

**Legislative  
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**Joint Committee on  
Ways and Means**

Sen. Betsy Johnson, Senate Co-Chair  
Sen. Elizabeth Steiner Hayward, Senate Co-Chair  
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair  
Rep. David Gomberg, House Co-Vice Chair  
Rep. Greg Smith, House Co-Vice Chair

**To:** Human Services Subcommittee  
**From:** Laurie Byerly, Legislative Fiscal Office  
**Date:** June 13, 2019  
**Subject:** HB 5026 – Department of Human Services - Agency Totals  
Work Session Recommendations

**Department of Human Services – Agency Totals**

	<b>2015-17 Actual</b>	<b>2017-19 Legislatively Approved</b>	<b>2019-21 Current Service Level</b>	<b>2019-21 LFO Recommended</b>
General Fund	2,713,968,780	3,206,487,172	3,723,069,270	3,841,035,869
Other Funds	484,567,909	666,808,960	570,282,885	629,678,984
Federal Funds	4,601,139,098	5,575,122,100	5,823,621,440	5,961,628,189
Federal Funds NL	2,129,912,523	2,214,345,331	2,214,345,331	1,939,345,331
<b>Total Funds</b>	<b>9,929,588,310</b>	<b>11,662,763,563</b>	<b>12,331,318,926</b>	<b>12,371,688,373</b>
Positions	8,029	9,075	9,162	9,399
FTE	7,877.90	8,616.92	9,084.50	9,284.49

Attached are the recommendations from the Legislative Fiscal Office (LFO) for the Department of Human Services. They are the aggregate of all the individual program budgets the Subcommittee has already approved for the agency. The total funds budget is 6.1% above the 2017-19 legislatively approved budget; if the nonlimited budget is excluded, the increase is 10%. The General Fund increases by 19.8% or \$634.5 million between biennia and is 3.2% or \$118.0 million above the 2019-21 current service level.

Maximum Supervisory Ratio:

The agency reported a maximum supervisory ratio of 1:8.39 for the 2019-21 biennium.

**Adjustments to Current Service Level**

See attached “HB 5026 Work Session” spreadsheet

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

**Accept** LFO Recommendation:

**MOTION:** I move the LFO recommendation to HB 5026. (VOTE)

**OR**

**Change** LFO Recommendation:

**MOTION:** I move the LFO recommendation to HB 5026, with modifications. (VOTE)

### **Performance Measures**

See attached “Legislatively Proposed 2019-21 Key Performance Measures.”

**Accept** LFO Recommendation:

**MOTION:** I move the LFO recommendation on Key Performance Measures. (VOTE)

**OR**

**Change** LFO Recommendation:

**MOTION:** I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

### **Budget Notes**

#### **#1 Budget Note: Child Welfare Provider Workforce Challenges Assessment**

The Oregon Department of Human Services, along with Child Welfare residential providers, shall assess the workforce issues associated with the provider community and develop recommendations focused on regulatory barriers and provider culture. These recommendations shall focus on the system changes needed to encourage providers to enhance capacity in the State of Oregon while also identifying strategies to help attract, develop, and retain a quality service provider workforce. A report is due back to the appropriate policy committee(s) no later than September 2020.

#### **#2 Budget Note: Intellectual and Developmental Disabilities Provider Rate Investment**

It is the intent of the Legislature that providers serving people with intellectual and developmental disabilities will use the \$30.0 million General Fund (\$91.8 million total funds) approved for provider rate increases in HB 5026 to help bring the direct support professional wage as close as possible to \$15.00 per hour by the end of the 2019-21 biennium. In addition, the Legislature understands the Department of Human Services will be transitioning to new rate models during the biennium; to ensure there is enough funding available to effectively implement these new structures, rate increases under the

old models should be limited to no more than four percent. DHS is also directed, to the best of its ability, to apply this investment in a manner that prioritizes supporting individuals with the highest need. By February 1, 2020, the agency will submit a report to the Interim Joint Committee on Ways and Means outlining how the funding has been and will be applied, describing stakeholder involvement in the process, identifying impacts on providers and workers, and providing an update on the transition to the new rate models.

### **#3 Budget Note: Intellectual and Developmental Disabilities Case Managers**

The Department of Human Services is directed to report to the Senate Human Services and House Human Services and Housing Committee during the 2020 Legislative Session on case management duties and training requirements for case managers serving individuals with intellectual and developmental disabilities.

### **#4 Budget Note: Aging and People with Disabilities OPI and Respite Waivers**

The Department of Human Services, in collaboration with the Oregon Health Authority, shall explore opportunities to obtain federal funding for the Oregon Project Independence program and family caregiver respite programs. The Department shall convene an advisory committee to make recommendations on the design of the programs, the benefit packages and the application for federal approval. The Department shall report the results of this work to the appropriate legislative policy committee(s) no later than December 31, 2020. Future implementation of any new program(s) would be contingent upon any necessary approvals from the Centers of Medicaid and Medicare Services (CMS), potentially including a new 1115 demonstration project waiver. If a federal waiver is required, the Department shall apply for such a waiver, but only implement the program(s) if the budget is available, and CMS approves the program through a new and distinct waiver from the currently approved Oregon Health Plan waiver. Lastly, if CMS requires the state to amend the existing Oregon Health Plan waiver, the Department/state shall withdraw the request.

### **#5 Budget Note: Budget Appropriations**

To improve transparency and accountability within the agency's budget, the Department of Human Services shall, for the 2021-23 budget cycle, request budget bill appropriations at a more detailed level than that presented in HB 5026. At a minimum, appropriations should be established at the following program levels: Vocational Rehabilitation; Self Sufficiency; Child Welfare; Aging and People with Disabilities; Intellectual and Developmental Disabilities; Central Services; State Assessments and Enterprise-wide Costs; and Shared Services. The Department of Administrative Services, Chief Financial Office, shall support this effort by providing any budget or accounting guidance needed to complete this task and will ensure that the budget bill submitted to the Legislature for the 2021 session is consistent with budget note direction.

**Accept** LFO Recommendation:

**MOTION: I move the LFO recommendation on Budget Notes. (VOTE)**

**OR**

**Change** LFO Recommendation (any changes must be approved by the co-chairs):

**MOTION: I move the LFO recommendation on Budget Notes, with modifications.**  
(VOTE)

**Recommended Changes**

LFO recommends a budget of \$3,841,035,869 General Fund, \$629,678,984 Other Funds, and \$5,961,628,189 Federal Funds and 9,399 positions (9,284.49 FTE), which is reflected in the -1 amendment.

**MOTION: I move adoption of the -1 amendment to HB 5026.** (VOTE)

**Final Subcommittee Action**

LFO recommends that HB 5026, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

**MOTION: I move HB 5026, as amended, to the Full Committee with a do pass recommendation.** (VOTE)

**Carriers**

Full Committee: \_\_\_\_\_

House Floor: \_\_\_\_\_

Senate Floor: \_\_\_\_\_

DEPARTMENT OF HUMAN SERVICES: AGENCY TOTALS  
HB 5026 WORK SESSION

	GEN FUND	LOTTERY	OTHER	FEDERAL	NL OTHER	NL FEDERAL	TOTAL FUNDS	POS	FTE
<b>2017-19 Legislatively Approved Budget (As of December 2018)</b>	3,206,487,172	-	666,808,960	5,575,122,100	-	2,214,345,331	11,662,763,563	9,075	8,616.92
<b>2019-21 Current Service Level</b>	3,723,069,270	-	570,282,885	5,823,621,440	-	2,214,345,331	12,331,318,926	9,162	9,084.50
<b>2019-21 Governor's Budget</b>	3,797,162,519	-	623,272,839	5,915,982,780	-	2,214,345,331	12,550,763,469	9,339	9,122.81
<b>2019-21 LFO RECOMMENDED BUDGET</b>	3,841,035,869	-	629,678,984	5,961,628,189	-	1,939,345,331	12,371,688,373	9,399	9,284.49
Vocational Rehabilitation	35,629,792	-	3,013,701	84,026,231	-	-	122,669,724	261	260.04
Child Welfare	777,187,316	-	39,019,172	540,302,215	-	-	1,356,508,703	3,267	3,217.65
Aging and People with Disabilities	1,205,195,117	-	250,616,522	2,488,949,824	-	-	3,944,761,463	1,568	1,515.11
Intellectual and Developmental Disabilities	1,054,908,231	-	28,651,532	2,002,687,787	-	-	3,086,247,550	920	918.94
Self Sufficiency Programs	444,882,878	-	120,454,568	603,079,912	-	1,939,345,331	3,107,762,689	2,498	2,494.60
Central, Shared, Assessments	323,232,535	-	187,923,489	242,582,220	-	-	753,738,244	885	878.15
<b>TOTAL 2017-19 DHS RECOMMENDED BUDGET</b>	<b>3,841,035,869</b>	<b>-</b>	<b>629,678,984</b>	<b>5,961,628,189</b>	<b>-</b>	<b>1,939,345,331</b>	<b>12,371,688,373</b>	<b>9,399</b>	<b>9,284.49</b>
\$ Change from 2017-19 Approved	634,548,697	-	(37,129,976)	386,506,089	-	(275,000,000)	708,924,810	324	667.57
% Change from 2017-19 Approved	19.79%	-	-5.57%	6.93%	-	-12.42%	6.08%	3.57%	7.75%
\$ Change from 2019-21 CSL Estimate	117,966,599	-	59,396,099	138,006,749	-	(275,000,000)	40,369,447	237	199.99
% Change from 2019-21 CSL Estimate	3.17%	-	10.42%	2.37%	-	-12.42%	0.33%	2.59%	2.20%
% Change from 2019-21 Governor's Budget	43,873,350	-	6,406,145	45,645,409	-	(275,000,000)	(179,075,096)	60	161.68
% Change from 2019-21 Governor's Budget	1.16%	-	1.03%	0.77%	-	-12.42%	-1.43%	0.64%	1.77%

# Legislatively Proposed 2019 - 2021 Key Performance Measures

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Agency: Human Services, Department of

**Mission Statement:**

To help Oregonians in their own communities achieve safety, well-being and independence through services that protect, empower, respect choice and preserve dignity

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
1. OVRS CLOSED - EMPLOYED – The percentage of Office of Vocational Rehabilitation Services (OVRS) consumers with a goal of employment who are employed.		Approved	57%	65%	65%
7. ABSENCE OF REPEAT MALTREATMENT - The percentage of abused/neglected children who were not subsequently victimized within 6 months of prior victimization.		Approved	92%	97%	97%
8. TIMELY REUNIFICATION - The percentage of foster children exiting to reunification within 12 months of foster care entry.		Approved	71.60%	76%	76%
9. TIMELINESS OF ADOPTION ONCE LEGALLY FREE - Percent of Legally free children adopted in less than 12 months		Approved	42.10%	54%	54%
10. LTC NEED PREVENTION - Percentage of seniors (65+) needing publicly-funded long term care services.		Approved	3.05%	3.08%	3.08%
11. LTC RECIPIENTS LIVING OUTSIDE OF NURSING FACILITIES - The percentage of Oregonians accessing publicly-funded long-term care services who are living outside of nursing facilities.		Approved	87.40%	89%	89%
16. Abuse Investigation Timeliness - Percent of abuse reports assigned for field contact that meet policy timelines.		Approved	97.82%	95%	95%
17. CUSTOMER SERVICE - Percentage of customers rating their satisfaction with DHS above average or excellent: overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Timeliness	Approved	73.80%	81%	81%
	Accuracy		78.80%	91%	91%
	Overall		75.70%	90%	90%
	Helpfulness		83%	86%	86%
	Expertise		78.50%	90%	90%
	Availability of Information		90%	92%	92%
18. Disparity in foster youth achieving permanency within 2 years by race/ethnicity - Disparity is calculated by taking the ratio of two percentages: Percent of Non-White & Hispanic children achieving permanency goals / Percent of Non-Hispanic White children achieving permanency goals. The permanency goal is the percent of foster youth achieved permanency within 24 months (of those that entered 24 months ago)	Disparity of Non-Hispanic African American Youth	Approved	0.70	1	1
	Disparity of Non-Hispanic Asian/Pacific Islander Youth		0.90	1	1
	Disparity of Non-Hispanic White Youth (always=1)		1	1	1
	Disparity of Non-Hispanic Native American/Alaska Native Youth		1	1	1
	Disparity of Hispanic (any race) Youth		1	1	1

Legislatively Proposed KPMS	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
19. CHILDREN SERVED BY CHILD WELFARE RESIDING IN PARENTAL HOME - The percent of children served in Child Welfare on an average daily basis (In Home and Foster Care) who were served while residing in their parent's home.		Approved	23.80%	33%	33%
. SERVICE ELIGIBILITY - ODDS - The percentage of individuals who apply for ODDS services who are determined eligible within 90 days from application		Proposed New	No Data	TBD	TBD
. HOUSEHOLDS AT, OR ABOVE, LIVING WAGE - The percentage of households leaving Self Sufficiency who are at, or above, a living wage four quarters out		Proposed New	No Data	TBD	TBD
. HOUSING STABILITY - The percentage of Self Sufficiency participants who improve their housing situation		Proposed New	No Data	TBD	TBD
. FOOD SECURITY - The percentage of Self Sufficiency participants who improve their food security		Proposed New	No Data	TBD	TBD
. SELF-EFFICACY/HOPE - The percentage of Self Sufficiency participants who improve their ability to influence their future outcomes		Proposed New	No Data	TBD	TBD
. EMPLOYMENT IN SECOND QUARTER - The percentage of clients closed from plan who are employed during second quarter following closure		Proposed New	No Data	52%	52%
. EMPLOYMENT IN FOURTH QUARTER - The percentage of clients closed from plan who are employed during fourth quarter following closure		Proposed New	No Data	52%	52%
. MEDIAN QUARTERLY WAGE - Median quarterly wage at second quarter following closure from VR program		Proposed New	No Data	\$3,300.00	\$3,300.00
. SUPPORTED EMPLOYMENT - EMPLOYMENT FIRST - The number of individuals who obtain competitive integrated employment		Proposed New	No Data	TBD	TBD
13. In-Home Services - The percentage of adults enrolled in the Intellectual/Developmental Disabilities program who are receiving services in their own home, including family home		Proposed New	No Data	75%	75%
15. ABUSE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES - The percentage of substantiated abuse/neglect of adults in licensed and endorsed programs		Proposed New	No Data	0%	0%
2. TANF FAMILY STABILITY - Rate per 1,000 of TANF recipient children entering child welfare (foster care or in home)		Proposed Delete	3.40	3.90	3.90
3. TANF RE-ENTRY - The percentage of Temporary Assistance for Needy Families (TANF) cases who have not returned within 18 months after exit due to employment.		Proposed Delete	62.51%	TBD	TBD
4. SNAP (Supplemental Nutrition Assistance Program) UTILIZATION - The ratio of Oregonians served by SNAP to the number of low-income Oregonians.		Proposed Delete	98%	0%	0%
5. SNAP (Supplemental Nutrition Assistance Program) ACCURACY - The percentage of accurate SNAP payments		Proposed Delete	92.23%	0%	0%
6. ENHANCED CHILD CARE - The percentage of children receiving care from providers who are receiving the enhanced or licensed rate for child care subsidized by DHS		Proposed Delete	77.60%	0%	0%
12. DEVELOPMENTAL DISABILITY SUPPORT SERVICES - The percentage of eligible adults who are receiving adult support services within 90 days of request.		Proposed Delete	72.16%	0%	0%
13. PEOPLE WITH DISABILITIES LIVING AT HOME - The percentage of individuals enrolled in the Intellectual/Developmental disabilities program who are receiving services in their own home.		Proposed Delete	75.26%	0%	0%

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2020	Target 2021
14. SUPPORTED EMPLOYMENT - Increase the number of individuals who receive developmental disability services in supported employment.		Proposed Delete	3,012	0	0
15. ABUSE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES - The percentage of people with developmental disabilities experiencing abuse.		Proposed Delete	2%	0%	0%
20. TANF JOBS PLACEMENTS - The percentage of clients who achieve job placement each month compared to those anticipated to achieve placement.		Proposed Delete	110.40%	TBD	TBD

**LFO Recommendation:**

Approve the agency's request to delete 10 KPMs and add 11 new or modified KPMs, with targets as shown. Regarding the new measures without data or developed targets, LFO recommends directing the Department to provide a detailed update on the status of data collection and target development as part of the Annual Performance Progress Report due in October 2019 and 2020.

**SubCommittee Action:**