



# Oregon

Kate Brown, Governor

## Department of Human Services

*Office of the Director*

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December 9, 2019

The Honorable Senator Elizabeth Steiner Hayward, Co-Chair  
The Honorable Senator Betsy Johnson, Co-Chair  
The Honorable Representative Dan Rayfield, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301-4048



Re: Request for funding and restoration of cuts to the Strengthening, Preserving and Reunifying Families (SPRF) program

Dear Co-Chairpersons:

### **Nature of the Request**

The Department of Human Services (DHS) requests the Committee acknowledge receipt of the report and recommends an increase of \$14,288,757 General Fund to reverse reductions to the Strengthening, Preserving and Reunifying Families (SPRF) program taken during the 2019 Legislative Session. Of this amount DHS recommends unscheduling \$7,000,000 GF that DHS would request to be scheduled depending on the outcome of proposed federal bridge funding legislation.

### **Agency Action**

The Federal Family First Prevention Service Act (FFPSA) was passed in 2018 and has begun implementation. The passing of this act included an end date to the current federal waiver dollars funding 50 percent of the Strengthening, Preserving and Reunifying Families (SPRF) program effective October 1, 2019. These funds were removed from the budget in package 070 as part of the “modified” Current Service Level. In addition, a \$7,000,000 GF reduction was taken from the SPRF program during the 2019 Legislative Session. The impact of both these financial shifts resulted in an approximate 75 percent reduction in its funding for the current biennium.

Current contract levels 19-21 if first year commitments are continued	\$27,309,502
19-21 budget	( <b>\$7,520,745</b> )
- GAP -	\$19,788,757
<i>Funding identified with Child Welfare based on priorities</i>	<i>(<b>\$3,500,000</b>)</i>
<i>Funding identified by matching FF before waiver end date</i>	<i>(<b>\$2,000,000</b>)</i>
- REMAINING GAP -	\$14,288,757

The options for continuing SPRF through the full biennium are limited, given the strain on the current Child Welfare budget. DHS is closely monitoring a federal bill Senator Wyden is working on to provide some level of bridge funding for states during the FFPSA implementation period.

SPRF was created by the Oregon State Legislature in 2011 and implemented in all Oregon counties by 2014. Child Welfare contracts with community-based providers for services designed to support the following SPRF goals:

- Reducing trauma by maintaining children safely in their homes whenever possible;
- Reducing the length of stay in foster care; and,
- Reducing the re-abuse rate and improving permanency outcomes.

SPRF was not created as a “prevention” program as defined in FFPSA and therefore most, if not all, services are not eligible for Title IV-E match under the current design. Further, many of the families served were engaged in the foster care system already and these services would not be considered prevention in that scenario.

SPRF includes a broad range of services most of which, if not all, are not included in the FFPSA in their current state. The FFPSA will fund services that meet specific evidence-based model requirements and are focused on in-home parent skills building, mental health treatment and substance abuse treatment. SPRF services primarily included housing, visitation, mentoring and parent training. The current parent training services do not meet the FFPSA requirements.

In general, with current funding, DHS can continue the majority of the current SPRF contracts until June 2020; there are a few that may conclude in spring. But second year funding for these services is in question.

DHS will continue working with other programs and our local offices to identify SPRF services at risk of being discontinued and explore options to minimize service reductions as we prepare for Family First implementation. A solution is not currently available to continue funding the SPRF contracts beyond June 2020 without a new investment. Should the contracts expire in June, the current Child Welfare service array will be dramatically reduced, and it would be very difficult to quickly re-start these services later even with a new investment.

As our federal partners continue to release more information about the prevention framework, it is becoming clear that the majority of Oregon's SPRF services will not be eligible for federal funding. DHS appreciates your understanding of the complexity of shifting our Child Welfare program into the preventative framework outlined by FFPSA and supported by the assessments regarding what families need to be safe, stable and thriving.

If any level of federal bridge funding becomes available, DHS will return at a future rebalance to request federal fund limitation and either revert the equivalent amount of federal funding received or request it to be repurposed within the DHS budget depending on the circumstances DHS is under at the next rebalance.

**Action Requested:** DHS requests acknowledgement of receipt of this report and the appropriation of \$14,288,757 General Fund and of that amount to have \$7,000,000 GF unscheduled pending additional clarity around possible federal bridge funding.

**Legislation Affected:**

PROGRAM	PROPOSED LEGISLATION / SECTION	FUND TYPE	REQUESTED ADJUSTMENTS
Child Welfare	Ch. 668 1(3)	General	\$ 14,288,757

If you have questions, please contact Eric Moore at 503-884-4701.

Sincerely,



Eric Luther Moore  
DHS Chief Financial Officer

The Honorable Senator Elizabeth Steiner Hayward, Co-Chair  
The Honorable Senator Betsy Johnson, Co-Chair  
The Honorable Representative Dan Rayfield, Co-Chair  
December 9, 2019  
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cc: Laurie Byerly, Legislative Fiscal Office  
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George Naughton, Department of Administrative Services  
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