Presentation Outline

• Budget note
• Legislatively Directed Budget Actions
• Generic $12 million General Fund reduction
  – Guiding Principles
  – Management Actions
  – Oregon Needs Assessment and Service Planning Project
• Wrap up
Budget Note

“The recommended budget includes a generic program reduction of $12 million General Fund in lieu of more specific actions to curb program costs.”

“DHS is directed to pursue these alternatives, take management actions to suppress program spending, and implement the new assessment/planning process currently under development, no later than June 1, 2018.”

“At each interim meeting, the Department will provide a status update on both these efforts and the program’s budget.”
Legislatively Directed Budget Actions

- **Reductions**
  - Eliminate funding for regional programs effective October 1, 2017
  - Reduce the family support program by half effective July 1, 2017
  - Funded a portion of the workload model for CDDPs/Brokerages effective July 1, 2017
  - Cap bed holds at 21 days for Group Home and Supported Living effective September 1, 2017
  - Review and close inactive cases to be completed by November 1, 2017
# Upcoming waiver changes

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<th>Current State</th>
<th>Future State</th>
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<td><strong>Comprehensive Waiver</strong></td>
<td><strong>Children’s Waiver</strong></td>
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<td>• Kids and adults</td>
<td>• Children age 18 and under</td>
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<td>• Cap number of kids on the</td>
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<td>waiver, start a waiting list</td>
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<td>• All settings</td>
<td>• All settings</td>
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<td><strong>Support Services Waiver</strong></td>
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<td>• Adults</td>
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<tr>
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Children’s Waiver

• The new Children’s Waiver will be the “door” to parental income disregard
• Phase 1:
  – Kids currently in services will continue to receive services
  – Kids who meet Medicaid eligibility without the parental income disregard will continue to access K Plan services
• Phase 2, when ACA Maintenance of Effort expires 9-30-19:
  – Legislative decision on maintaining parental income disregard or removing kids in service who are eligible only with parental income disregard
• No similar changes are planned to the Children’s Intensive In-home Services waivers
Children’s Waiver – Current State

- Parental income below Medicaid standard
- Parental income above Medicaid standard
  - 1915(c) for parental income disregard
  - K Plan services
Children’s Waiver – Future State – Phase 1

- Child
  - Parental income below Medicaid standard
    - K Plan services
  - Parental income above Medicaid standard
    - Capped 1915(c)
      - Child needs residential placement
        - Child needs in-home services
          - Waiting list

Legislatively Directed Budget Actions

• Investments
  – Increase rates by 5% effective October 1, 2017
  – Rate increase for providers of adult and children
    • Group Home services
    • Supported Living services
    • Day Support Activities (DSA)
    • Employment Path services
  – Providers receiving the rate increase will pass the increase on to their Direct Support Professionals (DSP) as wages/health care benefits (HB2684)
Generic Reduction $12 Million GF

• **Principles for decision-making:**
  – Consider the impact on individuals and families
  – Prioritize management actions over reductions in services
  – Prevent further destabilization of the provider workforce and CDDP/Brokerage infrastructure
  – Review authorization levels for in-home services with implementation of the new planning process and Oregon Needs Assessment, make reductions where feasible
  – As a last option, recommend specific changes to I/DD eligibility criteria for Legislative consideration
Management Actions

• Pursue additional federal matching funds from CMS
  – Administrative costs for CDDPs/Brokerages
  – Support System Activities through the K Plan
• Review contracts and reduce planned expenditures where possible
• Develop plan for the legislature on closure of medical homes at the Stabilization and Crisis Unit
• Continue reviewing options for additional management actions
ONA and Service Planning Project

• Oregon Needs Assessment status
  – The ONA is on track to begin July of 2018 with a person’s plan renewal date
    • Initial pilot of about 400 completed
    • Second phase of data collection occurring now
  – The ONA will identify the service level group for each person
  – Additional assessment data that will inform the process to set an appropriate range of in home service hours available by service level group
ONA and Service Planning Project

• Additional steps in process
  – Revise the Individual Support Plan process to refocus on individual strengths, community engagement, natural supports, personal goals and outcomes
  – Seek CMS approval for necessary changes to the K Plan and Medicaid waivers
  – Change Oregon Administrative Rules to reflect the new planning process and ONA
  – Continue work in eXPRS as an interim IT solution
  – Develop and implement a system-wide training effort
  – Implement a communication effort for individuals and families
Wrap-up

- Legislatively directed actions are under way and on schedule
- Stakeholders are involved in key decisions about proposed changes and the $12 million GF generic reduction
- We will continue to report back and work with the Legislature on required budget actions
Thank You

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