

Testimony of Doug Riggs, Co-Chair, Human Services Coalition of Oregon, April 5, 2017

Chairs and Members of the Subcommittee,

Thank you for the opportunity to be here today. My name is Doug Riggs, and I am the Co-Chair of the Human Services Coalition of Oregon. As you know, I also work with a number of groups including the Oregon School Based Health Alliance, the Oregon Network of Child Abuse Centers, the Oregon Alliance of Children's Programs, and the Alliance4Kids. We focus largely on programs for children in this state. Many have high Adverse Childhood Experiences scores and have faced significant childhood trauma. We have focused a great deal on implementing trauma informed care both in our programs and in our work with the state, school districts, and other health providers. The good news is that kids are resilient, and making sure that effective support and recovery programs exist can make not only a difference in their lives, but also the difference between life and death.

Let me give you one example which is not all that unusual.

We certainly appreciate the enormous challenges that this budget situation presents. We understand the requirement to balance the budget, and we support a thorough look at programs to ensure that they are value based and effectively administered. We understand and support your efforts to find both new revenues and ways to control spending in areas that do not affect the lives and safety of children in this state.

As you've heard over the last few days, child welfare programs are a critical link to protecting children today, and preserving their opportunities for success later. Yet, as DHS has noted to us, in the high level settings, the Agency has roughly 50% less placements available to them than are necessary. That means that around ½ of kids with high level needs cannot be placed in the appropriate setting on any given day.

At the very core of this problem is a budget issue. You have detailed testimony in writing from a number of the non-profits in this state. The bottom line is that funding for rate reimbursements are funding for staff. And for more than a decade the ability to provide these staff with living wages has eroded year after year. This is challenging work. The youth we serve have faced a life of trauma before coming into our programs. But these youth are resilient and there is great hope and optimism among our staff that they can make a difference. Keeping high level, quality staff who are dedicated to this important work is becoming increasingly difficult. These rates are about child safety. Having qualified staff who are willing to stay in the field is absolutely essential to producing quality results, and the request from the Governor would be a step in doing just that.

We've already seen 23 non-profit programs decide that they cannot afford to continue to offer services and turn back their contracts. Three others have lost their contracts because of investigations or allegations. The system is in crisis, and the rate adjustments in this budget would be essential towards reversing that trend, increasing quality capacity for these children,

and ensuring that those children in our communities with the greatest needs are being cared for through our system here in Oregon.

As you consider the next budget, we would urge you to consider prioritizing state programs that:

1) Are cost savers downstream. For instance, evidence based programs that provide intervention and supports for children facing adverse childhood experiences, childhood trauma, abuse and neglect or developmental disabilities. Much data exists on the value of many innovative programs in behavioral health, child abuse prevention, etc.

2) Leverage other federal or foundation or private support. In earlier testimony, I mentioned SBHCs, which typically receive only 20% of their budget from the state, and generate 75-80% of their total funding from other sources. Programs run by the members of the Oregon Alliance of Children's Programs leverage \$35 million each year in private donations. The rate request in this budget is less than 1/6th of what private contributions are putting into this system. There are other examples, including OPI, CAWEM, etc. that generate additional resources for our state.

3) Are essential for the lives or safety of Oregonians. During the last major cutback of the Oregon Health Plan in 2007, we saw almost 80,000 Oregonians lose health coverage. The result? Many Oregonians lost coverage for life saving medical treatments or pharmaceuticals. Uncompensated costs in Emergency Rooms at Hospitals around the state skyrocketed, to the tune of close to \$430 million a year. We saw a huge increase in untreated mental and behavioral health challenges that drove up costs to local law enforcement and communities. Our corrections system faced additional costs from untreated medical conditions, and homelessness and poverty increased as well. As we cut community based programs for school age kids from \$72 million to \$34 million and eventually less than \$6 million, we watched our absenteeism rate skyrocket and our graduation rate plummet. This meant higher costs for Oregon as education outcomes fell, health outcomes worsened, and workforce challenges increased. Children's health and safety needs to be at the forefront of our priority list.

HSCO members stand ready to help provide the Committee with real world examples of success, of resilience, and of recovery. These often result from relatively small investments in human services programs. Keeping a senior healthy and living independently saves money in the long term. Funding the intervention to get a toddler out of a life of physical abuse saves money in the long term. Making sure that students who have no place to turn have basic health and mental health resources saves money in the long term. Prevention is often hard to quantify, but we know that it is a cost saver.

Again, thank you for your consideration today. You face many challenges with this budget, but we know that you are committed to working to do the best you can for Oregon's future.