# Meeting Summary

Joint Task Force on Regional Behavioral Health Accountability

Meeting #4
Link to Task Force on OLIS

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| Date/Time | May 2, 2025 (link to recording)<br>Virtual meeting |
| Attendees | Sen. Kate Lieber, Co-Chair<br>Sen. Dick Anderson, Co-Chair<br>Rep. Rob Nosse<br>Marris Alden<br>Ebony Clarke<br>Annaliese Dolph<br>Melisa Eckstein<br>Ann Ford<br>Bennett Garner<br>Ana Gonzalez<br>Amanda Gray<br>Holly Harris<br>Heather Jefferis<br>Kimberly Lindsay<br>Alison Noice<br>Korin Richardson<br>Jennifer Sewitsky<br>John Shafer<br>Nan Waller<br>Scott Winkels<br><br>Excused: Rep. Darcy Edwards, Dee Butler, Andrew Cherry, Mahad Hassan, Michele Vowell, Lamar Wise |
| **Perspectives on Oregon's Health Funding Landscape**<br><br>Shauna O'Neil, Senior Research Analyst, LPRO | • Background<br>• The Legislative Policy and Research Office (LPRO) was asked to gather additional information about Oregon's behavioral health funding landscape, including 1) inventorying major funding conduits and their statutory, regulatory, or contractual elements, and 2) interviewing stakeholders about those conduits.<br>• LPRO presentation focused on preliminary thematic analysis of system-level themes, with future presentations to share more detailed information in a way that is responsive to Task Force needs.<br><br>• Preliminary takeaways:<br>• Oregon "braids and blends" funds from many sources to deliver behavioral health services<br>• There was agreement that the funding system *as a whole* is not functioning as it should even when individual funding conduits are perceived as well managed<br>• Funders commonly describe their approach as aiming to "fill gaps" in services |

        - Across the system, key information and communication tools are missing for this type of gap-based funding allocation process

- Funding Conduits – Individually and as a System
    - A "funding conduit" aims to capture the *pathway* dollars flow along from original source to point of care/service. Interviews with 25 subject matter experts explored a range of topics about the respective conduit(s).
    - Conduits reviewed: CCO contracts, County Financial Assistance Agreements (CFAAs), Drug Treatment and Recovery Services Fund, Medicaid Home and Community-Based Services, OHA direct payments, OLCC alcohol sales revenues/taxes, opioid settlement agreement, Oregon State hospital revenues, SAMSHA block grants, State Opioid Response grant, Tobacco Prevention education Program, Tribal behavioral health grants

- Perspectives on the System of Funds
    - Oregon's behavioral system financial backbone is comprised of Medicaid, CFAAs, and other coverage (including other public payers and commercial coverage).
    - Interviewees described challenges between Medicaid and CFAAs, including **ambiguity about who is accountable for coordination of care at the local level** and **perceived lack of power or authority to take action to address challenges.** Additional challenges reported included a **lack of funding adequacy**, as actuarial analysis indicated that Medicaid and CFAA funding conduits do not fully cover the cost of crisis intervention and court-ordered services; **unideal payment models**, as some services would benefit from payment through prospective per-member per-month payments to sustain program capacity but are instead reimbursed per service; and **difficulties around payment processes**, as the time and effort required in Medicaid eligibility and prior authorization processes were perceived to create challenges at both the patient and provider levels.
    - Communities braid or blend other sources of funding with Medicaid and CFAA dollars to fully fund services, provide treatment to clients without coverage, and provide innovative or enhanced services not covered by Medicaid and CFAA dollars. However, challenges around additional funding streams were described, including the potential that they could be highly restrictive, one-time, competitive, and/or require additional reporting.

- Grant-based conduits were commonly described as **intended to "fill gaps"** in the system, but there was not a shared understanding of what this meant. **Providers** may consider "filling gaps" to mean bolstering revenue for existing services not fully covered by Medicaid or CFAA funding conduits (e.g. filling *funding* gaps); while **funders** may consider "filling gaps" to mean investing in services other than those funded by Medicaid or CFAAs (e.g. filling *network or service* gaps). In some cases, funds are restricted in ways that may prohibit or discourage providers braiding/blending with Medicaid or CFAA funds over time. Award processes for these **grant-based conduits** vary but generally operate very differently from Medicaid reimbursement and CFAA contracting. There are very few reported connection points across these decision-making groups and processes other than review of public-facing reports, and most are subject to restrictions beyond those applied by the legislature.
- Despite desire to "fill gaps," decision-makers frequently report they do not have the information needed to systematically identify *where* gaps exist in the delivery system. Funders may anecdotally perceive there are not enough funds available, in aggregate, to address all current gaps. Choosing **which gaps to fill** is often described as a state policy decision beyond the scope of individual governance groups or grant programs. Funders reported needing, but not having, information about which entities are receiving which funds and where those can and cannot be braided. No communication or information sharing infrastructure exists across funding conduits that would support this type of systematic coordination.

- **Tools or information that could support "gap analysis"** as a lens for planning and decision-making about behavioral health investments across funding conduits:
    - Shared understanding of which core services ought to be maintained as part of the delivery system
    - Tools to monitor ongoing existing capacity and forecast future demands/gaps for those services
    - Clarification on who pays first, last, etc. when services require braided or blended funds
    - A clearinghouse for information about entities receiving public funds from various conduits

**Task Force Discussion: Behavioral Health System Funding**

Task Force members reflected on the funding conduit presentation and engaged in discussion around where there might be opportunities to strengthen alignment across funding conduits for Oregon's behavioral health system. The following points emerged from that discussion:

Co-Chair Lieber

- While Oregon's behavioral health system is under-funded, it is also under-coordinated. Additional administrative requirements exacerbate these challenges but there needs to be a balance between demonstrating outcomes without adding undue burden on system.
    - Coordination can be both of services and of system. The challenge for this Task Force is ensuring that funders are working together to identify service gaps in each specific region and in a way that is not so administratively burdensome.
- In some situations, particularly regarding substance use disorder treatment, unsustainable funding sources are being used to support services which need to be provided in a sustainable way.
- CFAAs are currently being revised by OHA with an eye toward offering more flexibility and better data, particularly around outcomes. CFAAs still have additional requirements placed by the court system which limit the potential to streamline efforts.
- The behavioral health system needs to define core services and create direction around prioritization of those services. While beyond the work of this Task Force, the question could be addressed by a coordinated group of funders.
- There is an urgent need to create shared understanding around what it means to fill gaps within the behavioral health system, how to understand capacity needs, *who* the system needs to serve (e.g. including forensic populations that may not cleanly fall under existing funding responsibility structure) and how those populations should be prioritized in the face of inadequate funding. Both funding and risk/liability need to be addressed for these populations.
- How would regional coordination work?
    - Trauma regions seem straightforward but are not organized in a way that things happen in practice.
    - Oregon has relied on a statewide system when services are delivered at a very local level by counties, etc.
    - What is the thrust of the work for the Task Force? Where should recommendations focus?
    - Are there best practices from other states that could inform this work? Best practices within the state of Oregon.

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| Public Comment | *None* |
| Meeting Materials | • Joint Task Force on Regional Behavioral Health Accountability – LPRO Staff Presentation |