

March 14, 2019

Joint Ways and Means Subcommittee on Human Services
Oregon 2019 Legislative Session

Subject: AOC Testimony on SB 5525

Dear Co-Chair Beyer, Co-Chair Nosse and Members of the Subcommittee,

As the current President of the Association of Oregon Counties (AOC) and on behalf of our state's 36 counties, thank you for the opportunity to testify today on SB 5525.

It's difficult to overstate the impact of the Oregon Health Authority budget to each and every county in Oregon --- but even more importantly, to overstate the daily impact this budget has on the more than one million Oregonians who are directly impacted by OHA services. Helping our constituents maintain access to Medicaid must be one of our state's highest priorities. In addition, Oregon must invest in public health modernization in to order to achieve the triple aim as envisioned by our CCO model; we must increase our "supported housing" supply by linking OHA's efforts with the work of the the Criminal Justice Commission (CJC) to address the unfortunate reality that more than ten thousand individuals who suffer from mental illness unnecessarily cycle in and out of our county jails each year.

AOC Priority Areas of SB 5525

1. Funding Public Health Modernization
2. Strengthening the OHA-OHCS Partnership to Better Integrate Behavioral Health, Physical Health and Housing
3. Funding a Behavioral Health Justice Reinvestment Initiative (BHJRI)
4. Funding Specific Public Health & Behavioral Health POPs Contained in the 2019-21 Governor's Recommended Budget (GRB)

In order to help achieve the above four priorities in SB 5525, AOC Supports HB 2270. By raising the tobacco tax and also creating a critically important "e-cigarette" tax, Oregon would gain an estimated \$95 million of revenue in current biennium and an estimated \$346 million in the 2021-23 biennium to fund these needed investments.

- By raising the price of tobacco and nicotine products, HB 2270 is one of the most effective ways to support those who want to quit --- with a 10% increase in price there is an estimated 4% reduction in adult use and 7% reduction in youth use;
- HB 2270 would increase the price of tobacco by \$2 per pack and include e-cigarettes with other tobacco products and tax at 65% of wholesale price;

- 90% of the revenue under HB 2270 would be dedicated to the Oregon Health Plan and is part of the six-year plan for funding the OHP; 10% of the revenue would be dedicated to tobacco prevention and Public Health Modernization.

Fund Public Health Modernization: AOC supports funding of \$47.7 million in the 2019-21 budget to implement public modernization. These investments are needed to achieve sustainable and measurable improvements in population health, as well as to strengthen and expand our local public health system, including a focus on communicable disease control and environmental health programs.

Strengthen Behavioral Health-Physical Health-Housing Integration Efforts: AOC supports funding the Governor’s \$406 million 2019-21 Housing Plan, including \$54.5 million for “Supported Housing” and \$22.5 million for Veterans Housing. We believe the original vision of Oregon CCOs as community-based, locally governed entities. CCO 2.0 contracts need to incentivize and promote more extensive behavioral health-physical health-supported housing collaboration between CCOs, Local Mental Health Authorities (LMHAs), housing developers and local public safety system partners. In addition, the Behavioral Health Justice Reinvestment Initiative (BHJRI) will provide a key opportunity to launch efforts to divert mentally ill individuals from county jails and to align healthcare and housing initiatives.

Fund a Behavioral Health Justice Reinvestment Initiative (BHJRI):

A. AOC supports BHJRI funding that is in addition to (i.e. does not supplant) existing levels of Justice Reinvestment Initiative funding.

B. AOC supports a BHJRI approach that helps align and focus the various behavioral health programs that already exist; BHJRI should bring strategic clarity to behavioral health services and it should not create new administrative approaches that further fragment and or complicate the delivery of services.

C. BHJRI should leverage a partnership between OHA, the Criminal Justice Commission and the work of OHCS to create more “supported housing” to reduce the number of mentally ill individuals who currently cycle in and out of local county jails for low level offenses, often because of co-occurring substance abuse disorders. By focusing on the health (physical and behavioral), housing, and social support needs of these individuals, local system partners can improve public safety outcomes and better meet the needs of mentally ill individuals at the same time. This integrative, problem-solving approach should leverage existing Local Public Safety Coordinating Council (LPSCC) work by expanding community based partnerships with CCOs, Housing Authorities, Local Mental Health Authorities (LMHAs) and the public safety-judicial system. AOC supports funding and encourages BHJRI to be closely aligned with the Governor’s \$54.5 million “Supported Housing” initiative to maximize the opportunity to address homelessness among the justice-involved, mentally ill population.

**AOC SUPPORTS the following
2019-21 Agency Policy Option Packages**

PUBLIC HEALTH

1. OHA POP 401 – Universal Home Family Home Visiting: **\$4M**
2. OHA POP 417 – The Governor’s Budget includes \$5.5 million of General Funds to support local communicable disease outbreak surveillance programs at the current service level. These General Funds replace Oregon Medical Marijuana Program (OMMP) revenues which are no longer available to support other public health programs: **\$5.5M**

BEHAVIORAL HEALTH

1. OHA POP 408 – Continue mental health funding by restoring dollars previously backfilled by marijuana revenue: **\$16M**
2. OHA POP 413 – Fill the funding gap in behavioral health resulting from the shortfall in Tobacco tax revenue: **\$9.1M**

Sincerely,

Martha Schrader, Clackamas County Commissioner
President, Association of Oregon Counties