

Date: February 2, 2022

To: The Honorable Kate Brown,
Oregon Governor

From: Steve Allen, Behavioral Health Director
Rebecca Jones Gaston, Child Welfare Director

Subject: Update on children's Psychiatric Residential Facility (PRTF) capacity

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In a memo dated January 7th, 2020, Oregon Department of Human Services (ODHS) and Oregon Health Authority (OHA) jointly recommended the development of an additional 47 beds at a PRTF level of care. This joint recommendation was reached in response to the directive of the Child Welfare Oversight Board on July 31, 2019. On January 6, 2021, ODHS and OHA reported a net capacity gain of 18 beds through calendar year 2020 and outlined steps along with continued efforts that the agencies would engage in to maintain and develop new capacity.

Public Health State of Emergency

The COVID-19 crisis has impacted the ability of both agencies to fully realize capacity building projects and complete all the objectives listed above. The effects of the Pandemic throughout 2021 have continued to obstruct provider capabilities to initiate new projects and has required that ODHS, OHA and system partners shift focus to maintaining existing capacity. Further, with the workforce deficits faced by the behavioral health system, PRTF providers have struggled to maintain and hire staff to fill open positions, which has led to a decrease in the functional capacity.

Implementation of capacity building projects remains delayed while ODHS and OHA partner with providers in effort to stabilize the current system. Despite these needed pivots, the agencies have experienced some setbacks and made some advances and experienced some setbacks in sustaining and developing PRTF capacity. The following is a summary of efforts and system changes over the past year.

Progress Toward Capacity Building

Capacity Changes

Unfortunately, Oregon lost PRTF capacity in 2021 due to permanent closure of a program and temporary capacity decreases connected to COVID -19 healthcare and workforce issues.

- In September 2021, Kairos NW in Grants Pass permanently closed its PRTF program resulting in a loss of 21 PRTF Beds
 - This closure was caused by a combination of staffing issues related to the COVID-19 crisis and some operational challenges
 - OHA provided funding for this provider to expand capacity in 2020, however the expanded capacity was not able to be access due to mandated capacity restriction as the result of a licensing violation
 - Despite OHA's one-time funding the provider was unable to access the beds which caused financial strain for the provider

- Throughout the year, PRTF providers have had to adjust their functional capacity due to workforce shortages. This has led to functional capacity to operate between 40 – 60 percent of total capacity. Decrease in function capacity has been necessitated due to:
 - COVID-19 outbreaks in the programs that cause staff to need to remain home and close admissions to new clients
 - Delays in hiring direct care staff, supervisors, and nurses due to lack of qualified applicants

Sustaining Functional Capacity

In efforts to ensure as many beds as possible remain open the Agencies have taken the following actions:

OHA:

- Received FEMA funding to deploy contracted nurses, nursing assistants and mental health technicians for a limited time basis to support PRTF providers while they hire permanent staff, preventing further loss of functional capacity
- Provided additional funding to residential workers for childcare, clinical supervision and for facility safety enhancements
- Provided additional funding for recruitment and retention of residential workforce
- Instituted vacancy payments available to PRTF providers to pay for the cost of unfilled beds
- Implemented a 10% rate increase that applied to PRTF providers from July 2020 through June 2021. An extension of this rate increase was approved for July 2021 through December 2021 and will continue to be evaluated throughout the declared emergency

In an effort to support settings that rely on or impact PRTF capacity within the Child Serving continuum, ODHS Child Welfare:

- Allocated funding in June 2021 to support stabilization of staffing for Behavioral Rehabilitation Services (BRS) through recruitment and retention strategies for the following 12 months
- Implemented COVID Emergency payments through June 2021 to mitigate costs for BRS providers

While investments in BRS providers are not directly tied to stabilizing or increasing PRTF capacity, these efforts reduce the strain on PRTF by providing less restrictive interventions that can divert from the need for PRTF and ensure timely step-down options for youth preparing to discharge PRTF.

Capacity Projects in Process

- OHA and ODHS jointly entered into an agreement with Looking Glass Family Services for a 12-bed expansion in Eugene. Looking Glass has completed updates to the facility that meet the needs of the population. While the refurbishment of the physical facility has been completed, there are workforce issues that impede the initiation of this expansion. Start-up funding for this project was provided by both ODHS and OHA. The facility has been utilized for a COVID positive isolation unit in the interim
- OHA continues to work with Community Counseling Solutions in Central Oregon to develop an 8-12 bed program for youth under age 12. Construction has been delayed due to supply chain and workforce issues. This project is anticipated to be open early in 2023
- OHA received a Policy Option Package for \$7.25 Million to fund expansion and enhancements within the PRTF System. OHA released an initial Request for Proposal on December 30th, 2021, for housing and infrastructure. PRTF expansion is included for applications to expand this service

- OHA received a Policy Option Package for \$7.25 Million to fund expansion and enhancements within the PRTF System. Solicitation for these funds is projected to be available starting March 2022. This is intended to recruit providers to initiate new capacity projects

Progress Toward Study Activities

The agencies also agreed to further study the systemic needs that would adequately support children and youth in the child welfare system. Activities recommended for the study included:

- Engage PRTF providers, Coordinated Care Organizations (CCOs), and commercial insurance carriers to identify future state options for Oregon recognizing collective resources and knowledge
- Identify start-up funds needed and help offset one-time costs for developing additional capacity
- Explore funding models to ensure capacity is available when needed
- Develop programmatic and policy change recommendations that would encourage and support capacity development and operational sustainability
- Track provider outcomes and ongoing system capacity needs
- Review current services with an equity lens and make recommendations to ensure culturally specific service delivery is occurring
- Coordinate with System of Care Advisory Council for an analysis of the current continuum of care and develop long-term recommendations for the appropriate settings needed in Oregon

The following section provides OHA and ODHS progress and updates for the recommendations above.

Program and Policy

Capacity expansion for PRTF will not resolve all access to care issues for youth involved with Child Welfare. Continued collaboration with consumers, agencies and interested parties will be necessary to build sustainable practices for access to the right care, and the right time, and the right duration. In 2021, OHA and ODHS partnered to take the following Program and Policy actions:

- In December 2021, OHA began a comprehensive rate study for PRTF that will include a look at current rates and determine what increases are necessary across the system to ensure an adequately compensated and supported workforce. The first report of this study is expected in February 2022
- OHA and ODHS drafted a Memorandum of Understanding that outlines:
 - Roles and responsibilities for PRTF access
 - Process for collecting and analyzing PRTF utilization data
 - Agreements on how capacity needs will be determined and
 - A set of shared values for PRTF services and capacity expansion and enhancement
- OHA included in the final draft of the 1115 Medicaid Demonstration Waiver the ability for PRTF providers to collaborate with Child Welfare on identifying bed capacity specifically for youth involved with the division. If authorized by CMS, this waiver aims to allow for more timely access for youth in child welfare custody that are in crisis and build on collaborative efforts to get children the right services, at the right time, where they need it
- OHA and ODHS continuously consulted with providers, Coordinated Care Organizations, and other community partners to identify immediate needs due to COVID - 19
- OHA and ODHS worked to support the System of Care Advisory Council and its subcommittees on system needs and long-term planning for the children's continuum of care (<https://www.oregon.gov/oha/HSD/BH-Child-Family/Documents/SOC-Plan-2022-23.pdf>)
- ODHS and OHA continue to partner on the drafting of a five-year workforce sustainability plan that focuses on 1) Consistent rates; 2) Recruitment and Retention strategies; and 3) Staff training.

The plan is intended to be implemented across systems and ensure consistency across child serving systems

Data

Data for PRTF referrals

- HB 2086 passed in the 2021 legislative session and amended the requirements of ORS 430.717 to enable OHA to contract with a third-party entity to collect data on referrals to Intensive Treatment Services, which includes PRTF programs. The changes to the existing contract will go into effect in Spring 2022. This will allow for a more comprehensive view of youth who are referred to these services. OHA and ODHS will collaborate on the analysis of the data
- ODHS and OHA collaborated on the cross-system Data Dashboard in connection with the System of Care Advisory Council to meet the requirements in SB 1
- OHA began tracking functional capacity and operational capacity changes for PRTF providers in 2021. OHA and PRTF providers update the tracking document monthly to reflect system capacity and beds that are unable to be filled due to inadequate staffing. OHA will continue to collect information and share with ODHS. In 2022, OHA will publish the tracking on the OHA Child and Family Behavioral Health website

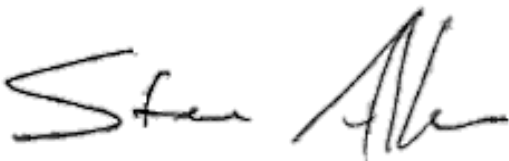
Moving Forward in 2022

ODHS and OHA continue to collaborate to improve access to needed treatment services in the Children's System of Care. Despite the profound impact from the COVID health crisis, the agencies have worked together in effort to sustain current capacity and to make progress toward our shared goals and commitments. Moving forward, the agencies will prioritize the following:

- OHA will continue to convene and lead the PRTF workgroup that will continue to act on urgent needs for PRTF providers as well as plans for expanded and enhanced service capacity
- OHA and ODHS will implement the Memorandum of Understanding that will ensure congruent understandings of existing capacity and capacity needs in the system
- OHA will publish solicitation for PRTF and ODHS will collaborate on the evaluation of proposals
- ODHS and OHA will continue to explore methods to ensure ease of access to PRTF
- OHA and ODHS will jointly review and analyze data provided through OHA's contract that is a result of HB 2086

OHA and ODHS will continue to prioritize this work in collaboration with the System of Care Advisory Council and the Children's cabinet.

Sincerely,



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