control at the local level as possible while recognizing the need for accountability and state responsibility for the expenditure of state and federal funds. This is a new concept in Oregon which moves the program from a state dominated bureaucratic and standardized program to one designed for localized treatment fitted to the unique concerns and situations in various areas of the state.

The need to care for certain disabled persons was recognized early in the study.

Before SB 955 could be considered for legislative action it

had to have the approval of Governor Atiyeh and the Director of Human Resources, Mr. Leo Hegstrom. Both men have given approval and are strong advocates for the passage of SB 955.

SB 955 is designed to make use of the skills and knowledge of the retired senior citizens. Regional Advisory Committees can extend their interests and responsibilities to the concerns of foster care, residential care facilities, and nursing homes. Seniors given this responsibility will respond as they already have in many service centers, meals on wheels, dial-a-ride, etc. Seniors can monitor care given in nursing homes, residential care facilities, etc.

The best use of available funds can be decided on a regional basis. Additional funds can be generated at the local level as they are now done in many of the AAA's. Flexibility in the use of funds and better placement of seniors needing help will be a possibility.

Quality programs for the elderly frail will be developed when it becomes the concerns of the local community rather than the responsibility of a state agency located in Salem. There are many fine programs, low cost in services and administration, now functioning in the Area Agencies On Aging. SB 955 will extend an opportunity to the Area Agencies to serve a wider population and unify all services at the local level.

Some Area Agencies do not want this broader responsibility and SB 955 makes provision for them to delay entry into the program. But by far the great majority of the Area Agencies are anxious to accept this responsibility in an effort to serve the entire senior population and to provide alternate types of care.

My experience in the public school field for nearly fifty years convinces me that state guidelines and standards do not hinder local control. Furthermore, accountability is an absolute necessity. This has been proven by the history of the Office of Elderly Affairs which is probably in the best condition it has been since its beginning. Those of us who served on the ad hoc committee had to rely upon technical guidance and information from state and area government agencies. They believe SB 955 will be another step forward in serving the senior population and so do thousands of senior citizens throughout Oregon. I recommend positive action and enactment before the legislature adjourns.

The purpose of my appearance before you is to give you a brief description of what A-Eng SB 955 will do if it is adopted by this legislative assembly.

My words will not be nearly as eloquent as others you will hear today who will want to tell you how strongly they feel about the need for this legislation. My job is just to give you a <sup>bare</sup> bones outline of the changes proposed by this legislation so you can see how the ideas which will be discussed by others would fit into the governmental structure proposed in <sup>VAERS</sup> SB 955.

This bill would create a new division--the Senior Services Division-- in the Department of Human Resources and would provide the opportunity for the delivery of some services to elderly and handicapped persons through local area agencies on aging.

SB 955 transfers to the new division all the programs, functions, monies, staff and supporting materials of the Office of Elderly Affairs and the Long-Term Care Unit of the Health and Social Services Section of Adult and Family Services. (The Department of Human Resources indicates that among the employes who will be transferred are all of the service workers now in Adult and Family Services.)

The Office of Elderly Affairs and Adult and Family Services--those are the only state agencies affected by this bill. SB 955 makes no changes in other divisions which deal with elderly or in AFS programs other than Title XX or home health, personal care and nursing home programs under Title XIX.

~~Discretionary programs Title XIX, Title XX, OPA, Title III~~  
Local governments--by deciding if the area agencies in their area will be type A or type B area agencies--will have the ability to determine if their area agencies will become involved in the delivery of Title XIX and Title XX services in their areas, and if they will service the non-elderly handicapped.

If a local government does not choose to make its area agency a type B area agency, or if the area agency does not agree to become a type B area agency, then the area agency will be a type A agency with duties and responsibilities unchanged from the present system. In those areas, the Title XX and Title XIX services which have in the past been performed by AFS employes will be handled by employes of the new division.

If the local governments choose the type B option, area agencies in their areas will deliver services formerly delivered by AFS as well as the Oregon Project Independence and Title III programs which have been handled and will continue to be handled by all area agencies.

The employes who deliver Title XIX and Title XX services in type B area agencies will be transferred from the Senior Services Division to the type B area agency unless the agency contracts with the division for the delivery of services. (The persons in DHR who worked hardest on this legislation believe that area agencies will be more apt to contract with the state than to make former state employes part of the area agencies' own staff.)

The local government will designate the director of type B area agencies who must meet minimum qualifications established by the division and who will serve with the continuing approval of the Assistant Director of Senior Services.

The division shall determine Oregon Project Independence and Title III annual budget levels for all area agencies. For type B area agencies, the Division shall also determine the annual budget levels for planning Title XIX and Title XX reimbursed services.

Local governments shall be responsible for the actions of a type B area agency in ~~the~~<sup>their</sup> jurisdiction, responsibility which includes accountability for funds and compliance with federal and state requirements.

If the designation of an area agency is withdrawn in accordance with the Older Americans Act, the division will administer the services previously administered by the area agency until a new area agency is designated.

If an area agency is not complying with state or federal requirements, or if state or federal funds are not being spent for the purposes for which they were intended or if the elderly are not receiving appropriate services, the division can ~~take over the delivery of~~ ~~withdraw~~ a program or service--except Title III programs.

Such action---as well as the withdrawal of continuing approval of a Type B area agency director by the division--is appealable to the Director of the DHR and the Governor.

Your Senate Committee, ~~was~~ concerned that the needs of the non-elderly handicapped might be overlooked in a Senior Services Division, inserted Sections 4 and 5 which are aimed at securing appropriate services for the handicapped.

These sections tell DHR to insure that the Senior Services Division negotiates interagency agreements and coordinates services with Mental Health, Voc Rehab, Employment, Children's Services and the Department of Education for the appropriate services to handicapped clients of the Senior Services Division. Handicapped clients must be assessed by preadmission screening before placement in residential and long-term care programs.

Section 5 transfers the administrative responsibility for clients in foster care homes and residential care facilities which serve exclusively persons with mental retardation or developmental disabilities, mental or emotional disturbances, and alcohol or drug problems from Senior Services to Mental Health by July 1, 1982



The Senior Services Division is also required to coordinate with Mental Health, Childrens' Services, Voc Rehab, and the Department of Education in working with nursing homes which have one or more residents who are under 18.

The passage of this bill will end the terms of the members of the Governor's Commission on Aging which will become the Governor's Commission on Senior Services. This Commission will consist of 21 members--the Commission on Aging had 19--and must contain representatives of low income, minority and handicapped groups. At least a majority of the members must be 60 years of age or older.

One last comment. Those of you who may be aware of the litigation which has resulted in Multnomah County <sup>relating to</sup> ~~resulting from~~ the transfer of state personnel from Corrections to Community Corrections programs may wonder if the transfer of state employes to type B area agencies may create similar problems. Your Senate committee can not assure you that it has ~~was~~ assured that such litigation will not happen, but it has lessened the potential of legal battles by replacing the employe transfer section in the bill with language written by the Attorney General's office.

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## EMMA HILL

Senior citizens and the disabled are now being well served by the existing system. Creation of a new agency will result in increased administrative costs at a time when the State of Oregon is supposed to be in financial difficulty.

At the meeting of the Public Welfare Review Commission of July 13, 1981, some of the concerns expressed were:

1. What happens to the Adult and Family Services employees who are transferred to the new division? Do they become county employees without tenure?
2. Will there be county politics involved if the local AAA's run the programs at the county level?
3. Will the money be used for the purpose that it was originally intended?
4. The disabled population which is not elderly is sort of included as an afterthought. There is a lot of concern about the services being appropriately divided between the two populations. Will there be expertise available to deal with disability issues?
5. When county government takes over a project of this kind they find out in a very short time that there are always added costs and somehow these moneys have to be provided once you have obligated the county to that degree.
6. How can any bill which would be passed at this point be liberal enough to be able to make all the changes that are going to be necessary by 1982?

Volunteers - In my research I have learned that there is a drop out of volunteers and more expected to drop out because they will not be reimbursed for expenses and they cannot afford, therefore, to participate as volunteers.

Proponents of the bill represent that under this bill the elderly will have opportunity to participate in the promulgation and development of programs serving the elderly; yet there was blatant failure by the proponents to inform elderly groups during the period of development of this proposed change in the administrative processes that will so greatly impact aged. This has resulted in confusion, lack of understanding and the increasing fear that a now functioning adequate system will be lost - to the detriment of the aged and disabled.

July 21, 1981

ADULT & FAMILY SERVICES REVIEW COMMISSION

Larry E. Callahan 2725 Pilkington Corvallis, OR 97330	Orvo Nikula 2285 Manion Drive Warrenton, OR 97146	William S. Born 61474 Barleycorn Lane Bend, OR 97701	Hugh B. Elder c/o Wasco County Court House The Dalles, Or. 97058	Norman L. Myers 3123 NE Bryce Portland, Or. 97212	Doris L. Simpson 3415 NE 19th Portland, Or. 97212	Ennis R. Keizer, M.D. P.O. Box 667 North Bend, Or. 97459	William S. Vian 5213 Buckhorn Road Roseburg, Or. 97470 CHAIRMAN	Jerralynn Ness Rt. 2, Box 423A Portland, Or. 97231	Emma J. Hill 680 River Drive Independence, Or. 97351	Shirley Kaping 260 Crona Junction City, Or. 97448	Roberta Taylor 401 East 8th The Dalles, Or. 97058	Jean Higginbotham 1335 SE Hawthorne Portland, Or. 97058	Gregory Long 2211 Golden Gardens Eugene, OR 97402	Eugene Jackson Route 1, Box 314 Molalla, OR 97038
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

District 1

District 2

District 3

District 4

FROM COUNTY PUBLIC WELFARE BOARDS

CLIENTS OR FORMER CLIENTS

INTERESTED ORGANIZATIONS

<u>District 1</u>	<u>District 2</u>	<u>District 3</u>	<u>District 4</u>
Benton Clackamas Clatsop Columbia Multnomah Polk Tillamook Washington Yamhill	Baker Crook Deschutes Gilliam Grant Harney Hood River Jefferson Klamath Lake	Linn Malheur Marion Morrow Sherman Umatilla Union Wallowa Wasco Wheeler	Coos Curry Douglas Jackson Josephine Lane

ORS 411.125 Public Welfare (Adult & Family Services) Review Commission: appointment and qualifications. (1) There is established a Public Welfare (Adult & Family Services) Review Commission of 15 members. The members shall be appointed by the Governor for a term of two years. Eight members shall be appointed, two from each of the four congressional districts, from county public welfare boards; five members shall be recipients or former recipients of the aid or services of the Public Welfare Division (Adult & Family Services Division); two members shall be appointed as representatives of the state agencies or public or private organizations interested in public welfare.

PROPOSED AREA AGENCY ON AGING BUDGET FOR  
JULY 1, 1981 - JUNE 30, 1982

REVENUES

Federal

Title III B, Older Americans Act \$141,844  
Title III C1, Older Americans Act \$ 35,044  
Title III C2, Older Americans Act \$ 6,549  
Title IV, Older Americans Act \$ 4,000

State

Oregon Project Independence \$ 7,815

Local

COG Membership Dues \$ 2,665

Total Revenues-----\$197,917

PROJECTED EXPENDITURES

Personal Services

(Includes salaries, vacation, sick leave,  
holiday, taxes, and fringe benefits for  
4.63 Full Time Equivalent positions) \$107,928

Materials

(Includes office supplies, postage, dues,  
advertising, printing, and equipment  
repair) \$ 4,543

Services

(Includes telephone, rent, vehicle costs,  
mileage reimbursement, and training costs  
for advisory council members, service  
providers, and staff) \$ 20,363

Contractual Services

(Funds set aside for the hiring of staff  
assistance to help plan for the proposed  
reorganization of aging programs) \$ 19,753

Overhead and Administration

(Includes payroll assistance, budgeting,  
risk management, legal review of contracts,  
top management, mailing and messenger  
service, personnel services, purchasing  
services, receptionist and clerical  
support, and library support) \$ 45,330

Total Projected Expenditures-----\$197,917



MR. CHAIRMAN, AND MEMBERS OF THE HOUSE AGING AND MINORITIES COMMITTEE, THIS IS A PERSONAL STATEMENT OF WALTER J. McGETTIGAN, 6850 NW, KAISER RD., PORTLAND.... I LIVE IN WASHINGTON COUNTY,

I REGRET NOT BEING ABLE TO PRESENT THIS STATEMENT IN PERSON, BUT AT THE TIME OF THIS HEARING I WILL BE CONDUCTING A FUNERAL SERVICE FOR A NEIGHBOR AND FRIEND, AND I APPRECIATE YOUR ALLOWING THIS STATEMENT TO GO INTO THE RECORDS,

I HAVE BEEN ASSOCIATED WITH THIS BILL SINCE ITS INCEPTION. I HAVE WORKED ON AND WITH THE AD HOC COMMITTEE THAT PREPARED THE ORIGINAL DRAFT AND HAVE SAT IN ON THE MANY CONFERENCES SINCE. DURING THESE TIMES WE HAVE SOUGHT TO INCLUDE AMENDMENTS THAT MET THE CONCERNS AND FEARS OF A NUMBER OF GROUPS,

STILL THERE SEEM TO BE SEVERAL LOOSE ENDS THAT SHOULD BE BROUGHT INTO THE DISCUSSIONS,

ONE IS THE QUESTION AS TO WHETHER THE HANDICAPPED AND THE DISABLED WHO WILL BE A PART OF THE NEW DIVISION WILL BE AS WELL CARED FOR THEN AS THEY HAVE BEEN IN THE PAST UNDER THE AFS (ADULT AND FAMILY SERVICES) LONG TERM CARE UNIT. IT SHOULD BE REMEMBERED THAT IT WAS THE DRAFTING OF THIS BILL THAT BROUGHT TO LIGHT THE ALLEGED INEQUALITIES AND INAPPROPRIATENESS OF THE SERVICES THAT HAD BEEN PROVIDED TO SOME OF THE DISABLED IN THAT UNIT. IT WAS THE DRAFTING OF THE BILL THAT ENABLED THE DISABLED TO HAVE A PLATFORM FROM WHICH THEY COULD MAKE PUBLIC THEIR FEELINGS ABOUT THE NECESSITY OF MAKING CHANGES IN THE PLACEMENT OF SOME OF THE DISABLED.

THIS BILL NOW PROVIDES A MECHANISM BY WHICH THESE PROBLEMS AND THESE CONCERNS OF THE DISABLED CAN BE SATISFIED. THIS BILL DID NOT CREATE THE PROBLEMS, IT PROVIDED A MEANS BY WHICH THEY WERE BROUGHT OUT. ANY PROBLEMS OF INEQUALITY OF SERVICE AND INAPPROPRIATENESS OF PLACEMENT EXISTED BEFORE THIS BILL WAS DRAFTED. THEY WERE A PART OF THE SYSTEM ADMINISTERED AND PROVIDED BY THOSE WHO NOW ARE CONCERNED ABOUT THE CARE THAT WILL BE PROVIDED UNDER THE NEW DIVISION. IT SEEMS TO SOME OF US THAT THE CARE WHICH WAS GOOD CAN ONLY GET BETTER, UNDER THE NEW DIVISION.

A SECOND QUESTION HAS TO DO WITH JOB SECURITY AND THE POSSIBILITY OF THE LOSS OF SENIORITY BY THOSE WORKERS WHO MAY HAVE TO CHOOSE TO TRANSFER FROM STATE EMPLOYMENT TO LOCAL OR THE NEW DIVISION EMPLOYMENT. THIS QUESTION OF THEIR FUTURE IS, OF COURSE, OF DEEP CONCERN TO ALL WHO WERE ASSOCIATED WITH THE DRAFT OF SB 955. WE TRIED TO PROTECT THESE EMPLOYEES AS FAR AS WE COULD. AS SERIOUS AS THIS ISSUE IS TO SOME, IT IS NOT THE CENTRAL ISSUE. THE PROBLEM OF TRANSFERS AND EMPLOYMENT RIGHTS AND SALARY DIFFERENCES IS NOT THE ISSUE. THE ISSUE IS THE CARE OF THOSE WHO ARE NOW IN THE AFS LONG-TERM CARE UNIT. IT WILL BE THE SAME WORKERS PROVIDING THOSE SERVICES UNDER THE NEW DIVISION AS ARE NOW PROVIDED; THAT IS UNLESS THE EMPLOYEES CHOOSE NOT TO FOLLOW THE CLIENTS, THEIR CLIENTS. TO CLAIM THAT THE CARE WILL BE OF POORER QUALITY OR LESS UNDER THE NEW DIVISION WILL ULTIMATELY BE DECIDED BY THOSE WHO TRANSFER OR CHOOSE NOT TO TRANSFER. THIS IS THE EMPLOYEE'S PROBLEM, NOT AN ISSUE OF THE BILL.

THEN, THERE ARE THE OBJECTIONS RAISED BY SOME AREA AGENCY STAFFS AND BOARDS OF DIRECTORS WHICH HAVE BEEN ECHOED BY A NUMBER OF THE ELDERLY... THAT IF THE AFS LONG-TERM CARE UNIT CLIENTS ARE BROUGHT INTO THE AREA AGENCY NETWORK, IT WILL SOMEHOW CONTAMINATE IT WITH THE 'WELFARE STIGMA'. THERE HAS BEEN AN OCCASSIONAL SUGGESTION THAT AS THE TITLE XIX AND XX SERVICES HAVE A MEANS TEST ASSOCIATED WITH THEM, AND THAT THE STATE CLAIMS A RIGHT TO PLACE A CLAIM AGAINST THE ESTATE OF THE CLIENT WHO IS SERVED BY IT, THAT THIS SAME MEANS TEST AND RIGHT OF CLAIM WILL BECOME A PART OF OPI AND TITLE III PROGRAMS AND SERVICES. THESE RUMORS SEEM TO DIE SLOWLY IN SPITE OF ALL THAT HAS BEEN SAID TO DISPROVE THEM, AND STATE AND FEDERAL RULES AND REGULATIONS THAT PROHIBIT THIS.

THE OTHER CONCERN OF THE NON-PROFIT AREA AGENCIES THAT THEY WOULD BE THREATENED BY THE NEW DIVISION HAS BEEN MET BY THE AMENDMENTS THAT WERE EXPLICITLY WRITTEN TO ASSUAGE THESE CONCERNS. THESE, AND OTHER AMENDMENTS, HAVE COMPLICATED THE BILL, BUT THEY WERE INCLUDED TO MEET THE FEARS AND CONCERNS OF THOSE WHO DID NOT WISH TO BE INCLUDED IN THE FULL SCOPE OF THE MERGER OF THE OFFICE OF ELDERLY AFFAIRS AND THE AFS LONG-TERM CARE UNIT SYSTEM.

WHAT THIS BILL DOES, AND THIS IS ITS PURPOSE AND UPON THIS IT SHOULD BE JUDGED, IS TO MERGE TWO SYSTEMS THAT HAVE BEEN PROVIDING SERVICES TO ONE SEGMENT OF OUR POPULATION, THE ELDERLY, INTO A SINGLE SYSTEM.

) WE HAVE HAD, SINCE THE INCEPTION OF THE OLDER AMERICANS ACT, A NETWORK THAT IS CHARGED WITH THE RESPONSIBILITY OF DEVELOPING A SYSTEM OF CARE AND ADVOCACY FOR ALL AMERICA'S ELDERLY. BUT, THIS SYSTEM HAS ONLY PARTIALLY FULFILLED ITS RESPONSIBILITY. IT HAS SELDOM TOUCHED THAT SEGMENT OF THE OLDER POPULATION THAT HAS BEEN CARED FOR THROUGH WHAT WE CALL THE WELFARE SYSTEM. THESE OLDER PEOPLE HAVE NOT HAD THE SUPPORT, THE ADVOCACY, THE SERVICES THAT ARE PROVIDED TO THE OTHER ELDERLY. WE, THE MORE AFFLUENT AND ABLE-BODIED, HAVE OUR SENIOR CENTERS AND OUR MEAL SITES, OUR BUSES TO TAKE US TO THE DOCTORS, AND ON SHOPPING TRIPS; WE HAVE OUR OUTREACH WORKERS AND OUR INFORMATION AND REFERRAL SERVICE. WE HAVE BEEN SERVED WELL BY THE AREA AGENCY NETWORK, BUT THIS OTHER SEGMENT OF THE OLDER POPULATION, WHICH HAS BEEN THE SOLE RESPONSIBILITY OF THE ADULT AND FAMILY SERVICES LONG-TERM CARE UNIT, THESE THE ELDERLY AND THE DISABLED WHO ARE CARED FOR THROUGH TITLE XIX AND XX FUNDS, THESE HAVE NOT SHARED IN OUR RESOURCES OR ENJOYED OUR ADVANTAGES. THE OLDER AMERICAN FUNDS AND PROJECT INDEPENDENCE HAVE NOT BEEN AS READILY AVAILABLE TO THEM AS TO US. THIS BILL SEEKS TO BRING ALL THESE FUNDING SOURCES AND THE FULL GAMUT OF RESOURCES OF THE AREA AGENCY NETWORK; THE ADVOCACY AND THE ARMY OF VOLUNTEERS WE HAVE HAD AT OUR DISPOSAL THESE PAST TEN TO TWELVE YEARS, AND MAKE THEM AVAILABLE TO THE POOR ILL, AND FRAIL ELDERLY,

) THE ONLY RELEVANT QUESTION TO BE DECIDED IS, WILL WE MERGE THESE TWO SYSTEMS INTO ONE? WILL WE PROVIDE THE POOR ILL, AND THE FRAIL ELDERLY THE RESOURCES THE REST OF US HAVE ENJOYED,

OR WILL WE CONTINUE TWO SEPARATE SYSTEMS--ONE FOR US, AND VERY LITTLE FOR THEM?

WILL WE PLACE AT THE DISPOSAL OF THE POOR ILL, AND FRAIL, THE ADVOCACY OF THE GOVERNOR'S COMMISSION, THE LOCAL ADVISORY COMMITTEES AND BOARDS, THE STAFFS OF THE OFFICE OF ELDERLY AFFAIRS, AND THE LOCAL AREA AGENCIES ON AGING, OR WILL WE CONTINUE TO RESERVE THESE FOR THE MORE AFFLUENT AND ABLE-BODIED ELDERLY?

TO VOTE AGAINST THIS BILL IS TO VOTE AGAINST 8,000 OR SO POOR ELDERLY, TO CONTINUE TO DENY THEM THE RESOURCES OF THE OLDER AMERICANS ACT FUNDS, TO VOTE AGAINST THIS BILL IS TO CONTINUE TWO CLASSES OF ELDERLY, THE POOR ILL, AND FRAIL, AND NOT SO POOR,...THE ILL FRAIL AND THE ABLE-BODIED,...THOSE WHO ARE CONDEMNED TO SPEND OUT THEIR DAYS IN NURSING HOMES AND GROUP HOMES AND THOSE OF US WHO ARE FORTUNATE ENOUGH TO BE ABLE TO LIVE IN OUR OWN HOMES OR RESIDENCES OF OUR OWN CHOOSING, TO DENY THIS BILL'S PASSAGE IS TO PERPETUATE THE PRESENT SYSTEM THAT REWARDS THOSE WHO ARE WELL AND ABLE AND PENALIZES THE POOR ILL AND FRAIL, OF WHOM DR. KARL MENNINGER SAID: "WHAT MANY OLDSTERS FEAR THE MOST IS HELPLESS DEPENDENCY, THEY FEAR THAT MORE THAN THEY FEAR DEATH, NOT HAVING YOUR OWN PLACE IN WHICH TO LIVE, NOT HAVING A FRIEND OR RELATIVE IN CASE OF SUDDEN NEED OR A SIMPLE EMERGENCY, NOT EVEN HAVING SOMEONE TO RUN A SIMPLE ERRAND IS A FRIGHTFUL THOUGHT, THESE UNFORTUNATE PEOPLE, HE SAID, HAVE A CLAIM ON US, EVEN IF WE DON'T SEE THEM, LIKE THEM, OR HEAR THEM, THEY ARE HUMAN BEINGS WHOSE AFFLICTIONS ARE COMPOUNDED BY THE HOPELESSNESS THAT COMES WITH AGE, FEEBLENESS OR IMPOVERISHMENT."

) THE QUESTION TO BE DECIDED IS WHETHER WE WILL PERPETUATE THE DUAL SYSTEM, OR CREATE SB 955 A SINGLE SYSTEM THAT WILL BE A STEP TOWARD THE EVENTUAL BRINGING TOGETHER INTO ONE DIVISION ALL THE ELDERLY AND ALL AVAILABLE RESOURCES. WILL WE CONTINUE TO DENY THOSE WHO HAVE BEEN CLIENTS OF THE AFS LONG-TERM CARE UNIT THE SERVICES AND RESOURCES OF THE AREA AGENCY NETWORK? THAT IS THE BOTTOM LINE, ALL OTHER ISSUES, AS IMPORTANT AS THEY ARE TO DIFFERENT GROUPS, ARE PERIPHERAL TO THAT.

TO SAY 'NO' TO SB 955 IS TO DENY EIGHT THOUSAND POOR ILL AND FRAIL ELDERLY THEIR RIGHTS UNDER THE OLDER AMERICAN'S ACT...., THEIR RIGHTS AS HUMAN BEINGS, THEIR RIGHTS AS FELLOW OREGONIANS.

) THANK YOU.

Representative Priestley and Members House Aging/Minority Affairs Committee:

For the record: I am Eileen Donaldson, 132 NE Penn Ave., Bend, Oregon.

The Central Oregon AAA Office received A-Engrossed SB 955 yesterday morning.

There has not been time to convene the board and analyze the changes in the bill.

Section 8 (p. 5) lines 26-27 states, "Nothing in this act requires a type A area agency to become a type B area agency". True, but if type B agency operations prove successful, type A's might wish to participate in the plan. In order to do so, those that are nonprofit corporations would have to forego that status, to reorganize under local governments. Both Oregon corporation laws and IRS statutes grant individuals the right to form corporate associations and assign rights and responsibilities to such corporations. The Older Americans Act permits nonprofit corporations to function as area agencies. Why then does SB 955 seek to exclude or eliminate the nonprofits ?

Proponents of SB 955 base their claims on the success of the Fiscal Inter-Governmental (FIG Waiver) experiment in southwestern Oregon. This was a waiver in Title 19 regulations and SB 955 has no control over federal regulations.

Questions about the bill are never encouraged and rarely answered. The existence of opposition is not acknowledged and critics of the plan are dismissed as inconsequential. Requests for a fiscal impact study of the plan have been countered with bland assurances that the creation of a new division will cost no more money. Three Office of Elderly Affairs employees are being dropped. Additional AAA administrative time will have to be devoted to Titles 19 and 20 regulations and to the supervision of greatly increased staffs. We can only conclude that the cost will come from area agency budgets to the detriment of existing Older American Act programs.

July 21, 1981

Sam Vincent moved that we support this bill  
# 955, and its concept, and that we urge its  
passage by the state legislature - and that we  
stand ready to support it actively - Truman Messenger  
seconded the motion - The motion carried -

- |                     |                                 |              |
|---------------------|---------------------------------|--------------|
| Foster A. Odum      | Urbington Ore                   | ECOA         |
| Jim Mulvahl         | Mitchell, Ore                   |              |
| Elsa Boyer          | mt Vernon - Grant Co.           |              |
| Vugh H Chapman      | Pravie City Oregon Grant County | AAA          |
| Sam Vincent         | Urbint. Co.                     | AAA          |
| Kenna E. May        | Urbint Co.                      | AAA          |
| Mary Lettie Jenkins | Condor, OR Gilliam Co           | AAA          |
| Jargard Praker      | Milton Fremont Ore. Umatilla Co | AAA          |
| Lerie Gallyhart     | Morrow Co.                      | AAA          |
| Truman Messenger    | Morrow Co                       | AAA,         |
| Myna Knight         | Gilbin Co. Condor               | AAA          |
| Pho Blackman        | Grant Co. Canyon City           | AAA          |
| Baul W. Jones       | Morrow                          | CHA AAA-ECOA |
| Hershel Moon        | Umatilla Co. Milton Fremont     |              |
| August Stricker     | Spring Or                       | Mayor        |
| Clara Stricker      | Spring, Ore (Wheeler Co)        | AAA, N.      |
| Lissie Evans        | Condor                          |              |

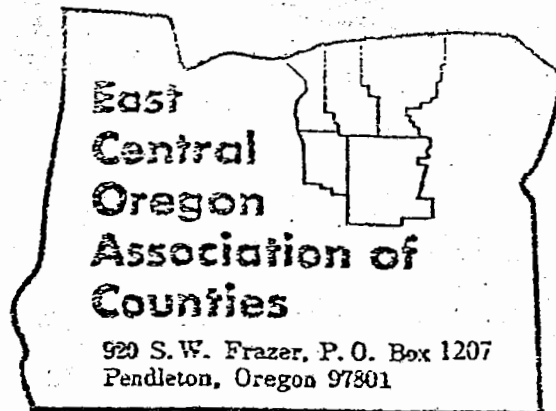


**CHAIRMAN**  
Commissioner Dorothy Krebs

**VICE CHAIRMAN**  
Mayor Dale Courtney

**SECRETARY-TREASURER**  
Mayor Glenn Findlay

**EXECUTIVE DIRECTOR**  
Lewis "Tony" Barnhart



July 20, 1981

Phone (503) 276-6732

Governor Victor Atiyeh  
Office of the Governor  
254 State Capital  
Salem, Oregon 97310

HOUSE COMM. ON AGING  
AND MINORITY AFFAIRS  
July 21, 1981  
Exhibit G 2 pages  
SB 955

Dear Governor Atiyeh:

The East Central Oregon Association of Counties Board of Directors met on July 16, 1981, and voted to unanimously support the concept and passage of Senate Bill 955, during this legislative session.

The concept of the Bill offers several advantages over the existing operations by two separate agencies (Office of Elderly Affairs, and Adult and Family Services). Some of the major advantages of the Bill include:

1. The elderly in District 12 will have a greater voice and opportunity for input into the policies and programs operated under the new Senior Services Division. This input would be via an excellent Area Agency on Aging Committee covering all five Counties of District 12, County Committees, and several site committees now functioning throughout the 18 sites in the District. All these local committees are now in place and controlled by very active seniors who strongly advocate for programs and services needed by the elderly. This proposal will enhance the role of the elderly and the adult disabled in program formation in Oregon.
2. Under the proposed new Division, the State can retain the overall responsibility to regulate programs and set guidelines, but the local staff can combine and supply the necessary services at the local levels. The process of combining services at the local level will not only minimize duplication, but will also cut the operating and administration expenses. These cuts will allow greater funds to be channeled directly to the targeted populations for expanded services.
3. The proposal also starts a unique process, whereby combining all senior related programs in the local area, and would ultimately devise a single entry point for the elderly to receive services.

A voluntary association of the following COUNTIES and Cities: GILLIAM: Arlington, Condon, Lonerock; GRANT: Canyon City, Dayville, Granite, John Day, Long Creek, Monument, Mt. Vernon, Prairie City, Seneca; MOPROW: Boardman, Heppner, Ione, Irrigon, Lexington; UMATILLA: Adams, Athena, Echo, Helix, Hermiston, Milton-Freewater, Pendleton, Pilot Rock, Stanfield, Ukiah, Umatilla, Weston; WHEELER: Burns, Mitchell, St. Paul.

While this distinct proposal will not combine all the various senior and adult disabled programs in District 12, it will combine the two largest programs and will have the greatest impact on achieving the single entry point for services. Single point entry will lead to a more comprehensive service delivery, and will avoid the elderly from going to several different agencies to seek needed services.

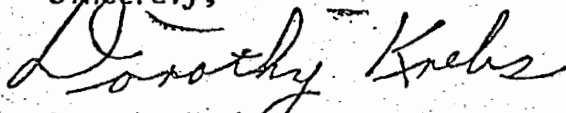
It is critical that the legislature act on this Bill this session. Action now would still not result in actual transition of operations until July 1, 1982. A great deal of time and effort has been placed into developing the concept of Senate Bill 955. The elderly and adult disabled have all spoken strongly in favor of the Bill. Passage this session would enable a major change in the delivery of services to the elderly and adult disabled to be set in motion, with the advantages listed above starting to be realized by July 1, 1982. Delay until the 1983 session would not only mean continued duplication of services, but an untimely delay in placing the elderly and adult disabled in the position of designing programs they require and need.

ECOAC stands ready to support and implement the concepts of this Bill. The elderly and local governments in District 12 have spoken strongly in favor of gaining greater control over the programs affecting local area residents. The impact of this proposal is very positive and will streamline badly needed services to the elderly and the adult disabled.

The ECOAC Board of Directors strongly encourage your support for Senate Bill 955 and its passage this legislative session.

If I can be of further assistance, or answer any questions, please call me.

Sincerely,



Dorothy Krebs  
Chairman, ECOAC Board of Directors

DK/TB:mb

cc: Senator Bob Smith  
Senator Ken Jernstedt  
Senator Mike Thorne  
Bob Zeigen, OEA

Representative Bill Bellamy  
Representative Bob Harper  
Representative Bob Brogoitti  
Representative Max Simpson

Testimony in favor of SB 955, Relating to Senior Services Division

presented by Lela Humiston, 211 River Loop #1, Eugene, 97404 688-3975

to HOUSE COMMITTEE ON AGING AND MINORITY AFFAIRS  
Rep. Wally Priestley, Chairperson

July 21, 1981

HOUSE COMM. ON AGING  
AND MINORITY AFFAIRS  
July 21, 1981  
Exhibit H  
SB 955

2 pages

I want to speak in support of SB 955 as chairperson of the Citizens Advisory Committee on Aging for Area 5, and as spokesman for the Board of Directors of Lane Council of Governments, which is our Administrative Agency.

In planning for the utilization of State Oregon Project Independence funds and Federal Older Americans Act funds which come to our area, the Advisory Committee is continuously planning objectives and priorities based on the needs and attitudes of area seniors. We act as advocates for them in providing services to fit their needs, and in assessing the value and effectiveness of our service programs.

From our perspective, SB 955 would provide a framework within which we could better carry out our mandated functions. We must be advocates for all elderly who need long term care. Sometimes only a few dollars in income separate OPI clients and AFS Alternative clients, and it is so easy to slip over that line. Low income seniors may do fine with a few community based services, but will inevitably need state assistance if they go into a nursing home. Only through coordinated planning and flexibility of funding can we meet the existing needs most efficiently.

As one who works with OPI and Older American Act programs, I am a firm believer in community based services as alternatives to unnecessary and more costly institutionalization. The present system has always been institution - oriented, so that it is usually easier and simpler to put a person in a nursing home, however exorbitant the cost. But it is becoming clearer all the time that there are better ways to care for some of these people --ways that fill needs more exactly and are more cost effective. Oregon's elderly have made clear their preference for services

which encourage them to stay active in their communities and which support their efforts to remain in living situations of their choice. Project Independence is extremely popular. This Legislature recently passed a State Policy on Aging which commits the state to "encourage all programs that seek to maximize self care and independent living within the mainstream of life." Seniors were very much involved in the articulation of that policy. At the recent State Conference on Aging, delegates from around the state gave top priority in the long-term-care area to a resolution "to establish a comprehensive service system which provides a continuum of care to foster independence for the elderly."

Recently the Oregon Systems Development Project interviewed a cross section of people involved in delivery of services, public officials, elderly clients and their families. Their report notes "almost unanimous support for the development of a continuum of services", a statewide plan for the delivery of services, and "for the increased coordination of local programs." The report also found common belief "that a cooperative relationship can be developed in which the state specifies goals and obtains funds for senior programs, and local communities develop their individual methods of implementation". This is the kind of relationship SB 955 spells out. It delineates a system which not only is in accord with the needs and desires of seniors, but also represents the best use of public funds, so that a more balanced system of care can be developed.

It is imperative that every effort be made to use wisely the dollars available to meet our goal of maintaining persons in the least restrictive settings, with the greatest independence. I urge you to support SB 955. Thank you.

SENIOR SERVICES DIVISION  
1981-83 BUDGET

LIST OF RECOMMENDED ACTIONS OF WAYS AND MEANS SUBCOMMITTEE NUMBER 4 THAT APPLY TO THE PROPOSED SENIOR SERVICES DIVISION

Recommended Actions Include:

1. Subcommittee Action
2. Federal Fund Reductions
3. Base Support Level/Reduction List

In addition, potential additional budget reductions for the proposed Senior Services Division are also listed.

The amounts shown are for 21 months (October 1, 1981 to June 30, 1983) for all programs and administration presently in the Office of Elderly Affairs, and for 20 FTE. Staff (with Services & Supplies) in the Adult and Family Services Division (17 FTE in the Health and Social Services and 3 FTE in the Business Services Section). All other administration and staff shown are for 12 months (July 1, 1982 to June 30, 1983).

Administration--Recommended Action

<u>Action</u>	<u>Pos.</u>	<u>FTE</u>	<u>Gen. Fund</u>	<u>Other Fund</u>	<u>Fed. Fund</u>
- Reduce Services and Supplies ten percent (AFS)	---	---	-\$101,896	\$ -323	-\$106,267
- Reduce OEA Service & Supplies (OEA)	---	---	-25,310	---	---
- Reduce DHR prorated Other Funds (AFS)	---	---	-1,639	---	-1,638
- Reduce AFS Service Workers, Aides & Clerical Staff (AFS)	23	22.75	-418,389	---	-162,339
- Eliminate 3 administrative positions (OEA)	<u>3</u>	<u>3.0</u>	<u>-141,140</u>	---	---
Subtotal	26	25.75	-\$688,374	\$ -323	-\$270
 <u>Potential Actions</u>					
- Eliminate Jackson Hot Line (AFS)	---	---	-49,676	---	---
- Reduce Operations Review Staff (AFS)	1	1.0	-15,332	---	---
- Reduce Adult Service Aides (AFS)	<u>22</u>	<u>22.0</u>	<u>-316,008</u>	---	---
Subtotal	23	23.0	-381,016	---	---

HOUSE AGING AND MINORITY AFFAIR  
 COMMITTEE  
 July 28, 1981  
 Exhibit A, SB 955  
 Dick Ladd  
 18 pages  
 Dept. of Human Resources  
 Informational material  
 -5-  
 -5-

7-13-81

Program--Recommended Actions

<u>Action</u>	<u>Gen. Fund</u>	<u>Other Fund</u>	<u>Fed. Fund</u>
- Add General Fund to Oregon Project Independence (OPI)	+\$ 176,559	\$ --	\$ --
- Eliminate Foster Home Rate improvement (AFS)	- 565,447	--	--
- Add Community Mental Health Adult Foster Care cases (AFS)	+ 78,000	--	--
- Reduce 76 Homemaker Cases (AFS)	- 78,853	--	--
- Use ADC and Child Support reform savings to offset social service block grant reductions (AFS)	+ 3,205,239	--	-3,205,239
- Reduce 88 Skilled Nursing Home cases (AFS)	- 548,267	--	- 609,637
- Reduce Long-Term Care case cost factors as offset to block grant reductions (AFS)	- 1,807,899	--	-2,422,542
- Reduce OEA for Aging Program Consolidations (OEA)	--	--	- 945,573
- Reduce second year CPI from 11% to 7% (AFS)	- 2,021,774	--	-1,397,253
- Reduce second year CPI from 11% to 7% for Oregon Project Independence (OEA)	- 92,056	--	--
- Use Housekeepers in lieu of Homemakers (AFS)	- 164,603	--	--
- Reduce Oregon Project Independence by 10% (OEA)	- 475,000	--	--
- OEA Federal Fund carryover (OEA)	--	--	+ 506,613
Subtotal	-\$2,294,101	--	-\$8,073,631

Program--Potential Actions

- Reduce Home Delivered Meals and Special Diets (AFS)	-\$ 120,918	--	--
Subtotal	-\$ 120,918	--	--

PROPOSED ADULT AND FAMILY SERVICE REDUCTIONS--1981-83 BUDGET

LIST OF REDUCTIONS FROM THE ADULT AND FAMILY SERVICES DIVISION TO BE TRANSFERRED TO THE PROPOSED SENIOR SERVICES DIVISION

Amounts shown are for 12 months July 1, 1982 to June 30, 1983), except for 20 FTE staff and associated service and supplies which are for 21 months (October 1, 1981 to June 30, 1983).

<u>Administration</u>	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Actions</u>	<u>FTE</u>
<u>1. Business Services Section</u>						
Personal Services	\$ 283,812	10	\$ --	--	\$ --	--
GF	141,906	--	--	--	--	--
FF	141,906	--	--	--	--	--
Service & Supplies	134,110	--	( 14,086)	--	--	--
GF	67,055	--	( 7,044)	--	--	--
FF	67,055	--	( 7,042)	--	--	--
<u>2 Health &amp; Social Service Section</u>						
Personal Services	867,918	19	--	--	--	--
GF	261,757	--	--	--	--	--
FF	606,161	--	--	--	--	--
Service & Supplies	1,941,421	--	(194,142)	--	(49,676)	--
GF	573,492	--	( 95,264)	--	(49,676)	--
FF	1,365,849	--	( 98,555)	--	--	--
OF	2,080	--	( 323)	--	--	--
<u>3. Operations Review</u>						
Personal Services	338,879	13	--	--	(20,916)	(1)
GF	86,387	--	--	--	(15,332)	--
FF	252,492	--	--	--	( 5,584)	--
Service & Supplies	35,376	--	( 3,535)	--	--	--
GF	12,269	--	( 1,227)	--	--	--
FF	23,107	--	( 2,308)	--	--	--

<u>4. Field Operations</u>	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Actions</u>	<u>FTE</u>
Personal Services	\$6,497,890	310	\$( 397,336)	(22.75)	(\$ 316,008)	(22)
GF	1,898,456	--	( 287,264)	--	( 316,008)	--
FF	4,599,434	--	( 110,072)	--	--	--
Service & Supplies	1,122,264	--	( 183,392)	--	--	--
GF	344,008	--	( 131,125)	--	--	--
FF	778,256	--	( 52,267)	--	--	--
<u>5. Subtotal AFS Administration Reduction</u>	11,221,670	352	( 792,491)	(22.75)	( 386,600)	(23)
GF	3,385,330	--	( 521,924)	--	( 381,016)	--
FF	7,834,260	--	( 270,244)	--	( 5,584)	--
OF	2,080	--	( 323)	--	--	--
Personal Services	7,988,499	352	( 397,336)	(22.75)	( 336,924)	(23)
GF	2,388,506	--	( 287,264)	--	( 331,340)	--
FF	5,599,993	--	( 110,072)	--	( 5,584)	--
Services & Supplies	3,233,171	--	( 395,155)	--	( 49,676)	--
GF	996,824	--	( 234,660)	--	( 49,676)	--
FF	2,234,267	--	( 160,172)	--	--	--
OF	2,080	--	( 323)	--	--	--
<u>Program</u>	<u>Governor's Printed</u>		<u>Subcommittee Recom. Actions</u>		<u>Potential Actions</u>	
<u>1. Semi-Independent Living</u>	\$6,115,380		\$( 701,321)		\$ --	
GF	3,609,495		901,299		--	
FF	2,505,885		(1,602,620)		--	
<u>2. In-Home Services</u>	7,461,554		( 483,282)		( 120,918)	
GF	1,761,549		1,124,171		( 120,918)	
FF	5,700,005		(1,607,453)		--	
<u>3. Nursing Facility Care</u>	87,241,825		(8,353,672)		--	
GF	41,330,268		(3,929,074)		--	
FF	45,911,557		(4,424,598)		--	



<u>Program (Cont.)</u>	<u>Governor's Printed</u>	<u>Subcommittee Recom. Actions</u>	<u>Potential Actions</u>
4. Subtotal AFS Program Reductions	\$100,818,759	\$(9,538,275)	(\$ 120,918)
GF	46,701,312	(1,903,604)	( 120,918)
FF	54,117,447	(7,634,671)	--
<u>TOTAL AFS Reductions</u>	\$112,040,429	(10,330,766)	( 507,518)
GF	50,086,642	( 2,425,528)	( 501,934)
FF	61,951,707	( 7,904,915)	( 5,584)
OF	2,080	( 323)	--

PROPOSED OFFICE OF ELDERLY AFFAIRS REDUCTIONS--1981-83 BUDGET

LIST OF REDUCTIONS FROM THE OFFICE OF ELDERLY AFFAIRS TO BE TRANSFERRED TO THE PROPOSED SENIOR SERVICES DIVISION

All amounts shown are for 21 months (October 1, 1981 to June 30, 1983).

<u>Administration</u>	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Actions</u>	<u>FTE</u>
Office of Elderly Affairs	\$1,132,906	17	(\$ 166,450)	(3)	\$ --	--
GF	445,304	--	( 166,450)	--	--	--
FF	687,602	--	--	--	--	--
Personal Services	755,756	17	( 119,542)	(3)	--	--
GF	306,023	--	( 119,542)	--	--	--
FF	449,733	--	--	--	--	--
Services & Supplies	374,616	--	( 46,908)	--	--	--
GF	138,192	--	( 46,908)	--	--	--
FF	236,424	--	--	--	--	--
Capital Outlay	2,534	--	--	--	--	--
GF	1,089	--	--	--	--	--
FF	1,445	--	--	--	--	--

<u>Program</u>	<u>Governor's Printed</u>	<u>Subcommittee Recom. Actions</u>	<u>Potential Actions</u>
Office of Elderly Affairs	\$18,853,935	(\$ 829,457)	\$ --
GF	4,072,403	( 390,497)	--
FF	14,781,532	( 438,960)	--
Oregon Project Independence	4,072,403	( 390,497)	--
GF	4,072,403	( 390,497)	--
FF	--	--	--
Older Americans Act Program	14,781,532	( 438,960)	--
GF	--	--	--
FF	14,781,532	( 438,960)	--

<u>Program (Cont.)</u>	<u>Governor's Printed</u>		<u>Subcommittee Recom. Actions</u>		<u>Potential Actions</u>	
Total Office of Elderly Affairs Reduction	\$19,986,841		(\$ 995,907)		\$ --	
GF	4,517,707		( 556,947)		--	
FF	15,469,134		( 438,960)		--	
<u>TOTAL Adult and Family Service &amp; Office of Eldelry Affairs Reductions</u>						
	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Actions</u>	<u>FTE</u>
Total AFS & OEA Reductions	\$132,027,270	369	\$(11,326,673)	(25.75)	(\$ 507,518	(23)
GF	54,604,349	--	( 2,982,475)	--	( 501,934)	--
FF	77,420,841	--	( 8,343,875)	--	( 5,584)	--
OF	2,080	--	( 323)	--	--	--

SENIOR SERVICES DIVISION--1981-83 BUDGET

THE AMOUNTS SHOWN ARE FROM REDUCTIONS TO THE ADULT AND FAMILY SERVICES DIVISION AND THE OFFICE OF ELDERLY AFFAIRS. NO ADDITIONAL FUNDS OR STAFF ARE REQUESTED.

Thirty seven (37) FTE staff with associated Service and Supplies, and Capital Outlay are for 21 months (October 1, 1981 to June 30, 1983). All other staff and associated Service and Supplies are for 12 months (July 1, 1982 to June 30, 1983). All program funds from the Office of Elderly Affairs are also for 21 months, and all program funds from Adult and Family Services Division are for 12 months.

<u>Administration</u>	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Actions</u>	<u>FTE</u>
<u>1. Administration</u>						
Personnel Services	\$ 206,778	4	\$ --	--	\$ --	--
GF	81,276	--	--	--	--	--
FF	125,502	--	--	--	--	--
Service & Supplies	78,739	--	( 7,874)	--	--	--
GF	48,720	--	( 3,937)	--	--	--
FF	30,019	--	( 3,937)	--	--	--
<u>2. Program Operations</u>						
Personnel Services	1,151,767	26	( 119,542)	( 3)	--	--
GF	371,928	--	( 119,542)	--	--	--
FF	779,839	--	--	--	--	--
Service & Supplies	2,154,555	--	( 233,176)	--	( 49,676)	--
GF	629,459	--	( 138,235)	--	( 49,676)	--
FF	1,523,016	--	( 94,618)	--	--	--
OF	2,080	--	( 323)	--	--	--
Capital Outlay	2,534	--	--	--	--	--
GF	1,089	--	--	--	--	--
FF	1,445	--	--	--	--	--

	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Actions</u>	<u>FTE</u>	<u>Potential Action</u>	<u>FTE</u>
<b>3. <u>Administrative Services</u></b>						
Personnel Services	\$1,022,748	34	\$ --	--	(\$ 20,916)	(1)
GF	382,290	--	--	--	( 15,332)	--
FF	640,458	--	--	--	( 5,584)	--
Services & Supplies	267,469	--	( 17,621)	--	--	--
GF	117,501	--	( 8,271)	--	--	--
FF	149,968	--	( 9,350)	--	--	--
<b>4. <u>Field Location</u></b>						
Personnel Services	6,362,962	305	( 397,336)	(22.75)	( 316,008)	(22)
GF	1,859,035	--	( 287,264)	--	( 316,008)	--
FF	4,503,927	--	( 110,072)	--	--	--
Services & Supplies	1,107,024	--	( 183,392)	--	--	--
GF	339,336	--	( 131,125)	--	--	--
FF	767,688	--	( 52,267)	--	--	--
<b>5. <u>Subtotal--Administration</u></b>	12,354,576	369	( 958,941)	(25.75)	( 386,600)	(23)
GF	3,830,634	--	( 688,374)	--	( 381,016)	--
FF	8,521,862	--	( 270,244)	--	( 5,584)	--
OF	2,080	--	( 323)	--	--	--
Personal Services	8,744,255	369	( 516,878)	(25.75)	( 336,924)	(23)
GF	2,694,529	--	( 406,806)	--	( 331,340)	--
FF	6,049,726	--	( 110,072)	--	( 5,584)	--
Services & Supplies	3,607,787	--	( 442,063)	--	( 49,676)	--
GF	1,135,016	--	( 281,568)	--	( 49,676)	--
FF	2,470,691	--	( 160,172)	--	--	--
OF	2,080	--	( 323)	--	--	--
Capital Outlay	2,534	--	--	--	--	--
GF	1,089	--	--	--	--	--
FF	1,445	--	--	--	--	--

<u>Program</u>	<u>Governor's Printed</u>	<u>FTE</u>	<u>Subcommittee Recom. Action</u>	<u>FTE</u>	<u>Potential Action</u>	<u>FTE</u>
1. Semi-Independent Living	\$ 6,115,380		\$( 701,321)		\$ --	
GF	3,609,495		901,299		--	
FF	2,505,885		(1,602,620)			
2. In-Home Services	7,461,554		( 483,282)		( 120,918)	
GF	1,761,549		1,124,171		( 120,918)	
FF	5,700,005		(1,607,453)		--	
3. Nursing Facility Care	87,241,825		(8,353,672)		--	
GF	41,330,268		(3,929,074)		--	
FF	45,911,557		(4,424,598)		--	
4. Oregon Project Independence	4,072,403		( 390,497)		--	
GF	4,072,403		( 390,497)		--	
FF	--		--		--	
5. Older Americans Act Programs	14,781,532		( 438,960)		--	
GF	--		--		--	
FF	14,781,532		( 438,960)		--	
6. TOTAL Program	119,672,694		(10,367,732)		( 120,918)	
GF	50,773,715		(2,294,101)		( 120,918)	
FF	68,898,979		(8,073,631)		--	
<u>TOTAL SENIOR SERVICES DIVISION--1981-83 BUDGET</u>						
Senior Services Division	132,027,270	369	(11,326,673)	(25.75)	( 507,518)	(23)
GF	54,604,349	--	(2,982,475)	--	( 501,934)	--
FF	77,420,841	--	(8,343,875)	--	( 5,584)	--
GF	2,080	--	( 323)	--	--	--

FISCAL AND/OR ORGANIZATIONAL ANALYSIS OF

SB 955

BAM Analyst

Deanna

Please check the action taken, complete if possible, and return one copy to the Budget and Management Division and one copy to the Legislative Fiscal Office.

- Fiscal and/or organizational; analysis given below.
- Unable to anticipate costs. (Explain under "Comments" below.)
- No fiscal or organizational impact to the agency or state and local governments.

<u>Effect on Revenue (By Fund):</u>	<u>1981-83</u>	<u>1983-85</u>
	\$ 0	--0--

<u>Effect on Expenditures (By Fund):</u>	<u>1981-83</u>	<u>1983-85</u>
Adult & Family Services Division Administration	GF \$( 11,221,670)	0
	FF ( 3,385,330)	
	FF ( 7,834,260)	
	OF ( 2,080)	
Long-Term Care	GF (100,818,759)	0
	GF ( 46,701,312)	
	FF ( 54,117,447)	
Dept. of Human Resources Director's Office		
Office of Elderly Affairs Administration	GF ( 1,132,906)	0
	GF ( 445,304)	
	FF ( 687,602)	

Organizational Impact: (Cont.-see supplemental page)

The Senior Services Division is created. No additional funds or positions are requested. Positions and funds presented in the Adult & Family Services Division and Office of Elderly Affairs are transferred to the Senior Services Division.

Positions: What new positions or changes in levels of positions does the proposal require? 352 FTE in Adult & Family Services Div., and 17 FTE in the Office of Elderly Affairs are transferred to the Senior Services Division. (see supplemental page-cont.)

Governor's Budget: Is the proposal anticipated in the Governor's budget? Yes  No

Comments:

The Senior Services Division will create from existing funds and positions. No additional fiscal impact is anticipated at either the state or local level. Expenditures and positions are from the Governor's revised budget request. Adjustments recommended by the Ways & Means Committee, and approved by the Legislature, will be included in the fiscal impact at that time. Expenditures are based upon transfer of 34 FTE and Office of Elderly Affairs (see supplemental page-cont.)

Prepared by Richard C. Lodd Agency Department of Human Resources  
 Title Manager, Special Projects Date June 17, 1981

SUPPLEMENT:

Effect on Expenditures (By Fund): (cont.)

Program	1981-83	1983-85
	\$( 18,853,935)	<u>0</u>
	GF ( 4,072,403)	
	FF ( 14,781,532)	
Senior Services Division Administration	12,354,576	
	GF 3,830,634	
	FF 8,521,862	
	OF 2,080	
Program	\$ 119,672,694	
	GF 50,773,715	
	FF 68,898,979	

Positions: (cont.)

No additional positions are requested. The following reclassifications of existing positions are requested:

Reclassifications Downward

1. Program Executive 4	(29)	to Program Executive 3	(26)
2. " " "	"	" " "	"
3. " " "	"	" " "	"
4. Executive Assistant 1	(22)	to Research Analyst 2	(19)
5. Executive Assistant 2	(24)	to Public Health Nurse 3	(23)

Reclassifications Upward

1. Program Executive 4	(29)	to Administrator	( )
2. " " "	"	to Deputy Administrator	( )

The salary level of the Administrator and Deputy Administrator will be determined by the State Executive Salary Advisory Committee. We anticipate that the five downward reclassifications will provide more than sufficient funds for Administrator and Deputy Administrator salary levels.

Comments: (cont.)

Program expenditures to the Senior Services Division on October 1, 1981; and all other FTE and expenditures transferred on July 1, 1982.



ADULT & FAMILY SERVICES  
OFFICE OF ELDERLY AFFAIRS  
TRANSFERS TO THE  
SENIOR SERVICES DIVISION

<u>Class</u>		<u>Range</u>	
<u>Business Services</u>			
C0033	Program Coordinator 3	(26)	1
C0008	Clerical Specialist	(9e)	2
C0101	Accounting Clerk 1	(10)	3
C0102	Accounting Clerk 2	(13)	4
C0010	Administrative Assistant 1	(14e)	5
C0105	Accountant 2	(19)	6
X0606	Personnel Officer A	(21)	7
C0376	Systems Analyst	(23)	8
C0372	Senior Programmer	(20)	9
C0371	Programer	(18)	10
<u>Health &amp; Social Services</u>			
X0034	Program Executive 4	(29)	1
C0033	Program Coordinator 3	(26)	2
C0033	" " "	"	3
C0032	" " 2	(24)	4
C0032	" " "	"	5
C0032	" " "	"	6
C7038	Social Worker 4	(24)	7
C7038	" " "	"	8
C0032	Program Coordinator 2	(24)	9
C0027	Executive Assistant 1	(22)	10
C0031	Program Coordinator 1	(22)	11
C0561	Research Analyst 2	(19)	12
X0022	Management Assistant B	(16)	13
C0009	Secretary	( 9)	14
C0009	"	( 9)	15
C0008	Clerical Specialist	( 9)	16
C0008	" "	( 9)	17
C0022	Administrative Assist. 2	(16)	18
C0008	Clerical Specialist	( 9)	19
<u>Operations Review</u>			
C0010	Administrative Assistant 1	(14e)	1
C0180	Fiscal Auditor 1	(17)	2
C0180	" " "	"	3
C0182	Fiscal Auditor 2	(21)	4
C0182	" " "	"	5
C0182	" " "	"	6
C0182	" " "	"	7
C0182	" " "	"	8
C0182	" " "	"	9
C0182	" " "	"	10
C0182	" " "	"	11
X0034	Program Executive D	(29)	12
C0007	Clerical Assistant	(6e)	13

<u>Class</u>		<u>Range</u>	
<u>Field Operations</u>			
C0027	Executive Assistant 1	(22)	1
C0028	Executive Assistant 2	(24)	2
C0009	Secretary	( 9)	3
C0008	Clerical Specialist	(9e)	4
C0008	" "	"	5
(Field Positions)			
X0032	Program Executive B	(24)	1
X0032	" " "	"	2
X0031	" " A	(22)	3
X0031	" " "	"	4
X0031	" " "	"	5
X0035	Program Executive D	(29)	6
C0009	Secretary	( 9)	7
C0008	Clerical Specialist	(9e)	8
<u>Office of Elderly Affairs</u>			
X0035	Program Executive E	(32)	1
X0033	" " C	(26)	2
X0049	Principal Administrative Analyst	(29)	3
X0032	Program Executive B	(24)	4
C0028	Executive Assistant 2	(24)	5
C6504	Nutrition Consultant 2	(23)	6
X0010	Management Assistant A	(14e)	7
C0009	Secretary	( 9)	8
C0009	"	"	9
C0101	Accounting Clerk 1	(10)	10
C0008	Clerical Specialist	(9e)	11
C0007	Clerical Assistant	(6e)	12
C0031	Program Coordinator 1	(22)	13
C0031	" " "	"	14
C0031	" " "	"	15
C0031	" " "	"	16
C0031	" " "	"	17

64 Central office positions  
8 Field positions

	<u>Available</u>	<u>Range</u>	<u>Number Central Office</u>	<u>Field</u>
1.	Program Executive E	(32)	1	
2.	Program Executive D	(29)	2	(1)
3.	Principal Administrative Analyst	(29)	1	
4.	Program Executive C	(26)	4	
5.	Program Executive B	(24)	5	(2)
6.	Executive Assistant 2	(24)	2	
7.	Social Worker 4	(24)	2	
8.	Nutrition Consultant 2	(23)	1	
9.	Program Executive A	(22)	6	(3)
10.	Executive Assistant 1	(22)	2	
11.	Personnel Officer A	(21)	1	
12.	Fiscal Auditor 2	(21)	8	
13.	Research Analyst 2	(19)	1	
14.	Accountant 2	(19)	1	
15.	Fiscal Auditor 1	(17)	2	
16.	Administrative Assistant 2	(16)	2	
17.	Administrative Assistant 1	(14e)	3	
18.	Accounting Clerk 2	(13)	1	
19.	Accounting Clerk 1	(10)	2	
20.	Secretary	( 9)	5	(1)
21.	Clerical Specialist	(9e)	7	(1)
22.	Clerical Assistant	(6e)	2	
23.	Systems Analyst	(23)	1	
24.	Senior Programmer	(20)	1	
25.	Programer	(18)	1	
			<u>64</u>	<u>8</u>

SENIOR SERVICES DIVISION

STAFF

I.	<u>Administration</u> (4 positions)	<u>Range</u>	
	1. Administrator	( )	
	2. Program Executive C	(26)	Governor's Commission
	3. Administrative Assistant 2	(16)	
	4. Secretary	( 9)	Governor's Commission
II.	<u>Program Operations</u> (26 positions)		
	1. Deputy Administrator	( )	
	2. Administrative Assistant 2	(16)	
A.	<u>Research &amp; Planning</u>		
	1. Program Executive B	(24)	
	2. Research Analyst 2	(19)	
	3. Executive Assistant 1	(22)	
B.	<u>Program Assistance &amp; Policy</u>		
	1. Program Executive C	(26)	
	2. " " B	(24)	Nursing Homes
	3. " " "	"	Pre-Admission Screening
	4. " " "	"	Substitute Homes
	5. Social Worker 4	(24)	In-Home
	6. Nutritional Consultant 2	(23)	Nutrition
	7. Program Executive A	(22)	Advocacy Team
C.	<u>Field Operations</u>		
	1. Program Executive C	(26)	
	2. " " A	(22)	Field Representative
	3. " " "	"	" "
	4. " " "	"	" "
	5. " " "	"	" "
	6. " " "	"	" "
	7. Social Worker 4	(24)	Client Monitor Team
	8. Public Health Nurse 3	(23)	" " "
D.	<u>Clerical</u>		
	1. Secretary	( 9)	
	2. "	"	
	3. "	"	
	4. Clerical Specialist	(9e)	
	5. " "	"	
	6. " "	"	
III.	<u>Administrative Services</u> (31 positions)		
	1. Assistant Administrator	(32)	
	2. Administrative Assistant	(14e)	

A. Personnel

- 1. Personnel Officer A (21)
- 2. Administrative Assistant 1 (14e)

B. Training & Staff Development

- 1. Program Executive B (24)
- 2. Executive Assistant 1 (22)

C. Provider Audit

- 1. Program Executive C (26)
- 2. Fiscal Auditor 2 (21)
- 3. " " " "
- 4. " " " "
- 5. " " " "
- 6. " " " "
- 7. " " " "
- 8. " " " "
- 9. " " " "
- 10. Fiscal Auditor 1 (17)
- 11. " " " "

D. Fiscal & Budget

- 1. Principal Administrative Analyst (29)
- 2. Executive Assistant 2 (24) Contracts
- 3. Accountant 2 (19)
- 4. Accounting Clerk 2 (13)
- 5. " " 1 (10)
- 6. " " " "
- 7. Administrative Assistant 1 (14e) Payroll

E. Clerical

- 1. Secretary ( 9)
- 2. Clerical Specialist (9e)
- 3. " " "
- 4. " " "
- 5. " " "
- 6. Clerical Assistant (6e)
- 7. " " "

F. Systems Development

- 1. Systems Analyst (23)
- 2. Senior Programmer (20)
- 3. Programmer (18)

Reclassifications Downward

1. Program Executive 4	(29)	to Program Executive 3	(26)
2. " " "	"	to " " 2	(24)
3. " " "	"	to " " "	"
4. Executive Assistant 1	(22)	to Research Analyst 2	(19)
5. Executive Assistant 2	(24)	to Public Health Nurse 3	(23)

Reclassifications Upward

1. Program Executive 4	(29)	to Administrator	( )
2. " " "	(29)	to Deputy Administrator	( )

Saslow  
7/18/81

SUMMARY AND ANALYSIS OF A-ENGROSSED SENATE BILL 955: SENIOR SERVICES  
DIVISION (REPLACES 7/8/81 SUMMARY)

NOTE: A-ENGROSSED SB955 INCORPORATES EDITORIAL CHANGES AND MAJOR AMENDMENTS MADE BY THE SENATE COMMITTEE ON HUMAN RESOURCES AND AGING. The amendments were developed by (1) the sponsor of the bill, the Governor's Commission on Aging; (2) a special task force of the Portland-Multnomah Area Agency on Aging; (3) spokespeople for the Association of Retarded Citizens and the Architectural Barriers Commission; (4) the state Attorney General's Office. All parties supporting the bill agreed to all of the amendments. The purposes of the amendments included (1) making it clear that nothing in the bill requires any existing area agency to expand its scope of responsibility or involvement with the state by any deadline; (2) for those area agencies which do choose to expand their scope of responsibility and involvement with the state, clarifying the roles and authority of local and state governments; (3) specifying state and local responsibility for handicapped persons now receiving long-term care or protective services from Adult and Family Services; when those programs are transferred to the Senior Services Division; and (4) re-writing the personnel transfer provisions in order to avoid difficulties experienced with the Community Corrections Act. In preparing and agreeing to these amendments, the supporters of the bill attempted to respond to all of the concerns expressed by Area Agencies on Aging, local governments, senior citizens, handicapped persons, and potentially affected state agencies and personnel.

SECTION 1: Defines terms. Identifies two types of Area Agencies on Aging. "Type A" Area Agencies on Aging are the existing type, which (Section 8) can continue as long as locally desired; "Type B" Area Agencies are an alternative type, authorized by SB955, consolidating additional services (now provided by the state) with the existing services in a single local agency. Under Sections 3, 9, 11, 13, 15, 16 and 45, existing Area Agencies (Type A) can, together with local government, exercise the Type B option, after a thorough planning process, at any time after July 1, 1982 (see "Preliminary Analysis of Impact of Senior Services Division (SB955) on Local Governments," separate paper). In addition, Type B Agencies are expected to provide certain services now provided by Adult and Family Services (AFS), to a small number of nonelderly physically or mentally handicapped persons whose long-term care and protective needs are similar to those of the elderly. It is also made clear that just Title XIX and XX long-term care and protective services programs are being transferred--not Title XIX hospital or physician programs or other Title XX programs (without this clarification, the definitions were not sufficiently clear).

SECTION 2: Explains purpose of act. As a matter of public policy, based on numerous studies, encourages local responsibility for coordination and planning of services to elderly, to include long-term care programs now in AFS, to "insure...necessary care and services at the least cost and in the least confining situation." Makes clear commitment, within budgetary constraints, that local savings in nursing home

spending be applied to additional funding for alternative care (as was demonstrated in the FIG/Waiver Project in southern Oregon and as is advocated in the Systems Development Study). This flexibility gives a powerful local incentive for provision of least cost-least confining care when local services are well coordinated.

SECTION 3: Lists responsibilities of new state-level Senior Services Division of the state Department of Human Resources, created (without fiscal impact) by consolidating the existing state Office of Elderly Affairs and the existing long-term care unit of the AFS Division, both already within the state Department of Human Resources. The new state division would prepare state plans, enter into contracts, receive and disburse funds, hold hearings and conduct studies, conduct regulatory functions, assure rights of elderly to services, prepare federal reports, process data and payments to providers of service, assist the Area Agencies, and serve as an advocate for the elderly. With additional provisions, the state is clearly responsible to (1) provide "Type B" Agencies with annual Title XIX and XX budget levels for planning purposes, (2) maintain contingency reserves to adjust for shifts in utilization and over-runs, (3) provide sufficient timely management information so that Type B Agencies can manage their Title XIX and XX reimbursement within budgeted levels, and (4) make payments to providers for Title XIX, XX, and OPI services of Type B Agencies (OPI is optional for Type "A"; Title III is optional for either). Without these provisions, local government would have had insufficient assurance of financial support and adequate management information for fiscal control to plan and manage in a manner consistent with the purpose of the act (see Section 2).

SECTIONS 4 AND 5: Establish clear public policy to be followed by Senior Services Division regarding appropriate services to handicapped persons previously served by AFS. This legislative statement significantly strengthens the status of handicapped persons. No such legislative statement has guided AFS.

SECTION 6: Combines two existing bureaucracies, the Office of Elderly Affairs and the long-term care unit of the AFS Division, both now within the state Department of Human Resources, into one new division of that department, the Senior Services Division.

SECTIONS 7, 8, 9, 10: Describe relationships between Area Agencies, Local governments, and the state (see separate paper, "Preliminary Analysis of Impact of Senior Services Division (SB955) on Local Governments").

Section 7 continues the existing designation of the Department of Human Resources as the "single state agency" for federal purposes, and states that Area Agencies will administer services to clients under applicable federal regulations (as is now already required). However, if the Area Agency is Type A, the new division will be responsible for Titles XIX and XX (paragraph (d) of subsection (3) of Section 3). Under certain other circumstances (see Section 10) the new division may temporarily be responsible for any program or service.

Section 8 clearly states that nothing in SB 955 requires an existing Area Agency (Type A) to become a Type B Agency.



Section 9, in conjunction with Sections 13, 15, 16 and 45, creates for the existing Area Agencies (Type A) the option, after July 1, 1982, of becoming a Type B Area Agency if a local government (city or county) or combination of local governments, such as a council of governments, decides to take responsibility, under the provisions of Section 9 and the rest of SB955. Under Section 9, in a Type B Agency, local government appoints the director, who must meet minimum qualifications established by the state. The state has assured the Portland-Multnomah Area Agency on Aging Task Force that the state will determine financial eligibility (for Title XIX and XX services), handle the provider reimbursements, and be financially responsible for over-runs, audit exceptions, and shifts in utilization between localities. Note also (Section 37) that local governments are not required to expend local funds for the purpose of maintaining or expanding services. Because the state is financially liable for actions of the local director, added provisions of this section specify narrow grounds on which the division may withdraw its approval of a local director if state or federal rules are broken or state or federal funds are being improperly expended. Withdrawal of approval of the local director by the division may be appealed to the director of the state Department of Human Resources and to the Governor, making it reasonably certain that this sanction will be applied rarely and appropriately (without these provisions, the approval sanction would have been excessively broad. Local government would not have been able to consider this kind of partnership relationship with the state).

Section 10 explains certain circumstances under which the state may be temporarily responsible for local programs or services. If, under existing federal law and regulations, either circumstances arise under which the state must withdraw the designation of an Area Agency, or if a local government which has been the Area Agency or has officially delegated the function to a nonprofit organization no longer wishes to be involved, the state must maintain services until a new Area Agency is designated. This part of Section 10 does not change the present relationship between the state and the Area Agencies. The second part of Section 10, allowing the state to temporarily withdraw any program or service (except Title III) from an Area Agency, and administer it, strengthens protection for the Area Agencies by identifying narrow grounds on which such actions can be taken and by adding an appeal to the director of the Department of Human Resources and to the Governor, thus assuring that such an action will be taken only with extremely solid justification.

SECTION 11: Describes Area Agency Advisory Boards. Clarifies membership, which, as federally required, must include persons eligible for services, low-income, and minority persons. In Type B Agencies, the legislature will require that handicapped persons be included in an appropriate ratio. The advisory boards must meet at least quarterly. Duties include recommending policy, advising the Area Agency, and reviewing and evaluating the operation of the Area Agency. Without these provisions, existing Area Agency Advisory Board membership might have been too narrow to represent the interests of all parties who should be involved in a Type B Agency. From the point of view of the handicapped and of local governments, these provisions improve SB955.

SECTIONS 12 and 13. Define responsibilities of Type A and Type B Area Agencies. The Area Agencies conduct local planning for their scope of program responsibility; prepare a local service delivery plan for division approval; assess needs of the population to be served; determine service needs of individuals (the state will then determine financial eligibility for Titles XIX and XX, and has stated its intent to outstation eligibility workers at the Area Agency); assure provision of services as long as needed, within available resources; develop a comprehensive and coordinated system of services; serve as an advocate; enter, monitor, and evaluate contracts for services; conduct research, training, and evaluation; provide client and fiscal data to meet division requirements, developed in consultation with the Area Agencies, to enable adequate management at local and state levels and to meet federal reporting requirements; and, with added provisions, assure that, for Type B Agencies, local government signs off on the proposed local plan.

SECTION 14: Allows Area Agencies to use and pay for resources of state and local governments.

SECTION 15: Option of transfer of personnel from state to Type B Area Agencies. The locally-based state employees whose duties involve services assumed by a Type B Area Agency may be transferred to and supervised by that agency under ORS 236.610 to 236.650 (establishes provisions for protection of public employees transferred between levels of government when services are transferred). The Type B Agency may choose either (a) to contract with the division for the services of all of those employees, who then remain state employees, or (b) to have them become employees of the Type B Area Agency (the state continuing to pay the costs). A plan must first be prepared in coordination with local staff of AFS for any transfer, "showing how statutory responsibilities are to be met and how all staff are to be utilized."

SECTION 16: Area Agency, local government, and state must agree on plan before an Area Agency becomes "Type B." The legislature will require that the plan must establish an appropriate administrative structure and qualifications for key personnel; address staff, equipment, administrative costs, and service dollars; and be prepared with the participation of potentially affected clients, staff, and other parties at the local level, including the physically handicapped. The plan must be prepared in coordination with the local mental health authority, and necessary interagency agreements and transfers negotiated (without these provisions, the rights and concerns of all clients, current state employees, local governments, and local agencies, were not adequately reflected in the bill, and local government and handicapped persons could not have entered into arrangements with a great deal of confidence).

SECTIONS 17 and 18: Rename Governor's Commission on Aging to Governor's Commission on Senior Services, expands membership to include persons eligible for service (including low-income, minority, physically or mentally handicapped), specifies duties and compensation, and sets lengths of terms.

SECTION 19: Includes Senior Services Division in the Department of Human Resources.

SECTION 20: Closes Office of Elderly Affairs, while retaining Oregon Project Independence in the new division.

SECTION 21: Removes obsolete section of statute on food commodities.

SECTION 22: Transfers AFS long-term care client abuse responsibilities to new division.

SECTION 23: Allows Senior Services Division to employ housekeepers or homemakers, like other divisions.

SECTION 24: Creates revolving fund, like other divisions.

SECTION 25: Establishes general fund account, like other divisions.

SECTION 26: Allows employment of personnel and fixing of compensation, like other divisions.

SECTIONS 27, 28: Requires division to protect and safeguard all records and prohibits disclosure except under certain conditions, as with other divisions.

SECTION 29: Converts references to Office of Elderly Affairs and to transferred parts of AFS, to references to the Division of Senior Services.

SECTION 30: Transfer of equipment and personnel to new division from AFS and OEA; allows administrator of new division to change or abolish positions, as with other divisions.

SECTIONS 31, 32, 33, 34 and 35: Allows new division to collect existing obligations; continue existing powers, functions and rules; continue and complete any proceedings; replace OEA and AFS in existing statutes, regulations, or policies; and receive transferred functions of OEA and of those parts of AFS that are transferred.

SECTION 36: Makes it clear that SB955 does not amend or extend current Oregon statutes and federal regulations regarding estates claims (property liens in lieu of payments) requirements beyond those Title XIX and XX services presently tied to such requirements (some individuals and agencies were concerned that these requirements might be extended further).

SECTION 37: Local governments not required to expend local funds for the purpose of maintaining or expanding services.

SECTION 38: Repeals outdated statutes replaced by this bill.

SECTIONS 39, 40, 41, 42, 43 and 44: Transfers appropriations from Office of Elderly Affairs and portions of AFS, to Senior Services Division (\$132,840,760 for biennium, under Governor's revised budget) as a series of transfers without new fiscal impact.

SECTIONS 45 and 46: Establish state level, consolidated, division, as of October 1, 1981; allow Area Agencies to begin to function as Type B Agencies after July 1, 1982; remove any deadline by which Area Agencies

and local governments must decide to convert to Type B Agencies (without these provisions, local governments in complex political situations or in metropolitan areas having high number of clients and services might not have had the lead time needed to work through their options, make the Type A or Type B decisions, and negotiate arrangements. With these provisions, local governments have as much time as they need to take).

NOTE: At some stage of the process, A-Engrossed SB 955 will need the following technical amendments:

- Page 1, summary: \$54,604,349, not \$58,434,983, of general funds.
- Page 1, line 19: After "Income," insert, "for Title XIX,".
- Page 2, line 10: Replace "clients" with "persons."
- Page 2, line 11: Put a period after "placements" and remove rest of line.
- Page 2, line 12: Remove all of line.
- Page 2, line 30: Put a period after "older" and delete "or both."
- Page 6, line 14: After "income," insert "and"; delete "and handicapped."
- Page 14, line 8: \$41,203,180, not \$41,230,180.
- Page 15, line 7: \$50,773,715, not \$54,604,349.

Saslow  
7/19/81

SOFE COMMENTS ON A-ENGROSSED SENATE BILL 955  
(not prepared or reproduced at public expense)

This modified bill, unanimously recommended by the Senate Committee on Human Resources and Aging, is now supported by many senior citizens, most area agencies on aging, and many local governments. It has the support of spokespersons for the mentally and physically handicapped, of many providers of services, of the Governor's Commission on Aging and the United Seniors lobby (which jointly sponsored it), and of the Governor. The Director of the Department of Human Resources, the Administrator of the Adult and Family Services Division, and the Administrator of the Office of Elderly Affairs have testified that this bill is likely to result in patterns of service which senior citizens and handicapped persons will see as more appropriate.

Some of the opposition to the bill is based on the belief that it will require changes in services at the local level and in the relationship between localities and the state. In its present form, the bill does not require any such changes. Supporters of the bill have suggested that the opponents should be asked to show where in the bill, in black and white, such requirements are stated.

Other opposition to the bill is based on a concern that, for those localities that would like to take on the option of the added responsibility for the Title XIX and XX programs, the mechanisms, roles, and functions of the Type B area agencies in relation to the state may have "bugs" and that, therefore, instead of this bill, another "interim study" is what is needed. The supporters of the bill agree that "bugs" are certainly possible, even after many months of discussion and compromises among the interested parties, including state and local governments, and even after many interim studies and a major demonstration project in southern Oregon. That is why, supporters say, that (a) becoming a type B agency is entirely optional, (b) requires the support of local government, (c) requires considerable advance planning with all potentially affected, (d) can happen no sooner than July 1, 1982, in any locality, and then only when that locality wants to try it, and (e) a type B agency can choose to avoid the problems of transfer of personnel by simply contracting for the services of the local state employees involved. Basically, supporters of the bill believe that the type B arrangements have been designed as far as can be done "on paper", and that the bill will provide exactly the opportunity to plan, negotiate, demonstrate, and study, before next legislative session, that this group of opponents say they want. The bill does not set in stone, for all time, the details of the type B agency, only until next session. It does, however, allow those who want to, to try it out - which can not be done without this bill and will provide the experience necessary to improve the model next session.

Thus, in the judgment of this analyst, the opponents should have no difficulty supporting SB 955 with the changes now made in the A-Engrossed version. It should be stressed that, with SB 955, the legislature can put in place a vehicle for joint local and state planning and administration to assure that, in the face of federal budget cuts, block grants, and program "caps", costly nursing home caseload growth can be contained and Oregon's commitment to alternatives in long term care can be maintained or expanded. That is the bottom line. That is why A-Engrossed SB 955 is good public policy and is necessary this session. This is one of the few constructive things this Legislature can do. The federal funding changes are happening now, not in two years. Congress and the President are not going to wait for Oregon to do another "interim study" and react, two years too late, at the 1983 session. It is our responsibility to take initiative and act now, on behalf of the elderly and the handicapped, after explaining to the opponents that the things that concern them are not going to come about because of this bill, that those things concern us too and the bill is designed to meet those shared concerns.

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# Letters To The Editor

## Oppose Change

The proposed bill to establish a new Department of Human Resources Division combining Adult Family Services (Welfare) and the Office of Elderly Affairs went to the Rules Committee Wednesday.

In effect, if this bill passes, it means senior service organizations across the state, such as ours — the Senior Citizen's Council — will be welfare agencies. Such a move would be deplorable and a detriment to all Oregonians, regardless of age. There will be additional administrative costs, less service and loss of local control.

Most of our local seniors now

receiving service would not be eligible for help under this new system, or if they did receive help, could have a lien put on their home or estate.

The only way we can stop putting senior programs under the control of the Welfare Department is to flood the members of the Human Resources Committee with our letters within the next two weeks opposing the passage of this proposed reorganization. Please contact the Senior Citizen's Council, 883-7171, for the names and addresses of the seven state senators serving on the Human Resources Committee.

We urge your personal letter to any one or all of these committee senators.

Margie Patton  
Executive Director  
Senior Citizen's Council

June 18, 1981  
UNITED SENIORS  
840 Jefferson Street NE  
Salem, Oregon 97303

Mr. Ed Sage, chief planner of Area Agency On Aging, District III, consisting of Marion, Polk and Yamhill Counties, prepared the answer below to the Klamath Falls Newspaper letter.


The above letter to the editor, which appeared in the Klamath Falls newspaper, is wrong.

The letter refers to Senate Bill 955.

The bill will remove social service programs presently administered by Adult and Family Services (which also administers the state welfare program) and add them together with the State Office of Elderly Affairs to create the new Senior Services Division. The bill will not "combine" Adult and Family Services with the State Office of Elderly Affairs. The Adult and Family Services division will remain as a separate entity administering the welfare program. The net effect of this bill is to "de-welfarize" social services to the elderly by taking them away from the welfare agency and making them a part of local senior service organizations. The bill provided no additional funding for administrative costs, and funds presently earmarked for service cannot be used for administration. Actually, the bill will allow for increased services through reduced administrative overhead, since two programs with their separate bureaucracies are being merged into one. The bill encourages and provides for increased senior citizen input and control at the local level, it does not bring about "loss of local control".

Finally, nowhere in the bill has eligibility been changed for seniors presently receiving services. Contrary to the above letter, local seniors who are receiving service now will continue to do so under the bill. There is also no provision in the bill for seniors to have a lien put on their home or estate in order to receive services, except where the lien is presently required by state law. Thus the programs presently operated by the Klamath Senior Citizens Council under the Older American Act and Oregon Project Independence will continue as they are and no lien will be required.

It appears that the Klamath Falls Newspaper letter deliberately distorts the provisions of Senate Bill 955.

  
C. W. Posey, President  
United Seniors

TESTIMONY OF MICHAEL G. SASLOW  
Route 1, Box 414, Philomath 97370 (503-929-3049)  
Consultant to the Portland/Multnomah Area Agency on Aging,  
Regarding Portland's Proposed Amendments  
to SB955

Our Task Force of about 40 persons representing various affected groups met Thursday evening June 25. In small groups, we reviewed possible amendments to SB955. These amendments reflected concerns that Task Force members, and others in Portland, had expressed in earlier discussions, interviews, or comments.

When the Task Force reassembled, we heard reports from the small groups. Then, we had a discussion with Governor's Commission on Aging and Department of Human Resources representatives who were present. We discussed which concerns might best be expressed as amendments and which, given clear commitments from this discussion, would better be expressed as State administrative rules or as our own local guidelines. Through this process, we ended up with a small number of proposed amendments which address major concerns and also some suggested clarifications in wording.

The main Portland/Multnomah amendments address four points:

1. Before an Area Agency on Aging, local government and the State agree that an Area Agency on Aging is ready to

become a Type B agency, the parties must work out a plan for how the Senior Services Division and the Mental Health Division will apportion responsibility, staff, and available administrative and service funds for the under-60 adult clients now served by Adult and Family Services.

2. The State will provide Type Area Agencies B agencies with annual budget levels for planning purposes for Title XIX and XX reimbursed services, holding back contingency reserves against possible overruns and shifts in utilization. The State will provide all Area Agencies with annual budget levels for Oregon Project Independence and Title III.
3. The State will give Type B Area Agencies the incentive of spending local savings in the general fund portion of their nursing home services allocations on alternative care under Title XX and Oregon Project Independence.
4. The State Management Information System will be responsive to Type B Area Agencies' needs for sufficient, timely information to manage their Title XIX and XX reimbursements within budgeted levels.

The Task Force agreed to continue to work together during the next months in order to assist the AAA and local elected officials regarding information gathering to facilitate resolution of remaining concerns about local arrangements for services to the elderly and disabled.



The Task Force also agreed that this Area Agency should urge the Senate Committee on Human Resources and Aging, on Tuesday June 30, to continue working on the bill, resolving our concerns by adding our proposed amendments. The task force members did not suggest the Multnomah County members of the Legislative sidetrack the issue by substituting an interim study and waiting two years before setting up a Senior Services Division. Neither did task force members suggest "backing off" and "getting off the hook," as some have proposed, by contriving a weak alternative bill announcing yet another statement of principle or policy. Rather, it was the sense of the Portland/Multnomah Task Force on SB955 that, with the Governor's Commission on Aging amendments which remove any deadline for local Area Agencies on Aging and local governments to decide whether to change existing arrangements as long as they consider those the most workable choice, SB 955 has truly become a desirable, high priority enabling act. That is, by enacting SB955, this Legislature will have to its credit this October a State level Senior Services Division which will facilitate rather than force local planning and initiatives. Moreover, this Legislature will have initiated creative State and local planning in response to the federal budget cuts rather than waiting two years to establish streamlined administrative arrangements to better protect our frail elderly from the worst possible consequences of federal decisions.

<u>AGENCY</u>	<u>NAME</u>	<u>PHONE</u>
) A Advisory Council	Esther McGinnis	244-4986
City/County Commission on Aging	Cecil Posey	774-8788
AAA Contractors and Board Members	Maria Cremer Peter Paulson Martha Haggland Jeanette Martin (Bill Grossie)	665-7189 227-5605
Adult & Family Services	Ben Talley Sue Dietsche Vyvyan Gardner Jim Sehon	238-8439 238-7558 238-8439 238-8439
Mult. Co. Human Services	Duane Lemley Charlotte Duncan Roger Olson (Jean Gould)	248-3782 248-3782 248-3056
Disabled/Handicapped Com.	Bud Thoun Stephanie Hochhalter	777-4166 229-7948
Metro. Service District	Rick Gustafson	221-1646
) S.U.	Rich Schulz	229-3952
Physicians :	Beatrice Rose	693-1551
Home Health Agencies	Madelyn Milne	
Health System Agency	Sylvia Davidson	222-4277
Mult. Foundation for Medical Care	Faye Gilbarg	243-1151
Social Worker/Hospital Disch. Plan	Sue Sakai	229-7010
Visiting Nurses		
Hospital	Dave Seeley (Jeff Selberg)	229-7711
Nursing Homes	Tom De Jardin	231-1411
Homes for Aged	Jean Gowing (Marsha Hansen)	283-4726
Foster Care Providers		
City Elected Officials:		
Rep. Commissioner Margaret Strachan-Julia Pomeroy		248-4151
Rep. Commissioner Mike Lindberg-Elsa Coleman		248-4180
) Rep. Commissioner Mildred Schwab-George Lee		248-4180
Rep. Commissioner Charles Jordan-Anna Street		248-4682
Rep. Mayor Francis J. Ivancie-Jim Kuffner		248-4120

AGENCYNAMEPHONE

## County Elected Officials

Rep. Commissioner Gladys McCoy-Leslie	Ulmstead	248-5219
Rep. Commissioner Gordon Shadburne-Marsha	Agather	248-5213
Rep. Commissioner Caroline Miller - Gerry	Newhall	248-5217/52
Rep. Commissioner Dennis Buchanan-Doris	Ingstrom	248-5220
Rep. Commissioner Earl Blumenauer		248-5218
Rep. County Executive Don Clark-Maggie	Pendleton	248-3308
Corporate Community	Olive Barton	248-3308
Grey Panthers	Marty Lemke	223-0576
Ecum. Ministries of Ore.	(Cecil Posey)	
AARP/NRTA	Harold Zeh	232-4357

APPENDIX

Portland/Multnomah  
Area Agency on Aging  
June 30, 1981

REVIEW OF SB955 AND PROPOSED AMENDMENTS

Introduction

The purpose of The Governor's Commission on Aging/United Seniors bill, is to establish a single state agency responsible for most programs serving the elderly. The agency will have the authority to work in partnership with local government. This is needed in order to solve some of the problems which have come about because of the duplication and administrative fragmentation of the delivery system, which we have today in each locality under existing State law.

The substantive policy sections of SB 955  
are intended to enable the development of more integrated, cost-effective local delivery systems, matched to local needs under State standards.

Nature of Governor's Commission on Aging Amendments

The amendments proposed by the Governor's Commission on Aging, with the Oregon Association of Retarded Citizens and the Department of Human Resources, have the effect of (a) removing any deadline for local Area Agencies on Aging, and local governments, to decide whether to change from the existing ("type A") area agency on aging, to the alternative, more inclusive ("type B") agency enabled by this bill, and (b) removing the possibility that an area agency might lose its Oregon Project Independence funds if it does not become a "type B" agency. Along with other technical amendments, these major changes assure local government that the bill is to be administered in a positive, cooperative way.

Nature of Portland/Multnomah AAA SB 955 Task Force Amendments

The amendments proposed by the Portland/Multnomah Area Agency on Aging SB955 Task Force consist of technical clarifications of current statute and substantive explanations of policy. The technical, legal, clarifications deal with (1) protective services (to stay with the State except when there is a Type B area agency); (2) area agency advisory council membership is to include persons served by the area agency; (3) the transfer from Adult and Family Services, of Title XIX and XX services, does not include Title XIX medical services, or Title XIX or XX programs in other divisions; (4) the bill does not extend present estates claims rules for Title XIX and XX to other services.

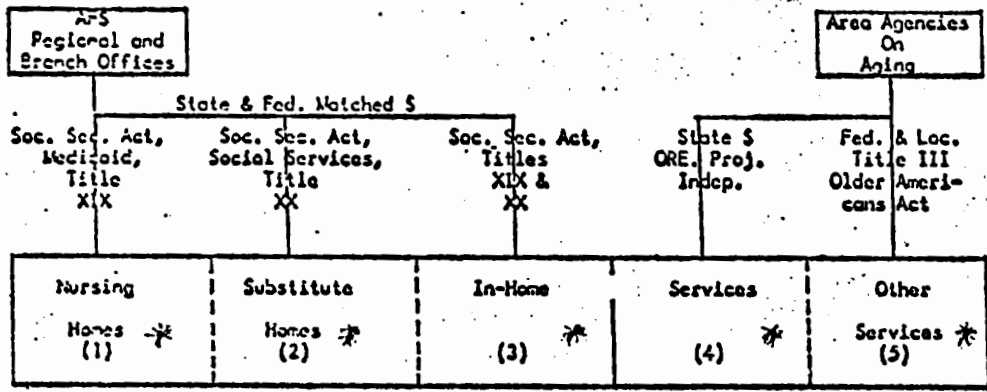
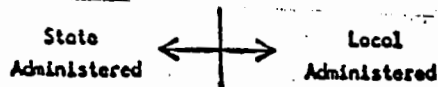
The Portland/Multnomah Amendments which are substantive explanations of policy (1) assure type B area agencies of budget level information to facilitate planning, (2) allow type B area agencies as an incentive to use any savings of State general fund in their nursing home allocations, for alternative care under Title XX or Oregon Project Independence; (3) assure that timely management information will be provided in both directions so that type B area agencies will be able to manage their Title XIX and XX reimbursements within budgeted levels; (4) assure involvement of local government at key decision points; and (5) assure that interagency agreements and budgetary and staff transfers necessary to provide proper continuation of services to Adult and Family Services adult clients who are physically handicapped, mentally or emotionally disturbed, mentally retarded or developmentally disabled, or alcohol or drug abusers, will be made before an area agency becomes a type B agency.

Other possible amendments, to clarify the roles and responsibilities of various levels of government and various agencies, were discussed by the local Task Force with State agency officials. We received clarifications and commitments with respect to administrative rules which indicated to us that incorporating that material in the statute would not be necessary or helpful.

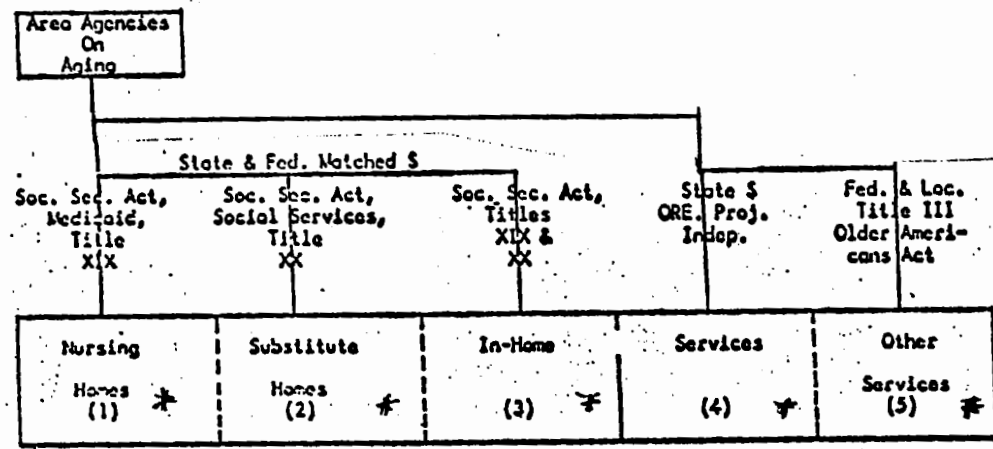
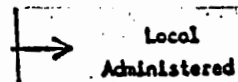
**TABLE 1**  
**HOW MUCH OF EACH TYPE OF LONG-TERM CARE DO THE ELDERLY NEED?\*\*\***

THE ARRAY OF APPROPRIATE SETTINGS FOR PROVISION OF CARE TO ELDERLY PERSONS WITH LONG-TERM CARE NEEDS****		ARRANGEMENT FOR SERVICE DELIVERY				
		BUILT INTO LIVING SITUATION**		DELIVERY TO THE LIVING SITUATION	DELIVERY OUTSIDE LIVING SITUATION	
Extent of Supervision, Care, and Treatment Provided	Focus on Meeting Medical Needs Round the Clock, Rehabilitation or Terminal Daily, One Shift or Less Less Than Daily	"Nursing Homes" (NEED = 3 to 4%***; Oregon utilization 5 to 6%)	Skilled Nursing Facility**	"In-home Services" (NEED = 6% or more***; Oregon utilization 3 to 4%)	Private Duty Nurse	Hospital**
	Focus on Providing Assistance with Basic Activities of Daily Living		Intermediate Care Nursing Facility**		Home Health Agency or Private Duty Nurse	Surg-Center Emergency Room Clinic Physician's Office
		Intermediate Care Nursing Facility**	Home Health Agency or Private Duty Nurse		Personal Care Services	
		"Substitute Homes" (NEED = 6%***; Oregon utilization 1 to .2%)	Residential Care Facility** (Home for the Elderly) Adult Foster Care Home**		Homemaker Services	Sheltered Employment Congregate Meals
	Satellite Apartment (Supervised) Semi-Independent (Supervised Co-op) Living		Homemaker Services Housekeeper Services Home Delivered Meals			
Focus on Providing Assistance with Instrumental and Productive Activities			Telephone Reassurance			
Focus on Offering Opportunities for Participation in Activities		Retirement Apartments or Residence with Planned "Core" Activities** Unsupervised Cooperative Living Adjacent to Existing Activities** Unsupervised Individual Living Adjacent to Existing Activities**	Friendly Visiting	Congregate Meals Senior Center with Organized Activities** Senior Center with Volunteer Activities** Senior Clubs, Organizations Mainstream Clubs, Organizations Mainstream Employment		
Original version prepared 3/80 by Saslow and Yarodis for Nursing 407, Long-term Care of the Elderly, Southern Oregon State College		*May be on a long-term or a Respite (short-stay) or Rehabilitation (mid-stay) basis. **Could be the base for a day program. ***Based on National Governor's Conference review of all available state studies, including the New York series. ****See also Attachment II of this chapter.			Revised 3/81 FOR SnpCA USE	

LOCAL STRUCTURE NOW



LOCAL STRUCTURE WITH A "TYPE B" AREA AGENCY



- (1) Intermediate Care Facilities (ICF) and Skilled Nursing Facilities (SNF)
- (2) Homes For Aged (Residential Care Facilities) & Adult Foster Care
- (3) Housekeeper  
Homemaker  
Home-Delivered Meals  
Personal Care  
Home Health Care
- (4) Housekeeper  
Homemaker  
Home-Delivered Meals  
Personal Care  
Home Health Care  
Escort Service  
Chore Service
- (5) Group Meal Sites  
Senior Centers  
Escort, Info./Ref., Outreach, Transportation  
Counseling, Health Screening, Legal Services  
In-Home Services  
Friendly Visiting, Telephone Reassurance  
Nursing Home Observance

Also Protective Services,  
Now, Adult and Family  
Services. Future, Senior  
Services Division except  
if "Type B" Area Agencies

PRESENT AREA AGENCIES  
AND  
FUTURE "TYPE A"  
AREA AGENCIES





OREGON PUBLIC EMPLOYEES UNION

Salem Branch Office, 1870 Hawthorne, N.E., Suite 103, Salem, C

HOUSE AGING AND MINORITY AFFAIRS  
COMMITTEE July 28, 1981  
Exhibit C, SB 955  
Emma Hill  
Public Welfare Review Commission  
Testimony 1 page

June 18, 1981.

Dear Friend:

Enclosed please find some information on a bill which could be very important to you.

Senate Bill 955 would create a new Senior Services Division of Department of Human Resource transferring the employes of the Adult Service and long term care unit of AFS to the new division and transfer branch personnel to the Area Agencies on Aging. The stated purpose of the bill is to create a more efficient delivery of services to the elderly, but we are convinced this would not happen for a variety of reasons. Please see attached list.

1. No additional funds are being allocated to the new division, therefore, there will be fewer services to the elderly because program dollars will be needed to set up, administer, and house a new division.
2. The disabled were only included in this bill after-the-fact. Their needs were not considered in the formulation of this bill.
3. The bill would create two places for the elderly to go:
  - to AFS for money assistance and food stamps
  - to the new division for servicesIt would create additional transportation problems for the elderly.
4. Creating a new division does not insure that fewer people will be placed in nursing homes.
5. The assumption has been made that the mental health system will pick up services to the mentally disabled, but there has been no additional funds or provision to determine how this can be accomplished.
6. Volunteers are built into the program, but there is no additional funding for recruitment or training of these volunteers. Will they be able to perform the care necessary for the population served? Can volunteers be counted on for participation on an ongoing basis? Will they be sensitive to the special needs of the elderly and disabled?
7. This bill is being promoted by organized, middle-class seniors who do not need nor understand the services AFS provides.
- \*8. The Area Agencies on Aging are set up differently statewide. They are either county, city or local non-profit entities! If employes are transferred, how will wages and benefits be maintained? Some AAA employes are paid more, others less than state employes.
9. There could be some negative effects on the elderly if their programs are segregated by age. It may not be wise to remove the elderly from the rest of the population or family-related programs.
10. There is some discrimination by the elderly against the disabled population and it would have a chance to be expressed in the new division.
11. Other adults who need services will be left out or fall through the cracks under the new division

ENNIS R. KEIZER, M.D.  
PHYSICIAN AND SURGEON

MEMBER OF  
NORTH BEND MEDICAL CENTER, INC.  
1900 WOODLAND DRIVE, COOS BAY, OREGON 97420

OFFICE PHONE (503) 267-5151  
RES. PHONE (503) 756-4400

July 24, 1981

Dear Mrs. Hill:

I am sorry that I cannot appear with you to help present our objections to Senate Bill 955. I am setting forth in this letter my main reasons for opposing the bill and I will list them below:

1. The bill was hastily written and does not reflect the desires of the proponents of the bill. The elderly are hoping that a situation will be provided by the bill which is not presently possible under the law. That is, they wish to have local control of elderly affairs for the reason that those sponsoring the bill feel that the program can be designed to meet the needs peculiar to the local area. This is commendable, but Oregon law states that each recipient in the state must be given equal consideration with all others. In other words, the benefits must be the same for all. Senate Bill 955 does not provide local control in the manner desired by the elderly.

According to Section 3, subsection (a), "the division shall serve as the central agency with primary responsibilities for the planning, coordination, development and evaluation of policy programs and services for the elderly persons in Oregon."

Subsection (b), "with the advice of the Governor's commission on aging, develop long range state plans for programs, services and activities for the elderly, to be revised and implemented annually, etc." Note that this section states that it is to be done by advice and not direction. "State plans should be based on agency plans, statewide priorities, and state and federal requirements."

Any change in policy must be passed on and reviewed by the division or central state agency.

If one reads on it is clearly set forth that the main function of the area agency and the area councils is to provide input for review by the state central agency who, of course, will bear in mind the effect of any proposal on the other elderly in the state.

continued .....

The above mechanism is good, but the same mechanism is available in the plan under the auspices of the Adult and Family Services Division. Input is possible, but hardly ever presented.

2. The divisions are to be managed by the AAA agencies around the state. Many of these agencies want no part of the plan, and there are only 11 cooperative areas out of the total 18 areas in the state. Compare this representation with the present 52 local agencies of the Adult and Family Services Division. I believe that some other method should have been designed to assume the new program which would be more representative of the state as a whole.

3. The agreement has been reached that the program will not require any more funding than that presently needed by the same persons under Adult and Family Services, but some extra expenses must be projected for the lengthy and detailed educational program to train the new area agency personnel during the transitional period. This period of transition is to extend until September 1, 1982. If this expense is part of the cost expectation for the transition, and I am certain that it will be sizable, the only way that the promise to offset this extra need for money can only be by curtailing services to the elderly.

*Non English speaking  
A.1.5 include 2/1/82*

4. I cannot visualize, with all the problems brought on by the shortage of state money, how the creation of such a new program can be justified.

5. Many of the disabled are unhappy with the prospect of change because of its uncertainties and particularly because there is no mention of inclusion of any of their group in the make-up of either the central or local councils.

6. I believe that the idea is excellent, but I also believe the timing is premature.


7. More study is needed, more care and thought should be given to the final bill, and more understanding by both the recipients and the proposed local personnel who are expected to operate the program in the local areas must be achieved before the program is instituted.

There are other inconsistencies and inadequacies in the bill, but the above lists the most glaring.

Very truly yours,

*Ennis Keizer*  
Ennis Keizer, M.D.

EK/ngb



X

# Oregon State Adult and Family Services Review Commission

PUBLIC SERVICE BUILDING, SALEM, OREGON 97310

July 15, 1981

The Honorable Vera Katz  
Chairperson, Subcommittee #4  
Joint Legislative Ways and Means Committee  
H178 State Capitol  
Salem, Oregon 97310

Dear Chairperson Katz:

At its meeting of July 13, 1981, the Governor's welfare advisory board adopted the following motion:

"On a motion by Jean Higginbotham and seconded by Emma Hill, the Commission went on record as being opposed to SB 955 in its present form at this time."

I wish to call your attention to the exact wording of the motion. Please note that we are not rejecting the concept. We are concerned that many issues must still be resolved, and do not believe the funding and the staffing uncertainties of the next few years produce the proper climate for this change at this time.

We also call your attention to the fact that we serve in an advisory capacity to the Administrator of the Adult and Family Services Division. The Administrator, Keith Putman, is free to accept or reject our advice. While he has listened to our concerns about SB 955, he has made it clear that his conditions for supporting the bill have been met and that he would not follow our advice if we recommended he oppose this bill. For that reason, we are making our concerns known to you directly.

Sincerely,

*William S. Vian*

William S. Vian  
Chairman

WSV/nlb



DOUGLAS  
COUNTY

BOARD OF COMMISSIONERS

BRUCE LONG

BILL VIAN

DOUG ROBERTSON

Courthouse

Roseburg, Oregon 97470

(503) 672-3311

July 20, 1981

Emma Hill  
Governors Advisory Committee  
c/o Bill Todd  
Dept. of Human Resources  
Adult & Family Services Division  
Public Service Building  
Salem, OR 97310

Dear Emma:

You have contacted me in regard to the new Senior Services Department that is being proposed in the Legislature at this time.

It has been the concensus of our Advisory Commission that a "slivering off" and creation of a new department would add to Oregon's already unwieldy administration to the senior citizens of the State. The Adult and Family Services Division has been charged with the responsibility of administering to the seniors, and it is our contention they are not doing such a bad job. If there are areas of concern, we also contend those areas can and would be addressed if pointed out.

We feel the new department has been hastily conceived and recommend more time be given before it is finalized and adopted.

Sincerely,

*Bill Vian*

Bill Vian, Chairman  
Adult & Family Services  
Review Commission

BV:dm

cc: John DeGroot  
Bill Todd  
Keith Putman  
Senator Jack Ripper  
Senator Anthony Meeker  
Senator Keith Burbidge  
Vera Katz  
Tony Van Vliet  
Al Riebel



HOUSE OF REPRESENTATIVES

61st Legislative Assembly

STAFF MEASURE ANALYSIS

Measure: SB 955-~~A~~<sup>B</sup>  
Committee: Aging & Minority Affairs  
Hearing Dates: 7/16, 7/21, 7/28, 7/30  
Explanation Prepared by: Dick Wilson

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Function of Measure:

Senate Bill 955-~~A~~<sup>B</sup> creates the Senior Services Division (SDD) within the Dept. of Human Resources from existing staff and resources. It combines the entire Office of Elderly Affairs with the long term care programs of Adult and Family Services. Included in the transfer to create SSD are 369 positions and budget transfers for the 1981-83 Biennium.

The SSD will be responsible for four different programs which provide services to the elderly and handicapped. They include:

1. The nursing home program now administered by AFS.
2. The community services program (including substitute homes and in-home services) now in AFS.
3. Oregon Project Independence (OPI) now in the Office of Elderly Affairs.
4. The Older American Act programs also in the Office of Elderly Affairs.

SB 955-~~A~~<sup>B</sup> provides for local administration of all programs through the existing Area Agencies on Aging (AAA). The bill provides for two types of Area Agencies: Type A agencies will continue after the bill becomes effective in the same manner as they now operate. Type B agencies accept the responsibility of locally administering all SSD programs, including those programs transferred from AFS.

Transfer of Personnel - The locally-based State employees whose duties involve services assumed by Type B AAAs may be transferred to and supervised by that agency under ORS 236.610 to 236.650 (establishes provisions for protection of public employees transferred between levels of government when services are transferred). They will remain as State employees. The Type B AAAs may choose either (a) to contract with the Division for the services of all those employees, or (b) to have them become employees of the Type B agency (the State continues to pay the costs). A plan must be first prepared

in coordination with local staff for any AFS transfer. AAA, local government and the State must agree on a plan before any AAA becomes Type B. The legislation will require that the plan must establish an appropriate administrative structure and qualifications for key personnel; address staff, equipment, administrative costs and service dollars; and be prepared with the participation of potentially affected clients, staff and other parties at the local level, including the physically handicapped. The plan must be prepared in coordination with the local mental health authority, the necessary inter-agency agreements and transfers negotiated.

The measure provides for a long implementation period. The Division is created October 1, 1981; however, no AAA can become a Type B until at least July 1, 1982. Each AAA which decides to accept Type B status must submit the plan to SSD showing how services will be delivered to the elderly and handicapped, how the programs will be administered, how the programs will inter-face with other local government and services and programs, and how the elderly and handicapped will be involved in the local decision making process.

Dear Governor Atiyah

Please do not allow the rights of the needy  
them because time is short. In the seven  
n. I been in session there has been time for one prisoners in Oregon  
State Prison to demand their rights

Yet because the delay in presenting S.B. 955 to the legislature  
has cut time so short, the elderly who are prisoners of poverty  
are shoved aside because time is short therefore there is no time  
to review their opposition. The bill must be approved in this  
legislative session. Why?

Don't take the rights to make decisions away from the very people  
this bill is supposed to help. Give them the time to make their  
feelings known. Give them an interim study period.

Leave the elderly needy among their peers and younger members  
of their families. Do not force them among people who consider it  
"downgrading" to need help from "welfare." Do not separate spouses.

In a society where the tax payer is being asked to support  
the cost of living quarters where prisoners can be with their  
families in lovely surroundings, is there no compassion  
for the elderly person who's spouse is under age sixty?

The response I received to the question of how this  
situation will be solved was that a desk will probably be  
"stuck" in a corner in an A. F. S. office to deal with  
these poor unfortunates. Is this a step towards segregation of  
elderly poor? Stuck in a corner somewhere?

The same response was given on how to handle the  
problem of supplying translators to non English speaking persons.

An Oregon statute requires that in any group where  
there more than 35 non English speakers a translator  
must be provided. A. F. S deals with families so the quota  
is met. Are the minorities to be segregated into a "corner" at



7/3/81  
A. F. S. ? Or will the probability that there will not be 35 non English speaking elderly in any area be used as an excuse not to supply these persons with their rights to a translator?

Remove the threat of segregation. Preserve the rights of all elderly of speech and opinions.

Mr Governor, I am sure that this is what you and our legislators want for all the people of our beautiful state.

Give your elderly people the time to know S.B. 955. Allow them to choose their own destiny.

The clam to the truth of opposing views has sprung a leak. Do not allow anyone to keep the hole plugged up till time runs out.

The elderly need your compassion and help.

They do not oppose <sup>CONCEPT</sup> S.B. 955. They do not know anything about it. They are "too poor to afford car fare to attend meetings. Meetings could have been brought to them.

Give everyone an interim study period. What is so frightening about giving the needy elderly a chance to voice their opinions?

Please sir we need your compassion, your help.

If the elderly who are in the dark give approval of S.B. 955 they will let you know.

Thank you  
Emma Hill