2015-17 Governor’s Opportunity and Investment Budget
Department of Human Services

DHS is responsible for the care of some of Oregon's most vulnerable citizens – children, families, people with intellectual and developmental disabilities, and seniors. DHS is also responsible for serving Oregonians at times when they are most in need – when they have experienced abuse, when they are hungry, when they are homeless.

After several biennia of program reductions and unprecedented increase in demand for services during the economic recession, Oregonians in need of human services during the 2013-15 biennium began to feel the impact of the state’s economic recovery. Additional investments in the 2013-15 LAB were designed to advance transformation that promotes long-term financial sustainability for human services programs.

The 2015-17 Governor’s Opportunity and Investment Budget continues many of those efforts and helps DHS achieve the following outcomes:

- Safety for Children;
- Safety for Vulnerable Adults;
- Independence for Older Adults and People with Disabilities;
- Family Stability and Employment;
- Community Employment for People with Disabilities;
- School Readiness for Young Children;
- Job Retention for Low-Income Working Families; and
- Program Performance and Integrity.

The following is a summary of the program investments proposed by the Governor to balance the DHS budget in a long-term, sustainable manner that meets the needs of Oregon’s most vulnerable citizens.

**Aging and People with Disabilities:** The Aging and People with Disabilities program area provides services and supports to Oregonians over the age of 65 and to adults with physical disabilities. Oregon's senior population is projected to grow from 502,000 to 950,000 by 2030. In order to avoid a significant increase in demand on publicly funded long-term care supports and services as the eligible population grows, it is critical to continue implementing strategies that support healthy aging, meet the needs of an increasingly culturally diverse population and prevent or delay entry (as appropriate) into costly long-term care services.

The Governor's budget includes the following:

- Funds forecasted caseloads levels and projected cost per case increases
- Continues reimbursement rates in effect for 2013-15 (eliminates inflation)
- Invests $35 million combined into APD/DD/MH toward Department of Labor requirements for in-home services
- Funds nursing facilities at statutory rate
- Funds planning for non-MAGI eligibility automation project
- Invests $3.4 million for new adult protective services data system
- Funds state staff at 90.2% of workload model
- AAAs continue at 95% equity
Aging and People with Disabilities Special Purpose Authorization Items

- Continues: Oregon Project Independence expansion for seniors at $10.3 million; reporting for Community-Based Care and nursing facility utilization continues; Older Americans Act sequestration backfill continues; and Personal Incidental Fund increase for nursing facility residents continues.
- Does not continue one-time investments or funding for Evidence Based Health Promotion Programs.

Developmental Disability Programs: The Developmental Disabilities program area serves over 21,000 children and adults with intellectual and developmental disabilities (I/DD) throughout their life span, and the number of eligible individuals requesting services is increasing. The State, Counties, Brokerages, Providers, Families and Self-Advocates are all critical parts of Oregon’s Developmental Disabilities service system that focuses on individuals with I/DD living in the community and having the best quality of life at any age.

The Governor’s Budget includes the following:
- Funds forecasted caseloads levels and projected cost per case increases
- Funds capacity for improving employment outcomes for people with I/DD
- Invests $35 million combined into APD/DD/MH toward Department of Labor requirements for in-home services
- Builds community provider capacity for I/DD clients with significant, long-term needs
- Provides 4% provider rate increase starting 1/1/16 for non-bargained provider types residential and non-residential agency providers, except transportation.
- Eliminates funding for Fairview trust
- Funds CDDP and Brokerage workload models at 95% equity

Child Welfare Programs: Child Welfare Programs serve children and families when children are subject to abuse and neglect in their home environment. Child protection workers respond to all reports of familial child abuse/neglect and, if a child cannot be safe at home, place children in foster care. In the last seven years, Oregon has reduced its foster care population, concentrating on safety and is implementing a system that prevents out-of-home placement (even of abused children) and increases timely and safe return to families. The cost of abuse and neglect – to children, to families, and to the state – is significant.

The Governor’s Budget includes the following:
- Funds forecasted caseloads levels and projected cost per case increases
- Continues investment in Differential Response and Strengthening, Preserving and Reunifying Families programs
- Invests in Child Welfare infrastructure to ensure statewide Differential Response implementation by mid-2017
- BRS continues to be funded at settlement agreement level
- Adds one Child Welfare Quality Control reviewer position
- Invests in Pay for Prevention pilot project
- Funds workload model at 85.9%
**Self Sufficiency Programs:** Self Sufficiency programs are designed to help families achieve economic security with temporary supports for their most basic needs, such as food, health insurance coverage and child care, while working to meet their employment goals.

The Governor’s Budget includes the following elements:

- Invests in TANF redesign, including positions ($30 million)
- Invests in Employment Related Daycare program ($49.5 million)
- Funds forecasted caseloads levels and projected cost per case increases
- Continues contracted providers at current rate levels (eliminates inflation)
- Transfers food assistance programs from Housing and Community Services to DHS and restores one-time funding for food programs (Oregon Food Bank)
- Invests in TANF fraud investigators to ensure program integrity
- Funds workload model at 75.8%

**Vocational Rehabilitation:** The Office of Vocational Rehabilitation Service (OVRS) assesses, develops service plans and provides vocational rehabilitation services to youth and adults whose disabilities present impediments to employment.

The Governor’s Budget includes the following:

- Invests in increased VR capacity to improve employment outcomes for people with I/DD, including youth transition

**Agency Administration:** Central DHS and Shared Services for DHS/OHA provide oversight and direction for programs and services to ensure the agency’s mission is achieved.

The Governor’s Budget includes the following:

- Invests in REAL-D IT project to collect Race, Ethnicity, Language and Disability information across systems.
- Invests in Oregon Enterprise Data Analytics project to build statewide capacity for better analysis and forecasting.
- Assumes 3% vacancy factor for positions in all DHS programs, reducing overall workload capacity
- Eliminates inflation for all programs and services, except BRS

**Conclusion**

DHS will maintain its commitment to innovation and transparency, prioritizing improvements that will use scarce resources efficiently and effectively. Our success in that effort depends upon nearly 8,000 employees across the state, as well as upon thousands of community and service delivery partners, all of whom are dedicated to supporting and improving the lives of Oregonians. Every year, more than one-million people rely on DHS services, and important services provided by other agencies and organizations, to meet their most basic needs, to be safe, to live as independently as possible, and to support their efforts to achieve economic independence – and we support the Governor’s vision for Oregon’s future as set out in his budget.

If you have questions about the Governor’s Budget for DHS, please send them to communications.dhs@state.or.us. We will get you the information you need.

~Erinn Kelley-Siel, DHS Director