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# **OHA's Response to the Secretary of State Audit of the State Behavioral System**

Presented to  
Senate Interim Committee on Mental Health  
September 23, 2020

**Steve Allen**  
**Behavioral Health Director**  
**Oregon Health Authority**



# Commitment to Engagement on Audit Findings

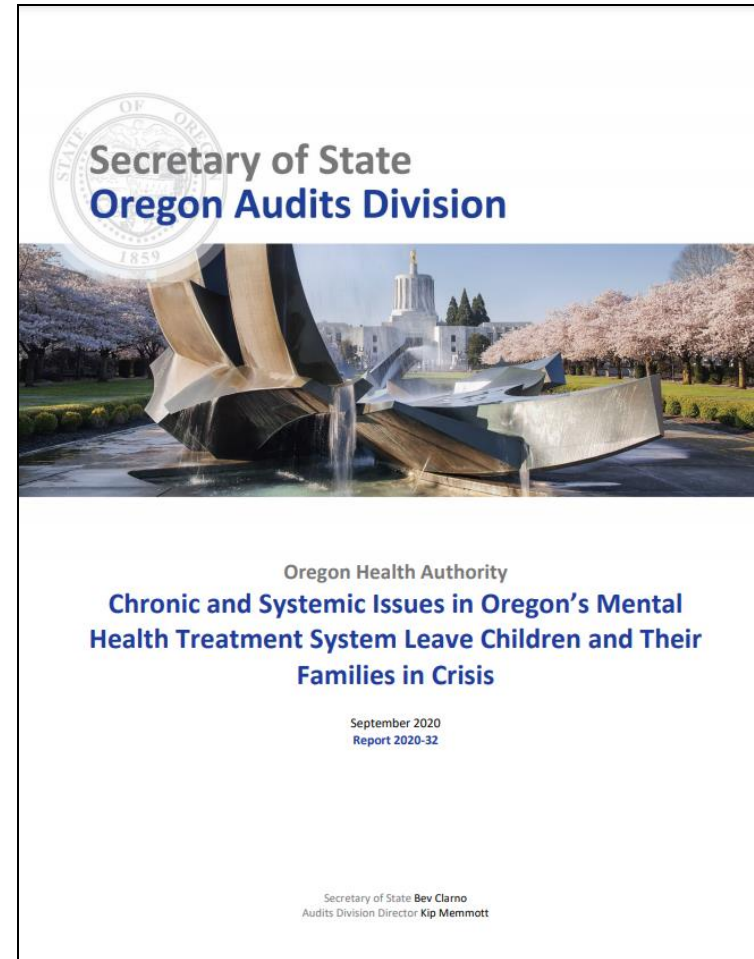
- For our behavioral health system to be truly effective, change must be led by the people who use those systems and supports.
- For too long, we have been making decisions without doing enough to involve the people impacted by them – especially our Tribal communities and Communities of Color. This must change.
- We commit to partnering with the people who use these services and supports to co-create solutions.
- We also need your help as lawmakers to implement these recommendations and build a better system.

# About the audit

The Secretary of State routinely audits state agencies. In the course of an audit of the children's mental health system, the team expanded its scope to include the behavioral health system as a whole.

They looked back at the past two decades of work on mental health in Oregon.

The audit was published Sept. 9, 2020.



# The Audit's Main Findings

Data shortfalls

Workforce shortages

Fragmented delivery system

Inadequate monitoring of spending on county programs

Lack of consistent leadership, vision and governance

# The SOS Audit: 22 Recommendations

- Focusing strategic plans
- Working toward consistent definitions
- Better data collection and analysis
- Improving partnerships and outreach
- Addressing workforce
- Funding mechanisms
- Strengthening oversight and accountability

# OHA's Response

OHA welcomed and agreed with all 22 recommendations.

**In our response, we provided context for each finding:**

- ✓ Where it fits within OHA values and strategic vision
- ✓ Its intersection with health equity
- ✓ How we're centering the voices of consumers
- ✓ Challenges and barriers to implementation

# Consistent leadership

- When Director Patrick Allen joined OHA, we no longer had a behavioral health department.
- He reorganized the agency to put more focus on behavioral health.
- In April 2019, OHA hired Steve Allen as permanent behavioral health director ‘to stop the revolving leadership door’

# Strategic planning and vision

**Agency  
Strategic  
Goal:**

- To eliminate health inequity in Oregon by 2030

**Behavioral  
Health  
System  
Vision:**

- Care must be simple, responsive and meaningful



# Audit Finding: Accountability and oversight

- **County Financial Assistance Agreements – Funding for community behavioral health**
  - OHA work with counties to revise the contracts to set clearer expectations for outcomes and metrics and align with CCO requirements – PAUSED during COVID.
  - Revising these agreements to balance local flexibility with accountability and aligning roles and responsibilities with the CCO's.

# Accountability and Oversight Cont'd: Coordinated Care Organizations

## CCO 1.0

- Delegated full benefit
- Limited provider network and long wait times
- Members unable to access BH in PCPCH
- Limited care coordination and members “falling through the cracks”

## CCO 2.0

- Responsible for BH benefit
- Must ensure adequate provider network and timely access to care (per OAR)
- Must contract for and reimburse BH in primary care
- Priority populations eligible for intensive care coordination

# Audit Finding: Funding

- The audit reports what we already know: Oregon's behavioral health system has been chronically underfunded.
- Resources for behavioral healthcare have also been “based on available funding”, affecting predictability and consistency.

# Context: '19-21 OHA Budget Reductions

- **Mental health residential rates and leverage Other Fund Balances** – \$28.5 mil GF in savings achieved from standardizing mental health residential rates, timing of behavioral health provider rate increases and uses Other Funds balances to offset General Fund expenses. No impact on service level.
- **Oregon State Hospital** – Restructures or eliminates several functions in Oregon State Hospital, resulting in the elimination of 21 non-direct care positions.
- **Rental assistance and wraparound services** – Reduces funding for rental assistance and housing supports associated with the planned construction of permanent supportive housing units, which are not expected to be constructed in 2019-21.

# Context Cont'd: '19-21 OHA Budget Reductions

- **Behavioral health contracts** – Reduces funding not yet announced or awarded in contracts and uses available federal grant revenue to offset General Fund expenses in behavioral health programs, with no anticipated impact on current programs or service levels.
- **Special Purpose Appropriation for Independent Assessment Teams** – Removed Special Purpose Appropriation funding for OHA to fund Independent Assessment Teams as required by SB 1.
- **Vacant positions, and services and supplies** – Holds unfilled positions vacant and reduces services and supplies spending for savings of \$20.5 million General Fund, resulting in no or minimal impact on existing programs and service levels.

# Audit Finding: Modernizing data

- The audit spotlights Oregon's partially funded and incomplete behavioral health data system as one of our challenges.
  - Defining the metrics needed to make Oregon's system simpler to access, more responsive to people and leading to meaningful improvements in their lives.
  - Modernizing OHA behavioral health data system to adequately and accurately capture and report critical information about system capacity, utilization, retention and outcomes.

# OHA Actions to Modernize Data

- **Short Term**

- Building the Children's System Data Dashboard to track children's services across systems.
- Agency requesting funding for COMPASS modernization: Moves forward the Behavioral Health Data Warehouse and MOTS system replacement

- **Long Term Considerations for Modernization:**

- Aligning client identifiers across systems through a standardized master person index
- Aligning provider identifiers across systems with a standardized provider index

# Audit Finding: Workforce

- The audit documents that chronic workforce shortages and turnover cause strain on the system and can create trauma for people in treatment, especially for vulnerable children and youth.
- Progress and resources for change:
  - OHA behavioral health workforce assessment completed.
  - Behavioral Health Workforce Incentive Fund included in Agency Request Budget.
  - Governor's Behavioral Health Advisory Council recommendations.
  - Oregon Commission on Hispanic Affairs recommendations.



# Context: Provider stability during COVID

- Oregon Council on Behavioral conducted a survey in late June that highlighted:
  - 70% of BH programs report they are facing full or program specific closures if billable service levels or relief payments do not change the current status.
  - 67% of programs have had to reduce access or close programming.
  - While initially fairly modest, 35% of programs have enacted staff layoffs in the first two months of the pandemic. 40% anticipating additional layoffs within 60 days
  - 42% of providers have less than 2 months of operating reserves on hand (without layoffs)

# Context Cont'd: Provider Stability during COVID

- **OHA Actions:**
  - CCO flexibility
  - County funding flexibility & Coronavirus Relief Funds to CMHPs
  - Telehealth payment equity
  - Medicaid Vacancy Payments through Disaster State Plan Amendment
- **Federal Action:**
  - Paycheck Protection Program loans
  - US Health and Human Services direct provider payments

# Audit Finding: Children's System of Care

- The audit recommends that OHA work with the new System of Care Advisory Council and the Legislature to optimize the statutes guiding mental health treatment services. It also suggests the creation of a System of Care roadmap.
  - System of Care Advisory Council appointed by the Governor and meeting monthly since March 2020.
  - Data dashboard in development.
  - COVID-specific recommendations to child-serving agencies.
  - September 15, 2020 Report to the Governor and Legislature submitted.

# Audit Findings: Improved engagement

- The audit notes that OHA needs to improve its connections between leadership and its advisory groups and to update its existing stakeholder map. It also suggests the creation of a public education campaign for mental health.
  - Work under way to identify all formal and informal boards, commissions and groups that advise the Behavioral Health Director.
  - The next step of the Safe + Strong campaign focuses on behavioral health resources and is set to launch Sept. 23.
  - Oregon one of a few states to have a director of Consumer Activities reporting directly to the Behavioral Health Director.

**WHAT'S NEXT?**

# Audit Response Legislative Asks

Recommendation	Legislative Ask
#2. Define “health” and “mental health”	May require statutory changes to define and create consistency.
#6. Address behavioral health data gaps, including benchmarks for children’s mental health	Funding for COMPASS modernization and BH data legislative authority where necessary. Funding for continued consultation with SOC expertise.
#7. Develop and deliver a proposal to request additional resources for a data analyst within the Child and Family Behavioral Health Unit.	BH Data Analyst 1 FTE position for the CFBH Unit - OPA 3

# Audit Response Legislative Asks, Cont.

Recommendation	Legislative Ask
#15. Develop an intermediate proposal to Legislature for addressing issues with statutory language requiring the call center contract up to discontinuing OHA's portion of the contract.	Workgroup is being formed (with System of Care Advisory Council) to advise on improvements to current call center outlined in statute.
#16. Optimize statute guiding MH treatment	2023 Goal for legislative recommendations. Consider directing a study.
#17. Workforce retention and recruitment strategy with annual report to OHPB	OHA staffing and funding + direct task force with higher education and licensing boards

**QUESTIONS?**