

COMMENTS ARE ORGANIZED BY BUDGET THEME.

Comments that addressed more than one theme were placed under the theme that seemed most closely related. Comments are listed in the order they were received.

1. VULNERABLE OREGONIANS HAVE ACCESS TO HEALTH CARE.

None.

2. OREGONIANS HAVE ACCESS IN THEIR COMMUNITIES TO THE MENTAL HEALTH CARE AND ADDICTIONS TREATMENT THEY NEED.

I am writing to you as a board member of the Albertina Kerr Centers (AKC). AKC has been providing Oregon with adult and children's mental health and developmental disabilities services for over 100 years.

- Finish the job begun in the 2007-2009 legislative session to fully fund the request made by the Oregon developmental disabilities service community for \$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature needs to allocate the remaining balance of \$40 million in the coming session. Funding this would significantly reduce turnover rates and increase the safety and quality of care for Oregon's people with developmental disabilities. The Legislature promised to adequately fund community-based care when they closed the state institution for people with developmental disabilities (Fairview Training Center) in 2000. To date, they have not done so.
- Move to end client abuse by funding a state registry available to employers that identifies individuals who have demonstrated a pattern of client abuse. Knowing who not to hire will prevent these folks from being rehired to perpetuate abuse in other work settings.

- The State of Oregon is paying only 64 percent of the cost to provide sub-acute psychiatric residential services. The cost study conducted by the MCPP Healthcare Consulting, Inc., shows over a 36 percent negative variance between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost (\$587/day). Rate-to-actual cost differentials of this magnitude, if not corrected, will inevitably lead to elimination of this service in the future.

I have served as past-president of the Oregon Medical Association, and am currently a board member of Northwest Permanente, P.C., and Albertina Kerr Charities. I want to make very clear that I am NOT representing any of these organizations in this e-mail – these comments are my own only – but these roles have given me a broad, personal perspective on the fields of children’s mental health and developmental disabilities services.

As such, and given the upcoming decisions that must be made, I make these requests of the Department of Human Resources:

- Use your authority to make the reimbursement rates for children’s mental health providers commensurate with the costs of providing these services. I refer you to the recent independent study conducted by MCPP Healthcare Consulting, Inc., which I am sure you have seen by now.
- Live up to the promises made to fully fund community-based care for people with development disabilities when Fairview Training Center was closed. To date, the Legislature has funded only one-third of the \$60 million needed for increases in workers’ wages. Improving these wages will allow organizations like Albertina Kerr to lower turnover, hire quality workers, and improve safety, patient care and quality of care for people with developmental disabilities.
- Create and fund a state registry that identifies health care workers with a pattern of abuse, and make this database available to employers. Hopefully, with such a database, we can track and eliminate from service any health care workers with a pattern of patient abuse.

I have been a volunteer member of the board of directors of Albertina Kerr Centers for the past three years, and work on the committee monitoring the financial affairs of the organization. I am licensed as a CPA and attorney in Oregon.

Compensation to our employees is the recurring roadblock to improving and maintaining the quality of service we provide to adults and children with mental health or developmental disabilities. The DHS reimbursement rates are insufficient to attract and retain quality staff. Given the wages we are able to offer (\$1 or \$2 per hour over minimum wage), the pool of applicants is small, and most view the position as temporary employment until they find something better. Turnover for some of our programs is a staggering 50 percent per year. We incur an enormous cost in replacing these employees and expending overtime until their positions are filled. This not only places a huge financial strain on the organization, but – more importantly – also compromises the care we are able to provide to those in need.

An increase in the reimbursement rates would modestly improve the compensation we can offer to our direct care staff. This will improve our staff and reduce turnover, and make a significant difference in enabling Albertina Kerr to fulfill your objectives.

Specifically, we ask that you take the following actions:

- Provide full funding of the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The 2007 request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded only \$20 million of this request; we now ask the 2009 Legislature to fund the remaining \$40 million in the coming session. If funded, this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities. The Legislature should be reminded that when they closed Fairview back in 2000 they promised to adequately fund community-based care. To date, they have failed.
- Fund a state registry that identifies direct care workers who have demonstrated a pattern of client abuse. This will greatly assist employers like Albertina Kerr in not perpetuating this problem by re-hiring them in similar work settings.

- Adjust the reimbursement rates for children’s mental health providers to better reflect the cost of care based upon the findings of a soon-to-be released cost study conducted by MCPP Healthcare Consulting, Inc. For example, this independent study shows over a 36 percent shortfall between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost (\$587/day). Rate deficits of this magnitude cannot be absorbed indefinitely, and will eventually lead to elimination of this service.

I am a member of the board of directors of Albertina Kerr Centers, one of Oregon's leading providers of social services to children with emotional or mental health challenges, and to people with developmental disabilities.

A chronic challenge facing Kerr and its sister agencies in this state is the need for a strong direct care work force. A key component of Kerr’s strategic plan is the strengthening of its work force. As a board, we understand that low wages lead to high employee turnover, which negatively affects the quality of care and increases the potential of client abuse, increases client and staff safety risks, and increases the potential of poor care-related outcomes. Good staffing and good wages for a quality staff are the foundation for good care to the Oregonians who need it.

As you plan the 2009-2011 budget, I therefore urge DHS to do the following:

1. Fully fund the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature should finish the job by allocating the remaining \$40 million in the coming session. If funded, this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities. The Legislature should be reminded that when they closed the state institution for people with developmental disabilities (Fairview Training Center) in 2000 they promised to adequately fund community-based care. To date, they have not done so.

2. Fund a state registry available to employers that identifies individuals who demonstrate a pattern of client abuse so that these folks are not rehired to perpetuate abuse in other work settings.

3. Increase reimbursement rates for children's mental health providers to reflect the true cost of care. An independent cost study conducted by MCPP Healthcare Consulting, Inc., shows a substantial shortfall between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost of providing this service to the community (\$587/day). If reimbursement rates are not increased, this will inevitably lead to elimination of this service to the children who need it.

3. SENIORS AND PEOPLE WITH DISABILITIES LIVE SAFELY AND INDEPENDENTLY IN THEIR COMMUNITIES.

As a board member of Albertina Kerr I ask the Department of Human Resources to:

- Fund fully the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature should finish the job! Allocate \$40 million in the coming session. If funded, this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities.
- Fund a state registry available to employers that identifies individuals who demonstrate a pattern of client abuse so that these folks are not rehired to perpetuate abuse in other work settings.

I am writing in my capacity as a board member of Albertina Kerr Centers to emphasize the need to increase reimbursement rates for providers of adult and children's mental health and developmental disabilities services. As a member of the board I was involved in the development of Kerr's 2008-2012 strategic plan, and one of the top five strategic issues we identified was the need to strengthen Kerr's workforce by recruiting excellent talent and reducing current high rates of employee turnover due to low wages. High staff turnover negatively affects the quality of care and increases the

potential of client abuse, increases client and staff safety risks, and increases the potential of poor care-related outcomes.

Specifically, I am offering the following input and requests on funding priorities:

- Please fully fund the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature should finish the job (i.e., **allocate \$40 million in the coming session.**) If funded this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities. When the state institution for people with developmental disabilities (Fairview Training Center) was closed in 2000, adequate funding for community-based care was promised. To date, this funding has not been provided.
- Also, please fund a state registry available to employers that identifies individuals who demonstrate a pattern of client abuse so that these folks are not rehired to perpetuate abuse in other work settings.
- Finally, please adjust reimbursement rates for children's mental health providers to better reflect the cost of care based upon the findings of a soon-to-be-released cost study conducted by the MCPP Healthcare Consulting, Inc. For example, this independent study shows over a 36 percent negative variance between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost (\$587/day). Rate-to-actual cost differentials of this magnitude, if not corrected, will inevitably lead to elimination of this service in the future.

4. CHILDREN ARE SAFE AND HEALTHY.

As a board member of Albertina Kerr I ask the Department of Human Resources to:

- Adjust reimbursement rates for children's mental health providers to better reflect the cost of care. (An independent study with MCPP Healthcare Consulting, Inc., shows over a 36 percent negative variance between the current state reimbursement rate for sub-acute psychiatric residential services and the actual cost.) If reimbursement

is not corrected it may lead to the elimination of this vital service in the future.

I am writing to you in my capacity as a board member of Albertina Kerr Centers, a provider of mental health and developmental disability services to adults and children.

I believe it is imperative that reimbursement rates for providers of adult and children's mental health and developmental disability services be increased.

Albertina Kerr Centers face the continuing challenge of attracting and retaining qualified candidates. The Kerr Center's ability to do this has a direct impact on the quality of care and the safest environment to which it aspires. Providers of developmental disability services, in general, face huge challenges in attracting a well qualified workforce and retaining that workforce. An attrition rate of over 50 percent is the industry norm. In order for providers to create the environment of choice for their clients, I believe the following must happen:

- Allocate the additional 2/3 (\$40 million) to fund direct care worker wages which was asked for in the 2007-2009 legislative session. When Fairview Training Center closed in 2000, the Legislature promised to adequately fund community-based services. To date, this has NOT been done. I implore you to fulfill this request during the 2009 legislative session.
- Fund a state registry available to employers which would identify individuals who demonstrate a pattern of client abuse and would eliminate the re-hiring of these individuals, thus decreasing the potential for abuse.
- Increase reimbursement rates for children's mental health providers to better reflect the cost of care. A soon-to-be-released independent cost study, conducted by MCPP Healthcare Consulting, Inc., revealed an over 36 percent negative variance between the current state reimbursement rates for sub-acute psychiatric residential services and the actual cost. If not adjusted, the result will be eventual elimination of this vitally important service.

I am a board member of Albertina Kerr and an attorney, who has worked for 20 years with individuals who depend on the services Kerr and other agencies provide.

I cannot emphasize enough the importance of increasing reimbursement rates for providers of adult and children's mental health and developmental disabilities services. Reimbursement rates are directly related to the quality of care provided to these vulnerable children and adults.

DHS needs to fully fund the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. That request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded one-third of this request; the 2009 Legislature needs to allocate the remaining \$40 million in this coming session. This would significantly reduce turnover rates and increase the safety and the quality of care for people with developmental disabilities.

When Fairview was closed in 2000, the Legislature promised to adequately fund community-based care. That is a promise that needs to be kept. Secondly, DHS needs to reduce client abuse by funding a state registry that allows employers to identify individuals who demonstrate a pattern of client abuse. Finally, DHS needs to adjust reimbursement rates for children's mental health providers to better reflect the cost of care. DHS should look to the findings of MCPP Healthcare Consulting, which substantiates the need for this increase.

We need to eliminate the negative variance between the current state reimbursement rate for services and the actual costs. If not corrected, this will inevitably lead to elimination of services in the future.

As a Board member of Albertina Kerr Centers, I hereby request the following considerations for the 2009/2011 Budget, for the Oregon State Department of Human Services:

1. Fully fund the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The request was for \$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature should finish the job

(i.e., allocate \$40 million in the coming session). If funded, this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities. The Legislature should be reminded that when they closed the state institution for people with developmental disabilities (Fairview Training Center) in 2000 they promised to adequately fund community-based care. To date, they have not done so.

2. Fund a state registry available to employers that identifies individuals who demonstrate a pattern of client abuse so that these folks are not rehired to perpetuate abuse in other work settings.

3. Adjust reimbursement rates for children's mental health providers to better reflect the cost of care based upon the findings of a soon-to-be-released cost study conducted by MCPP Healthcare Consulting, Inc. For example, this independent study shows over a 36 percent negative variance between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost (\$587/day). Rate-to-actual cost differentials of this magnitude, if not corrected, will inevitably lead to elimination of this service in the future.

I am a Board Member of Albertina Kerr Centers. I understand that the State of Oregon is in the process of developing the 2009-2011 budget and is soliciting input. I strongly encourage you to increase reimbursement rates for providers of adult and children's mental health and developmental disabilities services. As you know, low reimbursement rates lead to lower employee compensation and consequently higher employee turnover in these critical positions. High turnover negatively affects the quality of care, increases client and staff safety risks, and increases the potential of poor care-related outcomes. High turnover also creates a situation where overtime is used too frequently, another cause of employee burnout and turnover, not to mention increasing the cost of supporting the needs of the adults and children who are being cared for.

Specifically, in my capacity as a Board Member of Albertina Kerr Centers I am requesting you to:

1. Fully fund the request made by the Oregon developmental disabilities service community in the 2007-2009 legislative session. The request was for

\$60 million to increase direct care worker wages. The 2007 Legislature funded 1/3 of this request and now the 2009 Legislature should finish the job (i.e., allocate \$40 million in the coming session). If funded, this would significantly reduce turnover rates and increase the safety and quality of care for people with developmental disabilities. The Legislature should be reminded that when they closed the state institution for people with developmental disabilities (Fairview Training Center) in 2000 they promised to adequately fund community-based care. To date, they have not done so.

2. Fund a state registry available to employers that identifies individuals who demonstrate a pattern of client abuse so that these folks are not rehired to perpetuate abuse in other work settings.

3. Adjust reimbursement rates for children's mental health providers to better reflect the cost of care based upon the findings of a soon-to-be-released cost study conducted by MCPP Healthcare Consulting, Inc. For example, this independent study shows over a 36 percent negative variance between the current state reimbursement rate for sub-acute psychiatric residential services (\$432/day) and the actual cost (\$587/day). Rate-to-actual cost differentials of this magnitude, if not corrected, will inevitably lead to elimination of this service in the future.

I have been a board member with the Albertina Kerr Organization for a few short months. During that time I have become very aware of the challenges this and other organizations face in providing a meaningful and significant service to a very important segment of our society – adults and children with mental health and developmental disabilities.

Among the many challenges Albertina Kerr and other similar organizations face, the one that stands head and shoulders above others is the never-ending task of identifying, acquiring, training and retaining the lifeblood of the organization – the actual service provider. As an ongoing concern, it is imperative that Albertina Kerr makes the investments necessary to strengthen their workforce by recruiting excellent talent and reducing the current high rates of employee turnover due to low wages. It is no surprise that high turnover negatively affects the quality of care and increases the potential of client abuse, increases client and staff safety risks, and increases the potential of poor care-related outcomes.

How can you and the state of Oregon help? It all comes down to funding. In 2007, 1/3 of the requested funding was allocated to addressing the shortfall in direct care worker wages. I am asking that you allocate the remaining resources (\$40 million) and help us make a difference in the quality and consistency of care that organizations like Albertina Kerr can provide. Secondly, at the state level, it is imperative that an investment is made in some sort of registry that will identify individuals who have demonstrated a pattern of patient abuse so we can ensure these individuals aren't in a position to cause more harm. Finally, it is critical that the huge discrepancy between the current reimbursement rates and real world costs be addressed. An independent study showed that there is a current negative variance of over 36 percent between what the state reimburses and the costs incurred by Albertina Kerr.

5. FAMILIES ARE SAFE AND STABLE.

I want to highlight the Family Reunion Program that Willamette Family has implemented with funding from a DHS IVE Waiver (\$35,000), an Oregon Community Foundation grant (\$25,000), a Chambers Family Foundation grant (\$25,000) and funding from the McKay Family Foundation (\$10,000). Each of these funding streams is for one year, including the DHS Waiver. Applications for renewal must be written annually.

This program has produced a quite astounding rate of reunification and/or family preservation outcomes since funding began. As I noted during the budget breakout discussion at the Eugene community forum, the most recent information that we have from DHS shows a Lane County reunification rate of less than 32 percent. The families involved with the Willamette Family Reunification Program have a significantly higher rate of reunification from foster care/family preservation, with fewer foster home placements.

We have a report available that breaks down the actual percentages of reunification by whether the parent was in residential or outpatient treatment during the time that Family Reunification Services were provided, and whether the focus was preventing placement at all (preservation) or returning children to their mother from foster care.

I hope that you will find these results and opportunities as exciting as I do and that you will want more information about how the program works so

that consideration can be given to this initiative during the DHS budgetary process. To continue to provide these services we clearly need a stable funding stream, instead of relying upon annual grants.

The Family Reunion program utilizes evidenced-based practices for both A&D treatment, as well as nationally recognized intensive family preservation/reunification services and intensive parent training that occurs at our residential treatment center, thus addressing both the issues of addiction and child abuse/neglect simultaneously. A very focused therapeutic visitation component is also a crucial part of the program.

I was the DHS child welfare manager in Lane County for over 21 years, so I'm really familiar with the multiple issues and needs facing the families your agency serves. I'm also very aware of the overwhelming responsibilities that child welfare workers must address at various levels. The Family Reunion Program provides a resource and a tool that simply was not available before now.

I'm aware that two of the areas the recent CFSR identified as targets for Oregon Child Welfare service improvement is family preservation/reunification and enhanced visitation. These areas are expressly the focus of the Family Reunion Program. Our model is clearly adaptable to be rolled out across Oregon. I also know that these are concerns that exist in virtually every state. I believe that together we can establish a national model that can be replicated elsewhere.

We have been invited to present this model at the upcoming Regional Healthy Brain Development Conference to be held October 22-24 at the Valley River Inn in Eugene. I know that DHS is a sponsor of this event, and I think it would be great way to highlight this model together.

One final thought: during the budget meeting here in Eugene, there was some discussion about needing increased public support for the programs your agency provides. Please consider the Family Reunion Program as one that could demonstrably highlight the return on taxpayer investment. The Family Reunion Program has already found enthusiasm from three foundations who saw the uniqueness and benefits from the program. The cost-savings in foster care are significant, as the children served come from families in which there is significant parental substance addiction (as you know, alcohol and drugs are the leading causes of birth defects), and over 80

percent of the parents involved in the program are still in recovery at service closure.

6. DHS PROMOTES PREVENTION, PROTECTION AND PUBLIC HEALTH.

None.

7. SERVICES ARE SAFE AND AVAILABLE IN COMMUNITIES WHEN THEY ARE NEEDED.

None.

8. DHS HAS THE CAPACITY TO MEET CLIENTS' NEEDS.

None.

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