

Human Services

PROGRAM AREA AGENCIES

HUMAN SERVICES BENCHMARKS	C-4
BLIND, COMMISSION FOR THE.....	C-6
CHILDREN AND FAMILIES, STATE COMMISSION ON	C-8
DISABILITIES COMMISSION, OREGON.....	C-10
HUMAN SERVICES, DEPARTMENT OF.....	C-12
DHS – DEPARTMENT WIDE SUPPORT SERVICES	C-15
DHS – CHILDREN, ADULTS AND FAMILIES	C-17
DHS – COMMUNITY HUMAN SERVICES	C-20
DHS – HEALTH SERVICES	C-23
DHS – SENIORS AND PEOPLE WITH DISABILITIES	C-28
INSURANCE POOL GOVERNING BOARD.....	C-30
LONG TERM CARE OMBUDSMAN	C-32
PSYCHIATRIC SECURITY REVIEW BOARD	C-34

	1999-2001 Actuals	2003-05 Legislatively Adopted at Close of Session	2003-05 Legislatively Approved through Fifth Special Session	2003-05 Governor's Balanced
General Fund	\$2,282,510,637	\$2,586,595,292	\$2,401,716,856	\$2,291,994,622
Lottery Funds	5,045,990	7,145,478	6,436,025	6,878,546
Other Funds	834,033,411	1,033,238,337	1,343,115,551	1,230,335,942
Federal Funds	3,951,027,476	4,364,908,635	4,785,148,234	4,375,465,823
Other Funds (Nonlimited)	24,651,887	27,675,000	27,675,000	28,643,625
Federal Funds (Nonlimited)	456,008,867	614,319,138	733,819,072	803,258,276
Total Funds	\$7,553,278,268	\$8,633,881,880	\$9,297,910,738	\$8,736,576,834
Positions	9,910	9,398	9,591	9,856
Full-time Equivalent	8,804.17	8,983.41	8,955.59	9,477.62

Overview

Like every other program area within state government, the Governor's balanced budget for the Human Services Program Area was crafted within the context of significantly limited resources for the 2003-05 biennium. These limitations have forced the reevaluation of many of the programs that are currently provided. The agencies within this program area provide for the health and safety of some of Oregon's most vulnerable citizens. These services include protecting children who have been abused, as well as providing for the health and safety of Oregon's seniors and people with disabilities.

Human Services

The Human Service Program Area includes some of the most difficult choices in the balanced budget. The existence of a statewide revenue shortfall does not diminish the need citizens have for the many valuable services that are provided by Human Services agencies. In fact, during a period of economic uncertainty, people who have become recently unemployed often need more government assistance.

But the increased need of our citizens is pitted against the reality of rapidly increasing costs. Health care costs continue to grow at double-digit inflationary rates. New treatments are constantly being developed, leading to higher and higher utilization. These forces have combined to make Oregon's nationally known health plan unsustainable.

The balanced budget weighs these competing pressures, and refocuses human services onto the core mission of maintaining Oregon's safety net, and keeping our children safe. The balanced budget projects caseload increases among Oregon's most needy citizens, but also scales back on services for people who have more financial resources. It maintains the protection of our children, while reducing services to people who are less severely impaired.

Overall, this budget reduces some of the flexibility that was built over the past several biennia. More constraints will be placed on health care benefits and services to people with disabilities. Oregon's broad array of services will be scaled back, but the core of services will be maintained for clients in the most need.

The changes included within the balanced budget are the first step in restructuring the entire human services network. It provides the framework for later discussions among stakeholders and the Legislature about how Oregon's safety net should be configured. The balanced budget defines a more sustainable resource level and asks questions that must be addressed during the next legislative session. Those questions include defining both the groups of clients who should be served, and the level of service that should be provided.

Balanced Budget

Overall, the balanced budget includes \$8.7 billion total funds for the Human Services Program Area. This is a 6.0 percent decrease from the 2001-03 Legislatively Approved Budget (LAB) through the Fifth Special Session. The balanced budget includes \$2.3 billion General Fund, which is 4.6 percent below the LAB through the Fifth Special Session.

Highlights of the balanced budget include:

- Services for Children. Protecting and caring for Oregon's children is one of the most fundamental services that can be provided by government. The balanced budget retains programs that will help keep children safe. It also maintains programs that keep those children healthy and ready to learn. The balanced budget includes sufficient resources to maintain the Healthy Start expansion that provides voluntary home visitation and family supports for first-time parents. Oregon will screen 65 percent of first births to identify families with high risk factors. If those families choose, the program will help connect the family to available services that will mitigate those risks.

Human Services

- Health Care. The balanced budget maintains the basic framework proposed under the recently enacted OHP-2 waivers, but significantly reduces services and benefits. It eliminates cost growth for utilization and inflationary increases, and reduces reimbursement levels for many provider groups. It reduces benefits for some clients, while completely eliminating services for others.

More than any other area of Human Services, the reductions within the health care arena should be considered a starting point for discussion. The balanced budget represents a funding level that is more sustainable for at least the near future. Health care providers and stakeholders should work together to establish the best use of these resources.

- Department of Human Services Reorganization. During the 2001-03 biennium, the Department of Human Services began a significant restructuring of its entire Department. This restructuring will continue through 2003-05. The overall purpose of the reorganization is to improve services to clients, families and communities by integrating available services into a seamless array of programs. During 2003-05, the Department will evaluate its progress and refine the next steps that are necessary to better provide services to Oregon's citizens.
- Senior Services. The balanced budget also includes reductions to a number of programs serving senior citizens. Overall, services will only be provided to seniors with the most pressing physical needs. The balanced budget also eliminates services for clients who do not meet Medicaid eligibility standards. Despite these reductions, the administration is committed to working with the nursing home industry to find new ways to maximize federal Medicaid funds for enhancing nursing home care.