

ANALYSIS

Item 11: Oregon Health Authority Ballot Measure 110 Implementation

Analyst: Matt Stayner

Request: Acknowledge the receipt of a report on the progress of developing a public dashboard related to the use of the Drug Treatment and Recovery Services Fund as a part of the implementation of Ballot Measure 110.

Analysis: A budget note for the Oregon Health Authority's primary 2023-25 budget bill (SB 5525) directed the agency to develop a public dashboard that presents information related to the use of the Drug Treatment and Recovery Services Fund (DTRSF). The budget note requires the dashboard to present specific financial information of the DTRSF that includes:

- Fund revenues
- Fund expenditures, both actual and planned
- Fund balances, including reserves

The budget note also requires the dashboard to contain information related to the Behavioral Health Resource Networks (BHRNs) that details:

- Specific grants, contracts, or expenditure obligations made from the fund beyond operating the BHRNs
- Program outcomes with respect to expenditures from the DTRSF

The Oregon Health Authority (OHA) was directed to report its progress on implementation of the dashboard to the Joint Committee on Ways and Means on or before January 1, 2023. The agency submitted its written report to the Interim Joint Ways and Means Co-Chairs on December 12, 2023.

OHA's written progress report provides two electronic hyperlinks within the text of the report. The first of these is labeled "program outcomes" and links to a ten-page informational display. These pages contain useful program information and statistics, but do not provide substantive program outcomes. The data is also limited to the first three quarters of the 2023 fiscal year. This is the period from July 1, 2022 through March 31, 2023, which makes the information roughly nine months out of date. The first four pages provide an overview of the Measure 110 program, timeline, some funding distribution statistics, and navigation to information about each of the BHRNs. Page four deals with BHRN partner data and indicates that data beyond the number of individuals engaged, including limited race and ethnicity information on those individuals, will not be reported until after April 1, 2023, which is beyond the information presented in the other pages.

While the total number of individuals engaging in services from BHRN partners, even when parsed into race or ethnic groups, provides information about what funding is used to support, it does not address the impact of the program and services. The display presents some subjective data, particularly on page eight that presents "what the BHRN partners are saying." This provides thematic survey data submitted by the BHRN partners according to topic and fiscal quarter. The survey responses may be useful, but they can also present inconsistent information or otherwise raise questions that merit additional

analysis. For example, under the “successes” topic in the third quarter, 34% of respondents (the second highest percentage) indicated that they hired, trained and retained staff; however, under the “challenges” topic for the same quarter, 39% of respondents indicated they had problems hiring and onboarding in a timely manner. This was the number one challenge in that period.

The second hyperlink in OHA’s report is labeled “dashboard” and links to a data visualization display that presents limited financial and BHRN services data. The two primary pieces of financial information are the allocations made to BHRNs and the BHRN payments from those allocations. The date range is not explicitly presented, but the page notes when the data was last refreshed. Since the data is reported quarterly, significant lags in updated information could occur. Like the “program outcomes” pages, the information is useful, but incomplete with respect to the budget note requirements and without appropriate context. The written report submitted by OHA seems to acknowledge the limitations of this part of the dashboard by stating that it would publish an updated dashboard by January 1, 2024 that will show the revenues, actual expenditures, planned expenditures, and balances (including reserves) in the DTRSF. OHA’s report, however, does not mention how and when the agency will provide the required information in the budget note involving specific grants, contracts, or expenditure obligations made from the Fund beyond operating the BHRNs; and program outcomes with respect to expenditures from the DTRSF.

In addressing the promised forthcoming dashboard information update, the OHA written report includes tables presenting revenue and expenditure information related to Ballot Measure 110 for the 2021-23 biennium and the 2023-25 biennium, with the latter including both projected and actual revenues and expenditures through October 2023. The report does not provide accompanying explanatory narrative to help understand what is being presented in the tables. A typographical error exists in one of the revenue numbers and understanding how the totals and subtotals reconcile to the other components of the table is not obvious. For example, in the 2021-23 expenditures section, the “subtotal DTRSF expenditures” row appears to represent both expenditures and anticipated carryover amounts. This row shows a subtotal of \$264,323,186, but the actual sum of the DTRSF expenditures presented is \$245,956,259. Based on these amounts, the estimated carryover of DTRSF resources to 2023-25 is \$18,366,927.

Also, OHA’s table identifies a portion of 2021-23 administrative costs the agency decided to support with \$6,061,042 General Fund from its budget due to a 4% statutory cap on the administrative expenditures from the fund. That cap will be removed as of January 1, 2024 due to the adoption of HB 2513 (2023). This is expressed in the 2023-25 expenditure tables where no administrative expenditures are supported with General Fund, but projected administrative expenditures from DTRSF resources increase by \$6,607,500 from the 2021-23 biennium. None of this is discussed in the report.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means acknowledge receipt of the report.

Request: Report by the Oregon Health Authority (OHA) on the creation of a dashboard containing financial and programmatic information about Ballot Measure 110 as required by a budget note to Senate Bill 5525 (2023).

Recommendation: Acknowledge receipt of the report.

Discussion: Senate Bill 5525 (2023), OHA's main budget bill for the 2023-25 biennium, includes a budget note with the following direction:

Budget Note:

The Oregon Health Authority (OHA) shall make available through a public dashboard the revenues, actual expenditures, planned expenditures, and any balances, including reserves, in the Drug Treatment and Recovery Services Fund (DTRSF) for the current biennium. The dashboard should contain information related to the Behavioral Health Resource Networks (BHRNs) and specify other grants, contracts, or expenditure obligations made from the Fund beyond operating the BHRNs. OHA shall also include program outcomes with respect to expenditures from the Fund. No later than January 1, 2024, OHA shall report its progress on the implementation of this requirement to the subcommittee of the Joint Committee on Ways and Means with authority over human services agencies' budgets.

Briefly, Ballot Measure 110 decriminalized the possession of most illicit drugs for personal use in Oregon and directed funding from the Marijuana Tax and other sources to provide an array of services for those with substance use disorders, including screening, assessment, peer support, harm reduction services, housing, supported employment, and substance use treatment. OHA estimates \$256.1 million will be available to spend on these services and related administrative costs in 2023-25.

The budget note requirements can be broken down broadly into two areas: financial information and program outcomes. OHA's financial dashboard provides detailed financial information about Measure 110 services broken down by county, behavioral health resource network (BHRN), service provider, and type of service provided as well as amounts allocated to the tribes. OHA intends for this information to be useful to the public as well as to system partners, providers and those seeking services funded by Measure 110. Information not included in OHA's financial dashboard but required by the budget note was provided by the OHA in a series of tables included in its report to the Legislature.

OHA created a separate dashboard to report on program outcomes. This dashboard shows information on the number of clients served and the number of client encounters broken down by county, the type of service received, calendar year quarter, client race and ethnicity, client age, and spending by BHRN broken down by type of service and type of expenditure. The Oversight and Accountability Council (OAC) has created a

phased approach to reporting program outcomes out of a desire to accommodate small or new providers who may not have extensive experience in tracking the kinds of data required by OHA. The phased approach also aligns with OHA's plans to replace its prior behavioral health information system with the Resilience Outcomes Analysis and Data Submission (ROADS), which will be able to support client-level data reporting. The phases break down as follows:

Phase	Start Date	Information Reported
Phase 1	July 1, 2022	<ul style="list-style-type: none">- Number of clients served- Number of encounters- Number of service denials
Phase 2	January 1, 2023	<ul style="list-style-type: none">- Expanded race / ethnicity reporting
Phase 3	April 1, 2023	<ul style="list-style-type: none">- Service-type specific information such as housing types, number of beds and outreach events performed
Phase 4	Spring 2024	<ul style="list-style-type: none">- Client-level data- Full demographic data on race, ethnicity, language, and disability (REALD)

OHA anticipates additional program data, including client-level service utilization, will be reported starting in Spring 2024. OHA's administrative rules indicate the additional data to be reported includes the average duration of client participation and client outcomes, the number of individuals seeking assistance who are denied services, and the average time it takes for clients to access services and fulfill their service plans. These requirements align with requirements in House Bill 2513 (2023) for data to be collected in advance of a Secretary of State program audit to be completed by December 31, 2025. OHA is working with the OAC and stakeholders develop a strategic plan for reporting specific outcome metrics with a goal of finalizing the plan by August 1, 2024. Planning efforts include setting strategic parameters around data collection, defining the types of data to be collected, and modifying information and reporting systems. This work will be undertaken with an eye towards limiting the administrative burden on BHRN service providers.



December 12, 2023

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Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Legislature passed Senate Bill 5525 (2023 Regular Session), requiring the Oregon Health Authority (OHA) to make available through a public dashboard the revenues, actual expenditures, planned expenditures, and any balances, including reserves, in the Drug Treatment and Recovery Services Fund (DTRSF) for the current biennium. The dashboard should contain information related to the Behavioral Health Resource Networks (BHRNs) and specify other grants, contracts, or expenditure obligations made from the Fund beyond operating the BHRNs. OHA shall also include program outcomes with respect to expenditures from the Fund. No later than January 1, 2024, OHA is required to report its progress on the implementation of this requirement.

Agency Action

OHA currently publishes [program outcomes](#) of the BHRNs, including data on the number of persons served and the number of services rendered, which is updated on a quarterly basis. OHA also maintains a [dashboard](#) that displays the grant funding awarded to each BHRN provider from the DTRSF. OHA is finalizing changes to that dashboard to show the revenues, actual expenditures, planned expenditures, and any balances, including reserves, in the DTRSF.

In a letter of December 4, 2023, OHA indicated that it anticipates publishing the updated dashboard by January 1, 2024, and that it would issue a report outlining progress on the implementation of this requirement by December 11, 2023. (See attachment.) This letter serves as that progress report.

Senator Elizabeth Steiner
Representative Tawna Sanchez
December 12, 2023
Page 2 of 4

Revenue and expenditures related to Measure 110 for the 2021-23 biennium are as follows:

Revenue	2021-23 Revenue
DTRSF Transfer from Dept. of Revenue (DOR)	\$209,967,400
MISC Revenue	\$946,096
Opioid Settlement Revenue	\$6,831,161
Carryover from 2019-21	\$44,807,718
Monthly Interest	\$1,1770,810
Subtotal Revenue	\$264,323,186

Expenditures	2021-23 Expenditures
Tribal Set Aside	\$9,688,471
Grants/Service Costs	\$227,875,288
Access to Care	\$11,225,163
Access to Care Extensions	\$6,699,449
Behavioral Health Resource Networks (BHRNs)	\$209,950,676
Program Only Subtotal	\$237,563,759
Personnel and S&S	\$6,284,906
OAC	\$278,826
Contracts	\$7,612,349
Data Reporting	\$277,461
Admin – DTRSF Expenditures	\$8,392,500
Admin – GF Expenditures	\$6,061,042
Subtotal DTRSF Expenditures	\$264,323,186

Balance (Estimated Budget Carryover to 2023-25)	\$18,366,927
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Forecasted revenue and expenditures for the 2023-25 biennium are as follows:

Revenue	Dec. 2023 Revenue Forecast For 2023-25	2023-25 Revenue (As of October 2023)
DTRSF Transfer from Dept of Revenue (DOR)	\$197,821,000	\$26,524,211

Opioid Settlement – McKinsey & Company	\$668,588	
Estimated Carryover*	\$18,366,927	\$18,366,927
Monthly Interest		\$237,620
Savings from Other State Agencies, DOJ, DOC	\$39,227,221	\$2,157,766
Criminal Fine Account Offset	\$62,400	
Total Revenue	\$256,146,136	\$47,286,524

*The \$18 Million in carryover has not yet been moved to 2023-25, but it is still in the Drug Treatment and Recovery Services Fund. The Office of Financial Services (OFS) is still processing.

Expenditures	2023-25 Spend Plan	2023-25 Expenditures (as of October 2023)
Tribal Set Aside	\$13,294,299	\$1,087,557
Grants / service costs	\$227,851,837	\$30,962,381
Program only	\$241,146,136	\$32,049,939
Admin	\$15,000,000	\$2,331,243
Personnel and S&S	\$10,676,429	\$1,886,858
OAC	\$341,200	\$34,198
Contracts	\$3,000,000	\$315,228
Data Reporting	\$982,371	\$94,959
Subtotal Expenditures	\$256,146,136	\$47,286,524
Balance	-	\$12,905,343

Data source: Statewide Financial Management Application (SFMA); Data extracted: 12/6/2023. Note: SFMA data has a one-month lag. (Example: data extracted 12/1/2023 is from 10/31/2023). Report refreshed: 12/8/2023 (report will be refreshed monthly).

OHA will update the dashboard by January 1, 2024.

Senator Elizabeth Steiner
Representative Tawna Sanchez
December 12, 2023
Page 4 of 4

Please let me know if you have any questions.

Sincerely,



Dave Baden
Interim Director

EC: Matt Stayner, Legislative Fiscal Office
Patrick Heath, Department of Administrative Services
Kate Nass, Department of Administrative Services
Amanda Beitel, Legislative Fiscal Office

Attachment: 23_1204_OHA Ballot Measure 110 Implementation Update
Letter_Final



December 4, 2023

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Senator Elizabeth Steiner
Representative Tawna Sanchez
December 4, 2023
Page 2 of 2

OHA will issue a report outlining progress on the implementation of this requirement by December 11, 2023.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Baden".

Dave Baden
Interim Director

EC: Matt Stayner, Legislative Fiscal Office
Patrick Heath, Department of Administrative Services
Kate Nass, Department of Administrative Services
Amanda Beitel, Legislative Fiscal Office