



February 21, 2017

Dear Co-Chairs Senator Steiner Hayward and Representative Rayfield:

Lane County has long been an enthusiastic partner with the State of Oregon in health system transformation. Most recently, when the state adopted a focus on the Triple Aim of improving quality, improving health outcomes, and containing costs, Lane County enthusiastically signed on for that challenge. The Board of Commissioners, also serving as our Board of Health, embarked on a collaborative Community Health Improvement Plan with partners at Trillium, PeaceHealth, and United Way; charged staff with finding ways to connect mental health, housing, and public safety systems for the benefit of some of our most vulnerable populations; and moved forward with critical efforts to modernize our Public Health System. When Coordinated Care Organizations were created, we partnered closely with others Lane County to create Trillium CCO, and continue as key partners to manage the behavioral health functions of Trillium as well as key prevention services through Public Health. Collectively we responded to the crisis in access to primary care by opening two additional clinics as part of our Community Health Centers of Lane County, and we have really moved the needle in terms of integration of primary care and behavioral health across both the programs operated by the County, and those operated by other providers in the community.

We work closely with the Oregon Health Authority and obviously the funding streams they manage are very important to us. With a capped property tax overlay, and a significant decline in federal forest revenues, the Department receives little County General Fund dollars, representing just 7.5% of our overall budget of \$140M for FY 17. Even with the fiscal challenges we face, Lane County continues to innovate and lead in the realm of health.

We are an engaged partner with state initiatives such as managing the local aid and assist population, assisting with the management of female prison populations, addressing childhood and college student immunizations, proactively addressing the growing problem of opioid abuse, participating in vehicle and roadway safety initiatives, addressing frequent users of our health and public safety systems, and integrating behavioral health specialists in our jail and on the streets of our communities, and expanding preventive dental care ....to name only a few of our on-going efforts.

In our examination of the Governor's recommended budget and the framework developed by the Co-chairs, there are many significant impacts for the work that we are collectively doing in our communities. We felt the best thing we can contribute to the Committee at this juncture is to provide you with examples of how elements of the proposed budget and/or the Co-chairs framework, if adopted, would impact our abilities at the local level.


- **Reductions in Medicaid coverage:** Sustaining the Medicaid expansion at current levels is a critical and cost-effective way to sustain the underpinnings of our health systems, and also impacts our public safety, housing and other social services safety net systems. In Lane County, approximately 40,000 people who were formerly uninsured are now enrolled in the Oregon Health Plan, with a strong cost-sharing component with the federal government. This means that these people were medically indigent, and their mental health, substance abuse treatment, and physical health services were formerly funded in some of the most expensive, least coordinated settings, with the full burden of those costs covered by the state, local governments, or local providers such as hospitals and their emergency departments. If Medicaid expansion is not maintained, these 40,000 Lane County residents would lose their Medicaid coverage, and much of the costs of treatment will shift back to the public safety system, mental health indigent systems, or plain won't happen—reversing so much of the savings achieved through the transformation of our health care delivery system.
- **Not funding Public Health Modernization:** The success of health system transformation in Oregon depends on a modern public health system, with the capacity and infrastructure necessary to reduce the preventable diseases and conditions that account for over 75% of U.S. health care costs and unquantifiable misery. Public Health was designed for the control of infectious disease, such as cholera, TB, and dysentery. Public Health still has that charge but in the last 50 years the science of prevention has flourished and has given us science-based, public health programs and approaches for increasing healthy behaviors and preventing disease and injury. In Lane County, we have the expertise to be effective in prevention, but we do not have the capacity to practice prevention. We respond to infectious disease, such as syphilis, TB, and gastrointestinal illnesses. Some outbreaks in Lane County are high profile (like the meningitis outbreak at the UO), but others are less well-known, such as the alarming spike in syphilis among women. The Governor's proposed budget does not include any funds for implementation of Public Health Modernization. Given the momentum established through local and state assessments and prior legislative work, it's critically important to fund at least some of the next steps in implementing modernization efforts. Without a stronger Public Health system, we will never achieve our goals related to improved health or early childhood systems.
- **Lack of specificity for funding the Oregon Performance Plan:** This settlement with the US Department of Justice requires changes in system design to achieve required improvements in defined metrics within the behavioral health systems and the state and local level. We believe the plan contains the necessary elements to continue Oregon's transition from an institutionally heavy dependence to a system of mental health care that can honestly be considered community based. Our most significant need is appropriate housing for individuals with mental health and substance abuse challenges. Lane County has identified appropriate sites for facilities designed to assist our residents in need, but we lack both construction and maintenance capital to develop and operate these kinds of facilities. The Oregon Performance Plan should address

these issues and we hope the Committee will continue to seek ways to direct state resources into the areas identified in the plan.

As we look at the needs in Lane County and across the state, as well as the opportunities to truly generate the much-needed return on investment, these programs and others are critical to sustain into the next biennium. We do not believe it is possible within existing revenue sources—the impacts as described in the Co-chairs framework are too painful for individuals and communities across the state.

Lane County continues to be an enthusiastic partner for the state in finding and implementing innovative solutions to critical health, public safety, and human services problems. In order to address these issues, we need to have sufficient resources available in order to not risk the gains made over the last several years.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen Gaffney". The signature is fluid and cursive, with a long, sweeping line extending from the end of the name.

Karen Gaffney  
Assistant Director