

Weekly Capitol Activity Report

2021 Oregon State Legislature

AOCMHP

Week of June 14

CAPITOL CLIMATE

Like salmon smolts approaching the ocean, those of us swimming in legislative waters can smell the salt of Sine Die.

This week the legislature began making moves that signal the beginning of the end: passing big budgets, shutting down Ways and Means Subcommittees, and introducing the Sine Die bill. At the beginning of the week it was hard to fathom that the legislature had only 13 days left to finish its business. Many decisions were still up in the air and there was a substantial list of bills piling up for hearings in the Rules Committees, Ways and Means Subcommittees and on the House and Senate floors for a vote. But the legislature picked up the pace, legislators kept their comments brief, and now it begins to feel like the end is in sight.

Speculation continues on the precise day of adjournment next week. We heard the Senate President was angling for Thursday, while others believe the legislature will have to work through next weekend to the constitutional date of June 27th to finish all of their business.

Nineteenth Century author and postal clerk, Anthony Trollope once wrote: “There are some achievements which are never done in the presence of those who hear of them. Catching salmon is one, and working all night is another.”

To legislators working in an empty building, it may seem like Trollope saw their future. But we at NW Public Affairs will be listening. So let’s hope Trollope was half-right and soon we’ll all be catching salmon in peace.

Speaking of peace, the legislature released the interim calendar this week which we have attached for your reference. Note that it includes dates for a possible special session in September.

UPDATES

Updates on Key Priorities

Parity: HB 3046 was formally released to a subcommittee early this week. It was worked out of the Ways and Means Human Services Subcommittee on Wednesday. More below.

Telehealth: The bill has been signed into law by the Governor.

CCBHCs: See below.

I/DD: See below for more details .

Historic BH Investment Package

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This week the legislature passed the Oregon Health Authority Budget and several policy bills that represent a historic investment in the behavioral health system and sizable allocations to community mental health programs. Here is the overview:

OHA Budget:

- **No cuts** to inflation for CMHPs or to the CHOICE program as recommended by the Governor's budget
- **\$70.2M** to completely backfill marijuana revenue dedicated to behavioral health that was redirected by M110
- **\$21.5M** for "aid and assist" community restoration and clinical services, rental assistance and wraparound support, the majority of which will be allocated to CMHPs
- **\$25M** for continuation of the Certified Community Behavioral Health Clinic Program through the 21-23 biennium (the evaluation language in HB 3123 was turned into a budget note. See below)
- **\$50M** for the "Transformation and System Alignment" special purpose appropriation for "investments that align outcomes, roles, responsibilities, risk and incentives in Oregon's behavioral health system." (See associated budget note below)
- **\$130M** for the "Regional Development and Innovation" special purpose appropriation for "capital, start-up, and operational costs related to increasing statewide capacity of licensed residential facilities and housing for people with behavioral health needs." (See associated budget note below)

HB 2417B Mobile Crisis:

- HB 3069 was added to a much amended version of HB 2417 (click linked bill number for final version of the bill). This language is a huge improvement over where both bills started this session. The bill allocates **\$15M**. \$5M of this money is a one-time allocation for "costs associated with the crisis hotline center" and **\$10M of it is an ongoing appropriation for mobile crisis services provided by CMHPs, doubling the current biennial investment.**

HB 2949B: Workforce Investments:

- The final version of Rep Bynum's workforce bill allocates **\$60M** to the "Behavioral Health Incentive Subaccount" created by the measure and **\$20M** for the coverage of supervision costs. **Of this \$20M, \$7M is dedicated specifically to CMHPs for this purpose.** We will need to work closely with OHA and the Oregon Health Policy Board to ensure that a portion of the \$60M in the BH incentive subaccount is dedicated to the public BH system.

Additionally, the OHA budget allocated \$31M for the opening of two SRTF units at Junction City as anticipated. It also set aside an additional \$20M for the Emergency Board to address OSH staffing issues in the near future once a sustainable plan is developed. See budget note below where CMHPs are called out as a required stakeholder in these conversations.

Finally, LFO recommended a budget note that requires them to work with DAS in the interim to develop a new agency budget structure for OHA that will provide for more transparency and clarity.

Adopted Budget Notes:

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- 1. Regional Development and Innovation** The Oregon Health Authority (OHA) shall award up to \$5 million to community mental health programs, tribes, Regional Health Equity Coalitions, and other community grantees by September 1, 2021 for identifying community needs, assessing the feasibility and sustainability of potential projects, and other planning activities necessary to increase residential facility and housing capacity with a focus on reducing health inequities. OHA, in consultation with Oregon Housing and Community Services and OHA's advisory councils, including, but not limited to, the Oversight and Accountability Council, the Oregon Consumer Advisory Council and the System of Care Advisory Council, shall issue a Request for Proposals by December 31, 2021 and a recommendation for how to invest available funds for increasing culturally and linguistically appropriate residential treatment and housing capacity to the legislature by March 1, 2022. ***Note: while we were asked for our estimation for reasonable planning grant amounts, the budget note does not specifically instruct the agency to provide planning grant monies to the CMHPs through the CFAAs. We will need to work closely with the agency in the interim to ensure that the planning grant monies end up in the right hands and that the established regions are workable for CMHPs.***
- 2. Transformation and System Alignment** The Oregon Health Authority (OHA) shall contract with a third-party evaluator to evaluate current behavioral health programs with respect to budget, staffing, data and metrics analysis and tracking, and contracts. The evaluator shall submit a roadmap to increasing financial transparency, accountability and ongoing reporting on Oregon's behavioral health needs and outcomes. As part of this work, County Financial Assistance Agreements should align with coordinated care organization contracts by addressing roles and responsibilities, and ensuring Oregon is maximizing federal funding. The contract shall also recommend risk alignment addressing liability concerns, administrative support, and oversight required of community mental health programs in monitoring treatment services, safety and compliance, and abuse and neglect investigations, as well as overseeing corrective plans, site reviews, crisis services, civil commitment process, and discharge transitions. OHA may request funding to operationalize these recommendations.
- 3. Certified Community Behavioral Health Clinics** The Oregon Health Authority (OHA) shall administer the certified community behavioral health clinic (CCBHC) demonstration program and evaluate whether CCBHCs: 1) increase access to behavioral health treatment for residents of this state; 2) provide integrated physical and behavioral health care; 3) offer services that result in improved health outcomes, lower overall health care costs and improved overall community health; and 4) reduce the cost of care for coordinated care organization members. No later than February 1, 2023, OHA shall report its findings to the interim committees and subcommittees of the Legislative Assembly related to health and mental health and to the interim subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.
- 4. CCO Contracts** The Oregon Health Authority shall report to the Legislature on its plans for the next round of coordinated care organization contracting. The report shall include: 1) anticipated milestones and deadline dates; 2) an outline of how the process will provide public transparency and communication; and 3) the anticipated resources the agency will need to

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perform the next round of CCO contracting. The report shall be delivered to the Joint Committee on Ways and Means by January 1, 2023

5. **Aid and Assist Services** The Oregon Health Authority shall report to the Department of Administrative Services Chief Financial Office and Legislative Fiscal Office on February 1, 2022 and February 1, 2023 on the number of aid and assist clients served at the Oregon State Hospital and through community restoration, amount of funding awarded to communities and providers, and actual expenditures by community mental health program or direct contracts from the funding available in the agency's budget for community restoration services, case rate payments, and housing and wraparound services. The reported dollar amounts shall be detailed according to specific service. For amounts expended or obligated on housing and rental assistance, the report shall identify the number of individuals placed in housing as a result of the investments.
6. **State Hospital Staffing - Special Purpose Appropriation** The Oregon Health Authority (OHA) shall consult with relevant stakeholders to resolve staffing shortfalls at the Oregon State Hospital. The relevant stakeholders OHA shall consult with include, but are not limited to, managerial and direct care staff employed by the Oregon State Hospital; community mental health programs; and hospital and other health care providers. No later than November 1, 2021, OHA shall submit a financially and programmatically sustainable plan to the Emergency Board or Interim Joint Committee on Ways and Means that provides solutions for maintaining appropriate daily staffing levels to ensure the safety of both patients and staff.
7. **Appropriation Structure** The Oregon Health Authority shall work with the Department of Administrative Services Chief Financial Office and Legislative Fiscal Office to establish a more detailed agency appropriation structure for its primary biennial budget bill. At a minimum, this structure shall detail the amount of funding budgeted for Medicaid, non-Medicaid behavioral health, the Public Health Division, Health Policy and Analytics Division, Oregon State Hospital, the Public Employees' Benefit Board, Oregon Educators Benefit Board, and central administrative functions. This new budget structure shall be recommended and prepared prior to the 2023 legislative session.

HB 2086 - Governor's BH Advisory Council Bill

On Friday the GBHAC bill finally posted for a work session in the Capitol Construction committee. The committee adopted the [A6 amendments](#) which require OHA to do the following:

- Increase reimbursement rates for co-occurring disorder treatment and provide start-up funding for treatment programs that provide integrated co-occurring disorder treatment; the measure appropriates **\$10.2 million** for this purpose.
- Establish programs that ensure access to culturally specific and responsive services.
- Continually evaluate opportunities to reduce the burden of documentation requirements for providers seeking certificates of approval.
- Study and report on Medicaid rates paid for behavioral health services.
- Adopt rules requiring coordinated care organizations to provide housing navigation services and address social determinates of health.

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- Collect data from providers who offer intensive behavioral health treatment services; the measure appropriates \$400,000 General fund for this purpose.
- Report on the demand and capacity of intensive behavioral health treatment for children.
- Support a new Behavioral Health Committee established by the Oregon Health Policy Board charged with developing quality metrics and incentives to improve behavioral health services (CMHPs are a required participant in this committee)

The Committee passed the bill unanimously and it will now go the Full Ways and Means Committee.

Parity in Ways and Means

The -A6 amendment was adopted unanimously by the subcommittee. The bill was then moved to the full committee unanimously. Representative Nosse (D-SE Portland) will be the carrier to the full committee and to the House floor. Senator Gelser (D-Corvallis) will be the carrier on the Senate floor.

DHS Budget - SB 5529

We were anxiously awaiting the release of the DHS budget to determine the level of funding that the CDDPs would receive as part of the case management budget. Throughout this session, we worked with the Brokerages on a unified advocacy strategy, and this was the week that we would see whether the legislature was going to invest into this system.

Although the materials did not give us much clarity, we reached out to LFO later this week after the materials posted to determine what level the CDDPs and Brokerages were funded at. After several biennia of significant underfunding, **the legislature made significant investments into the case management system.** Funded through the workload model, the CDDPs will be receiving 93% of full funding of the model. In past biennia, we were closer to 80%.

Although this is rough math, this investment comes in \$87.6 million over the 2019-2021 total funding levels. This is a 42% increase from last session. The total funds budget for CDDPs is \$295.7 million. We are excited about this level of investment.

One other note in the DHS budget is that the \$1.4 million allocation for family-to-family networks, which was cut during last year's second special session, has been restored.

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