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# Ways & Means Presentation Oregon State Hospital

Presented to  
Joint Ways & Means Subcommittee on Human Services  
February 10, 2025

Dr. Sara Walker, Oregon State Hospital Interim Superintendent

# Overview

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- What is Oregon State Hospital
  - Overview
  - How Oregon State Hospital advances OHA's Strategic Plan
  - Organizational structure
  - Partnerships
- Key Successes
  - Primary impacts and outcomes
- Budget Overview
  - How Oregon State Hospital services are delivered
  - Budget drivers and major program changes
  - 2025-27 Governor's Budget request
  - 2025-27 Focus areas
- Policy Option Packages



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# What is Oregon State Hospital?

# What is Oregon State Hospital? - Our Role

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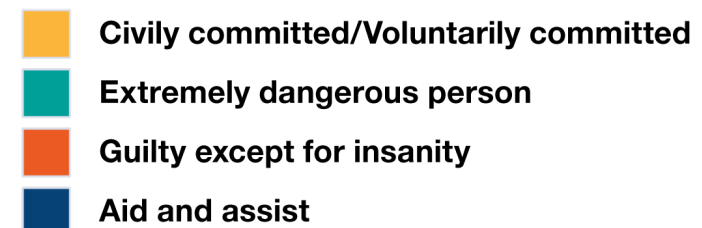
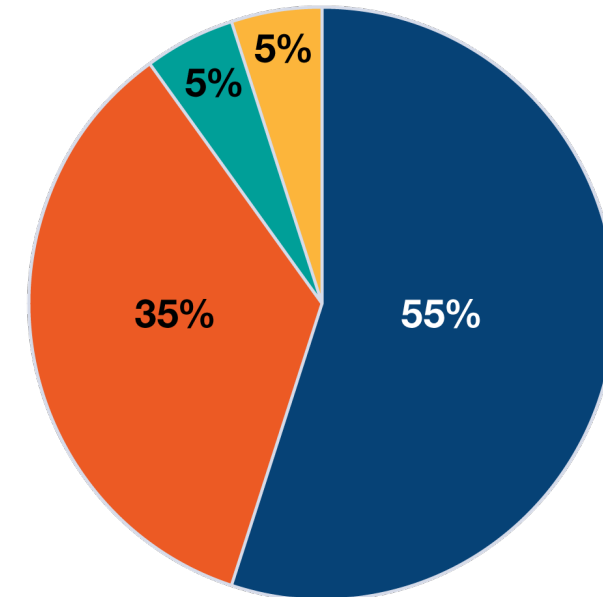
The Oregon State Hospital (OSH) serves an essential role in the behavioral health continuum by providing the highest level of psychiatric care in the state to adults whose safety and treatment needs cannot be met in their communities.

OSH provides comprehensive psychiatric, medical and psychosocial treatment and skill-building to help patients successfully return to their communities and (when necessary) interact with the legal system or the Psychiatric Security Review Board.

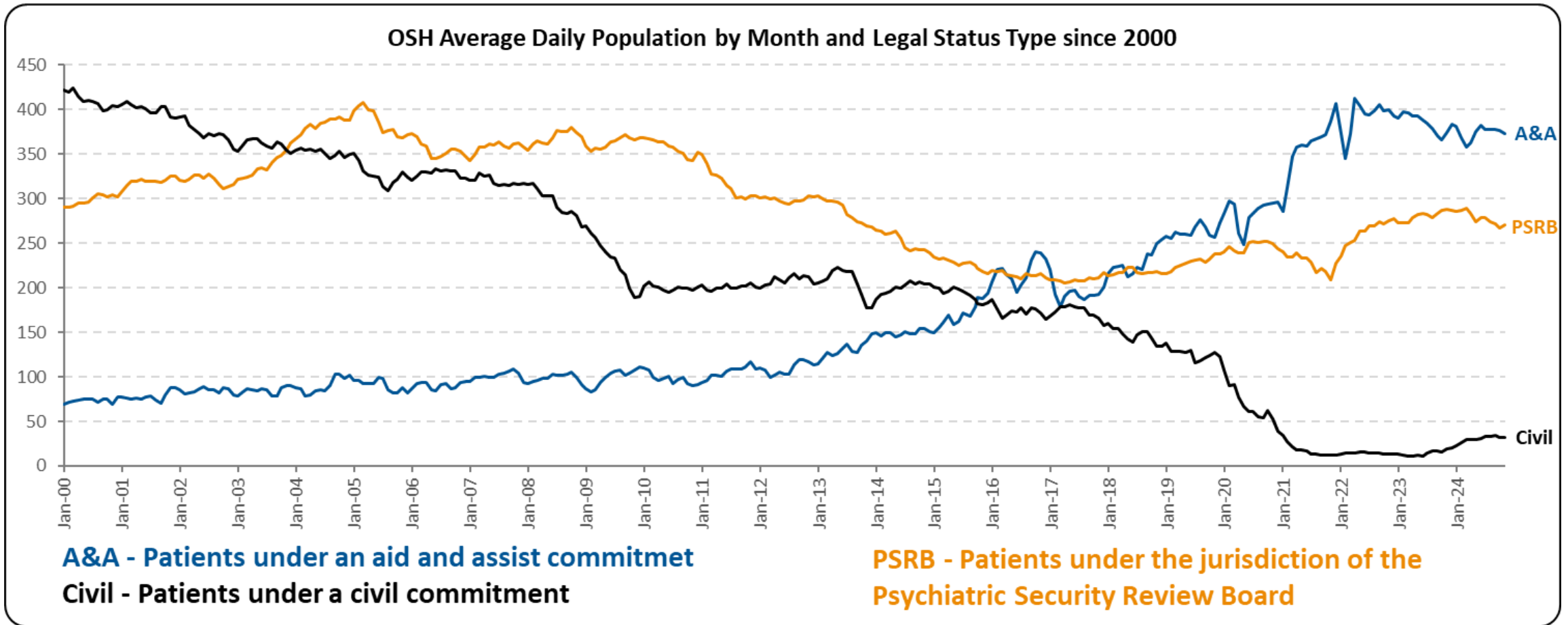
# What is Oregon State Hospital? - Our Patients

- OSH serves adults with diagnosed or suspected mental disorders.
- A substantial percentage of OSH's patients have a substance use disorder in addition to a mental health disorder.
- OSH's population has changed significantly over the past 6 years and is now 95% justice-involved.

**Oregon Hospital Patient Population**



# What is Oregon State Hospital? - Changes



# Direct Care Staffing

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Direct care staffing needs have increased with the change in patient population and acuity level at OSH.

1. Patients are coming in from jails sicker (psychiatrically and medically).
2. Increases in patient movement, combined with patients who are more symptomatic, increase acuity and creates a more stressful environment.
3. There has been an increase in staff absences due to protected leave and call outs.
4. OSH does not currently have enough staff to consistently cover planned and unplanned absences.

# OHA's Strategic Plan



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## Strategic Goal

Eliminate health inequities  
in Oregon by 2030

Transforming  
behavioral health

Strengthening  
access to  
affordable  
care for all

Fostering healthy  
families and  
environments

Achieving  
healthy Tribal  
communities

Building OHA's  
internal capacity  
and commitment  
to eliminate  
health inequities



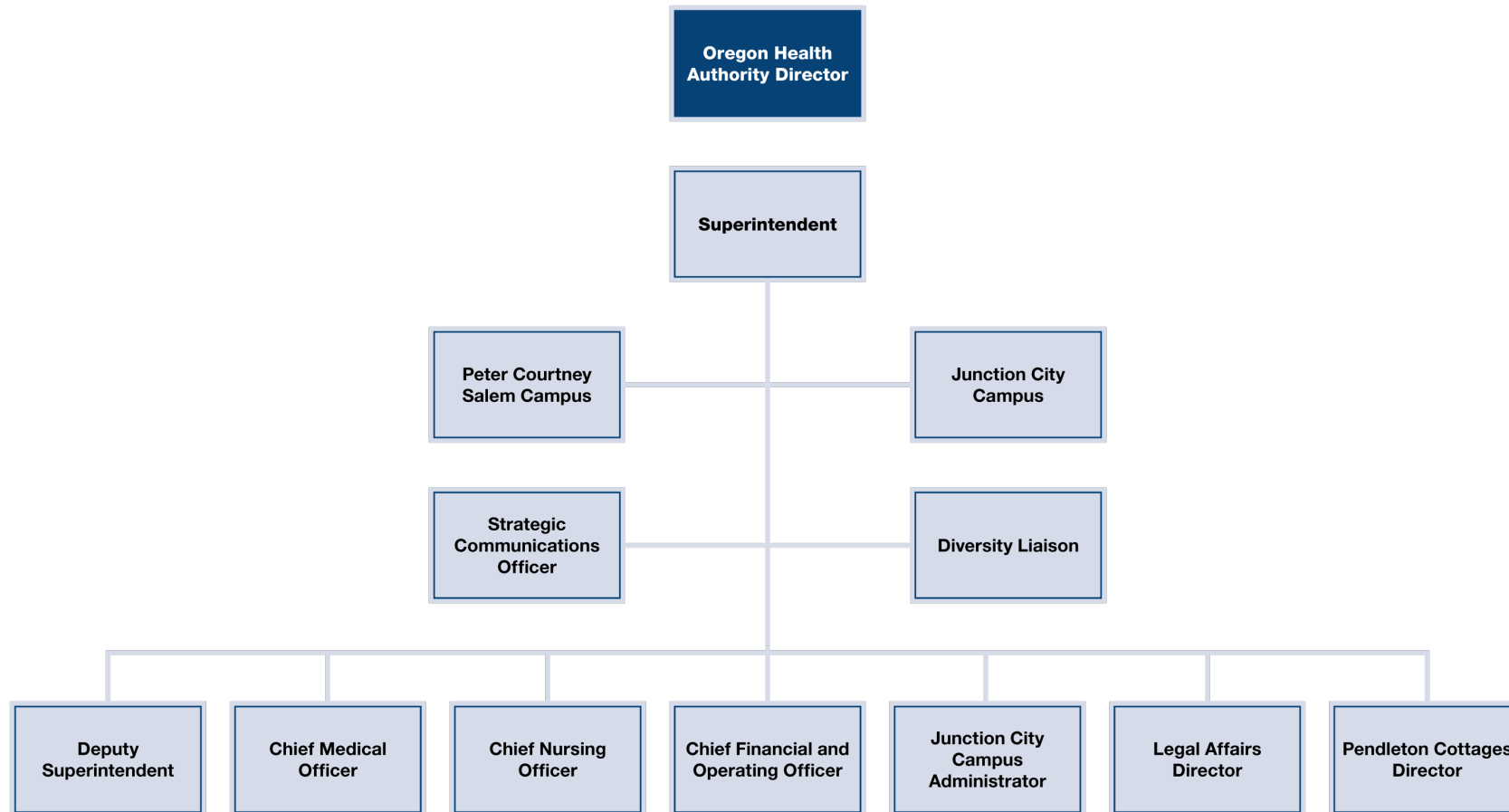
# Oregon State Hospital and OHA's Strategic Plan

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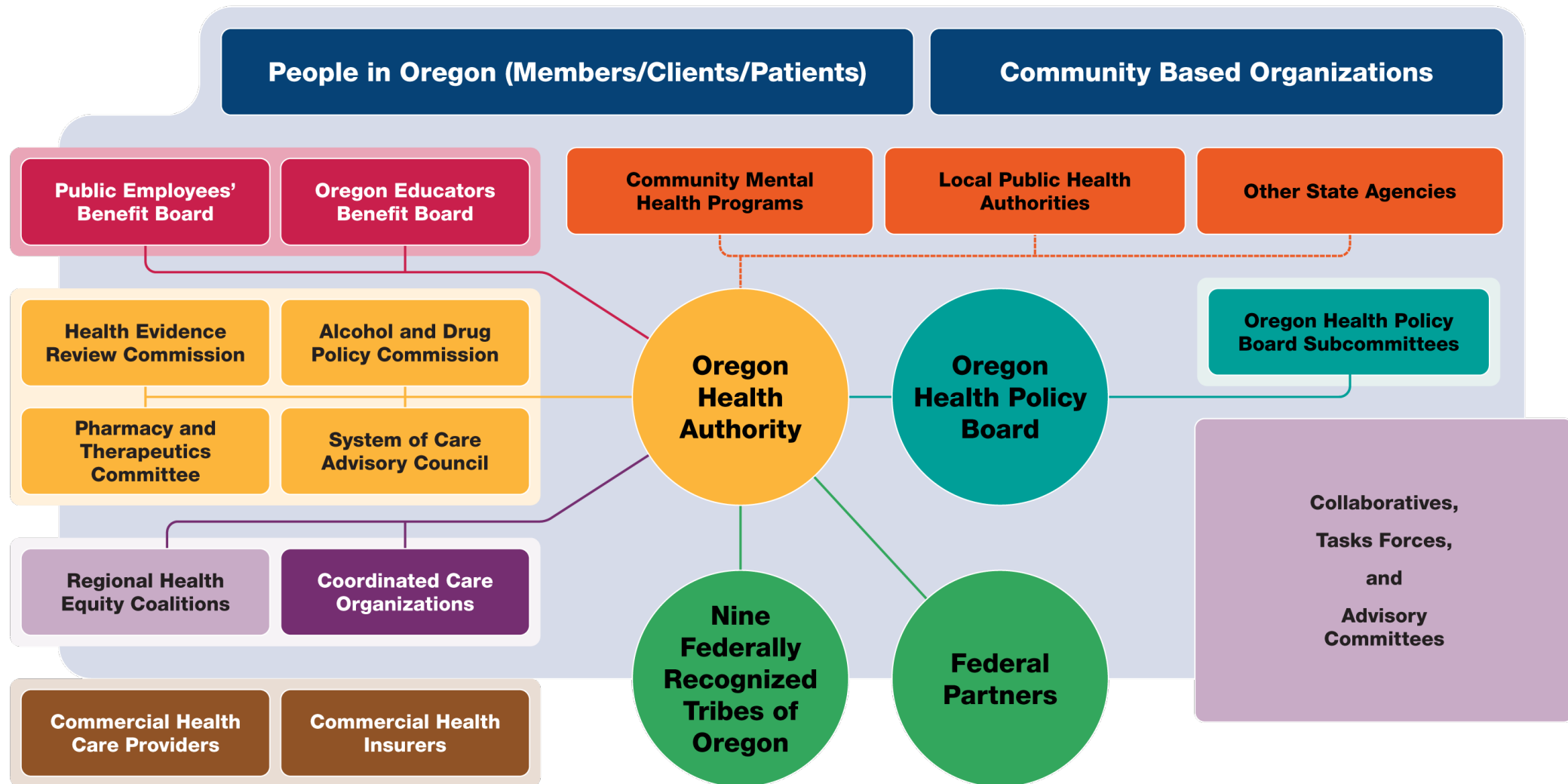
Our work supports the OHA Strategic Plan goals of transforming behavioral health and eliminating health inequities by 2030.

1. For many patients, OSH's medical and dental services are their first opportunity to receive care in years.
2. OSH provides many other services which can be difficult to access in the community, even for patients who are housed and have access to transportation.
3. OSH engages interpretive and translation services for assessment and treatment for patients whose primary language is not English or who require sign language interpretation.

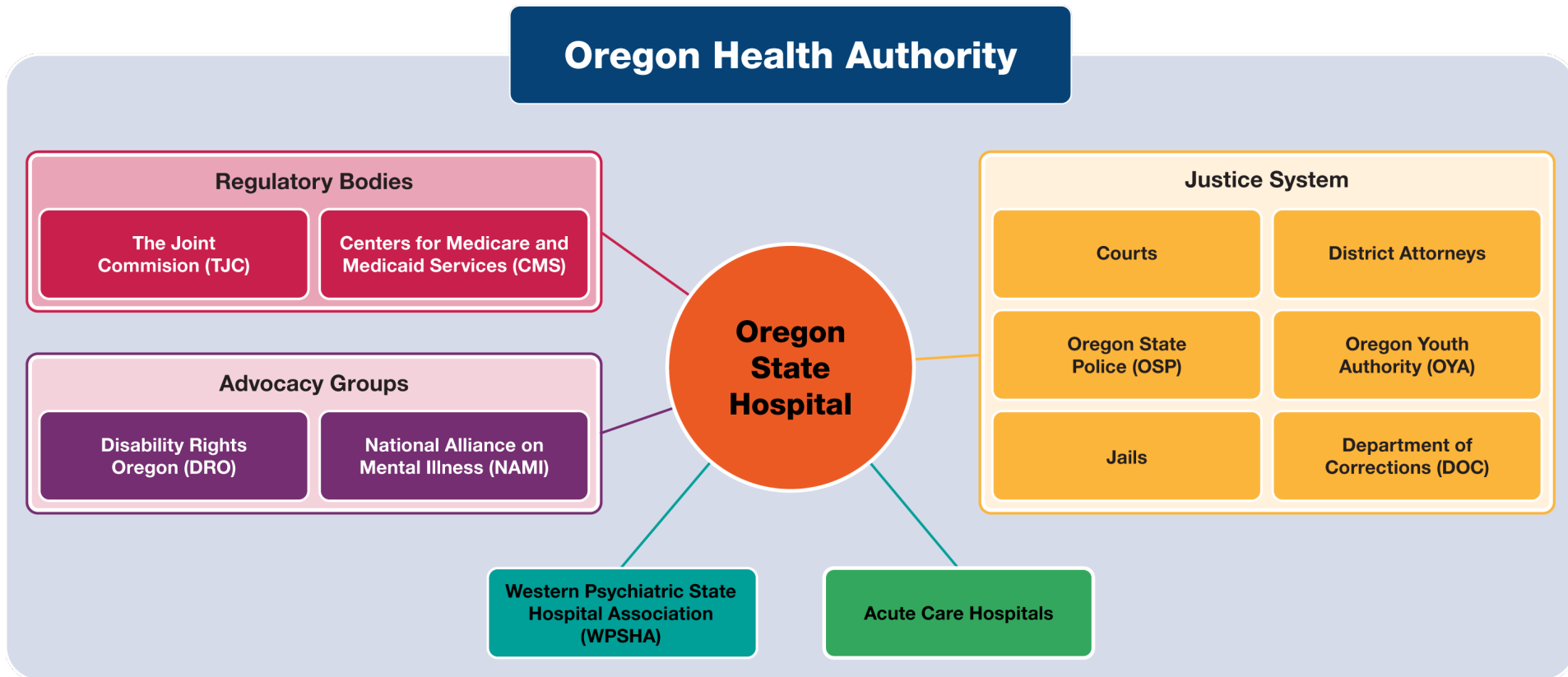
# Organizational Structure – Oregon State Hospital



# External Partnerships - OHA



# External Partnerships - OSH



# Internal Partnerships

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**Behavioral Health** – successful community transition for OSH patients, allowing people to reside at the most appropriate level of care to meet their needs.

**Public Health** – disease management and reporting, including outbreaks, atypical infections, and diseases which require extended treatment.

**Equity & Inclusion** – consultation and targeted staff education related to equity, anti-racism, etc.

**External Relations** – comprehensive communication with multiple parties external to and within OSH, including patients.



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# Key Successes

# Achieving regulatory compliance

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**Reviews from The Joint Commission (TJC) and the Centers for Medicare and Medicaid Services (CMS) are essential to provide independent assessment of overall hospital performance.**

- TJC and CMS focus on hospital compliance with regulations which protect patient safety, promote equitable and high-quality patient care, and establish a standard of continuous quality improvement.
- CMS certification also permits OSH to access federal funds for treatment of underserved individuals.

## **Measuring progress:**

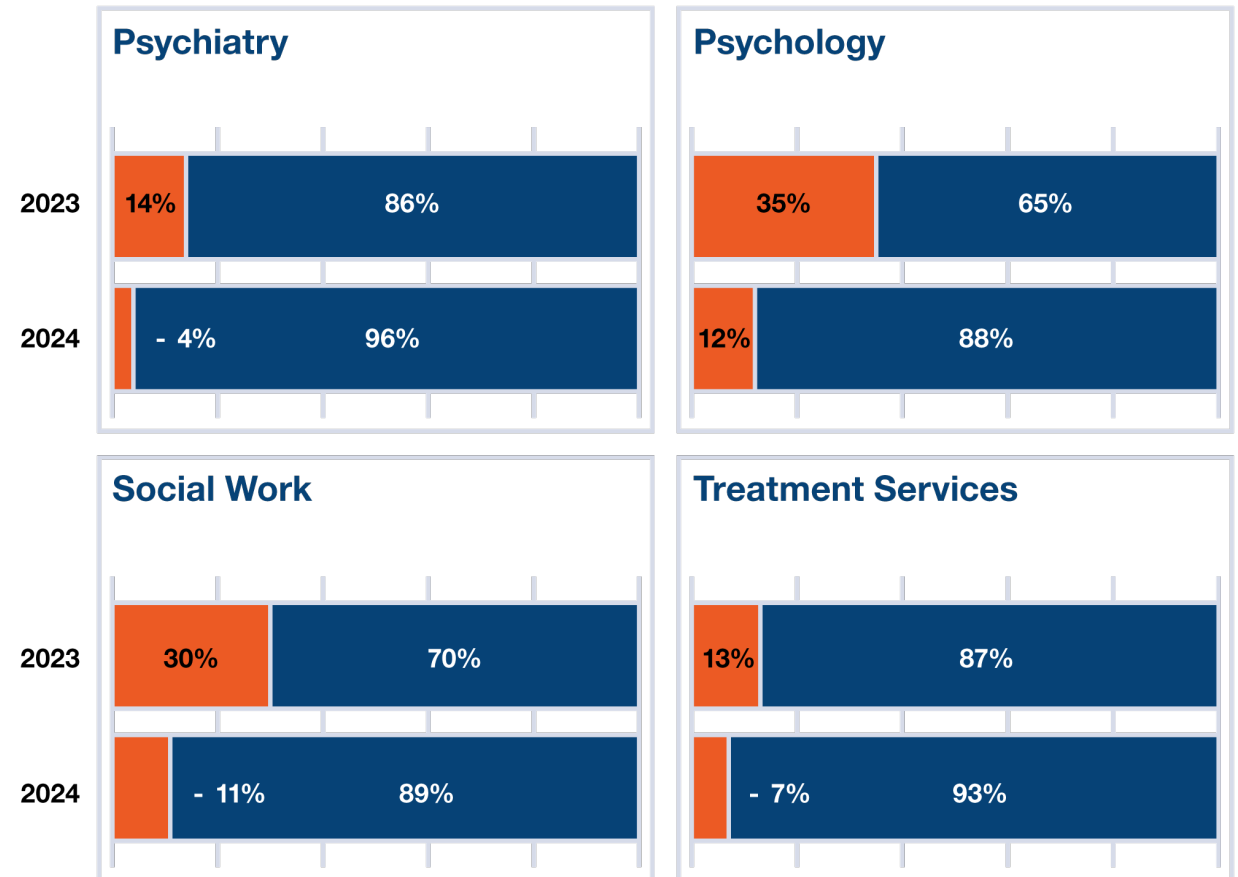
- TJC triannual review, September 2024: OSH remains fully accredited, with no high-severity findings.
- Four CMS complaint surveys in 2023-2024. OSH is now in substantial compliance and remains fully certified.

# Improving clinical staffing and reducing vacancy rates

Clinical staff provide direct medical and mental health care to hospitalized patients. Robust staffing is required to provide comprehensive care to an increasing number of patients annually.

## Measuring progress:

■ Filled  
■ Vacant





# Developing specialized care programs

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OSH provides necessary, individualized and equitable patient care. For example:

- **Substance Use Disorders** – medication for opioid use disorders
- **Jurisdictional Treatment** – treatment based on barriers to discharge, which vary by commitment type
- **Gender Expansive Care & Organizational Support** – provides gender-affirming care to patients, education and training to staff

# Enhancing patient safety

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Introduction of illicit substances or weapons (for example, through the mail) and diversion of prescription medications present a high risk to patient safety and are common issues in forensic hospitals.

- OSH has implemented technological solutions to prevent unsafe items from reaching patients.
- OSH has implemented strategies to prevent medication diversion.



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# Budget Overview

# How Oregon State Hospital Services are Delivered

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# Major Budget Drivers

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The single largest OSH budget driver continues to be staffing. This is due in part to:

- A shortage of qualified staff following the COVID pandemic
- Increased acuity on the units requiring additional staff to respond to patient needs

Compliance with CMS Conditions of Participation and the Oregon Nurse Staffing Law has driven changes in staffing requirements and equipment needs for patient safety.

# Major Oregon State Hospital Changes

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Program changes occurring in the last three biennia

## Additions:

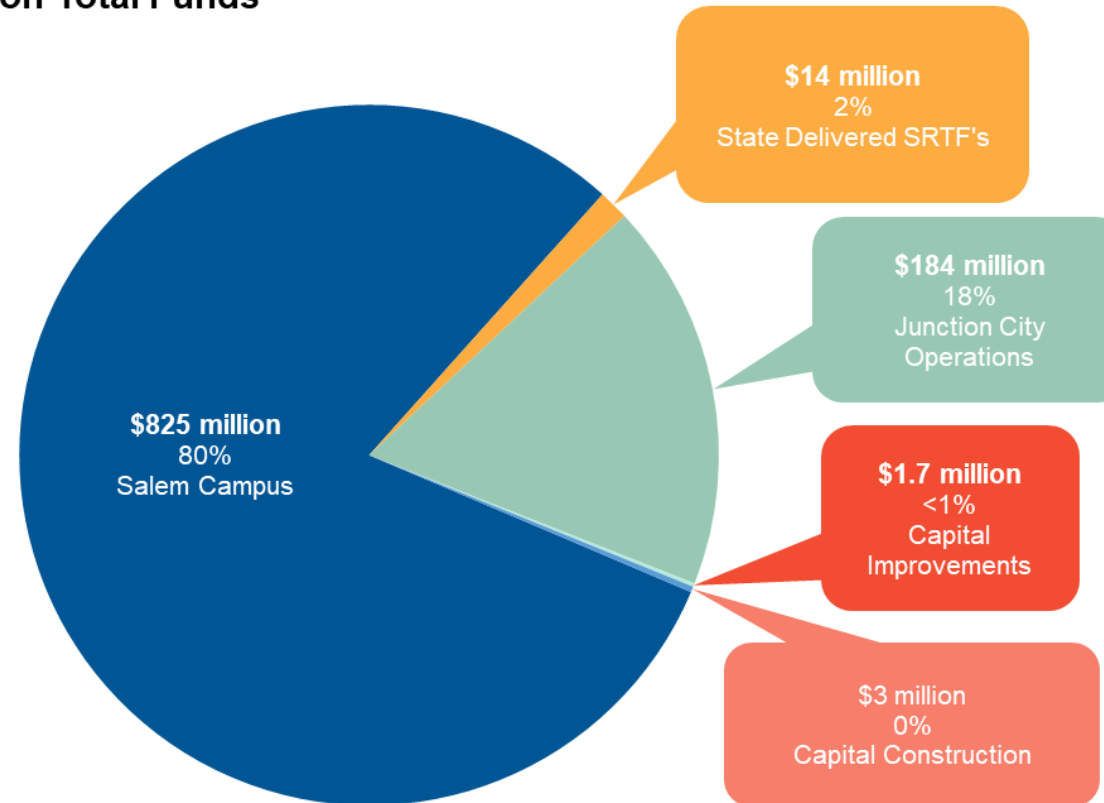
- 30% increase in admissions due to federal court order issued in September 2022
- Aid & Assist now 55-60% of population
- All OSH units now open and operating at 98% capacity

## Reductions:

- Program dedicated to treatment of civilly committed adults
- Programs specializing in treatment of patients under a single forensic jurisdiction (ex: GEI, Aid & Assist) or clinical need (ex: geropsychiatric)

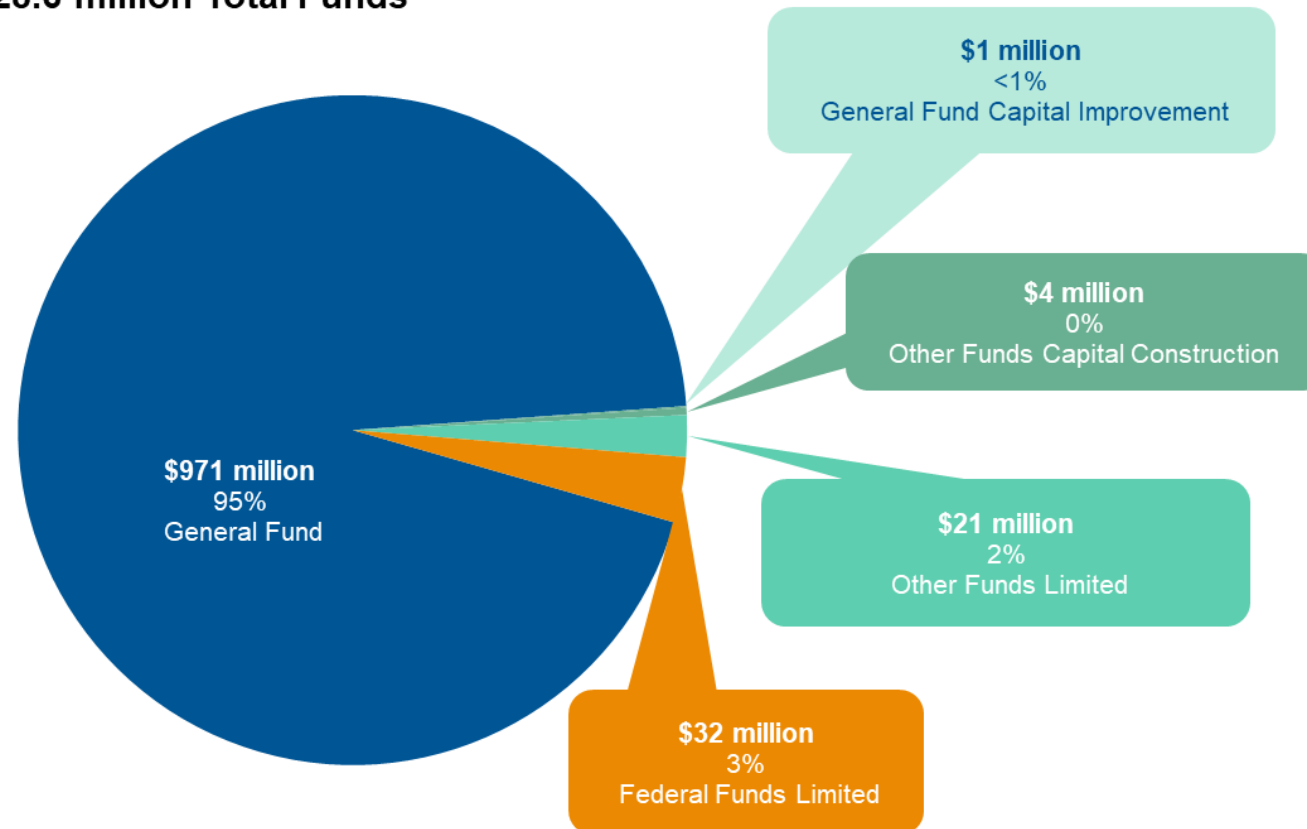
# 2025-27 Governor's Budget, by Program Area

Oregon State Hospital by Program  
**\$1,028.6 million Total Funds**



# 2025-27 Governor's Budget, by Fund Type

Oregon State Hospital by Fund Type  
**\$1,028.6 million Total Funds**



**Revenue Sources:** Insurance Billing, Disproportionate Share Hospital Payments, Enterprise Revenue



# 2025-27 Focus Areas

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OSH's budget focuses on providing sustainable quality care, in a safe and therapeutic environment for patients and staff:

- Stabilize direct care staffing
- Invest in patient and staff safety
- Address compliance with federal court order
- Convert to a vendor-supported EHR system and implement technology to manage consistent staffing on the units
- Ensure equitable access to Native and Indigenous spiritual services for patients who wish to practice
- Preserve and sustain OSH facilities to ensure a safe, clean and therapeutic environment for patients to live and staff to work

# 2025-27 Governor's Budget Investments

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The Governor's Budget contains significant investments to enhance the staffing and safety of patients and staff at OSH and to support compliance with federal requirements:

- OSH Community Navigators: \$500,000 GF, \$500,000 TF
- Reclassify 4 Licensed Practical Nurses (LPNs) to Registered Nurses (RNs): \$500,000 GF, \$500,000 TF
- Patient Vitals Monitoring: \$3.0 million GF, \$3.0 million TF
- Enhanced Security Contracts: \$5.8 million GF, \$5.8 million TF

# 2025-27 Governor's Budget Investments (Continued)

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These three investments are included as a part of the budget adjustment investments in the Governor's Budget. They are reflected here given that they are not standard/technical adjustments typically included, such as for caseload adjustments.

- Additional Mental Health Technicians (Posting Factor Partially Offset by Overtime Savings): \$11.7M GF, \$11.7 TF, 136 positions
- Forensic Evaluation Services Positions: \$700,000 GF, \$700,000 TF
- Center for Medicare & Medicaid Response: \$21.8M GF, \$21.8M TF, 76 positions



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# Priority Investments

# POP #409 – EHR and Information Technology

## Challenge:

- OSH requires enhanced information technology to provide quality patient care and meet federal and state guidelines. OSH's current Electronic Health Record will no longer be supported by the vendor after November 2025.

## Proposal:

- Supports several vital information technology projects for OSH such as updating the existing hospital EHR to a current, vendor supported version and enhancing staffing management systems to aid in ensuring statutory staffing plan requirements are met.

## Desired outcomes:

- EHR upgrade is a required investment to continue hospital function, as well as adding functionality.
- Staffing management systems assist with staffing committee and staffing plan statutory requirements.

	General Fund	Total Funds	Positions	FTE
POP 409	\$3,100,000	\$3,100,000	4	1.89

# POP #414 – Native Services

## Challenge:

- Meeting the patient demand for culturally appropriate, native services and ensure patient rights to access spiritual practices and ceremonies.

## Proposal:

- Requests position resources to provide culturally appropriate gender-specific Native American/Indigenous services such as traditional ceremonies and support groups that include sweat lodge sessions, smudge ceremonies, talking circles, group council, and other indigenous arts and crafts.

## Desired outcomes:

- This request first replaces more expensive and difficult to acquire contract services and then expands the program to meet the existing demand. The rituals and ceremonies provided by the Native Services department offer patients a way of remaining connected to their cultural heritage as well as practices that contribute to recovery for all OSH patients, regardless of heritage, that choose to participate.

	General Fund	Total Funds	Positions	FTE
POP 414	\$211,729	\$211,729	6	2.93

# POP #419 – OSH Facility Conservation and Development

## Challenge:

- OSH equipment and facilities experience a higher level of wear and tear than traditional buildings and require continuous investment to maintain a safe and secure environment for patients and staff.

## Proposal:

- Maintenance and modernization projects throughout OSH to support an aging facility. Replaces lifecycle equipment needs from the opening of the new hospital and critical for hospital accreditation. Projects are financed through Bonds.

## Desired outcomes:

- Maximize the use and value of the facilities, ensuring that the hospital is nimble as program needs evolve, creating sustainability and adaptability, ensure that the facilities are accessible and responsive to patient needs.

	General Fund	Total Funds	Positions	FTE
POP 419	\$ 1,720,516	\$ 9,265,156	0	0

# Thank you

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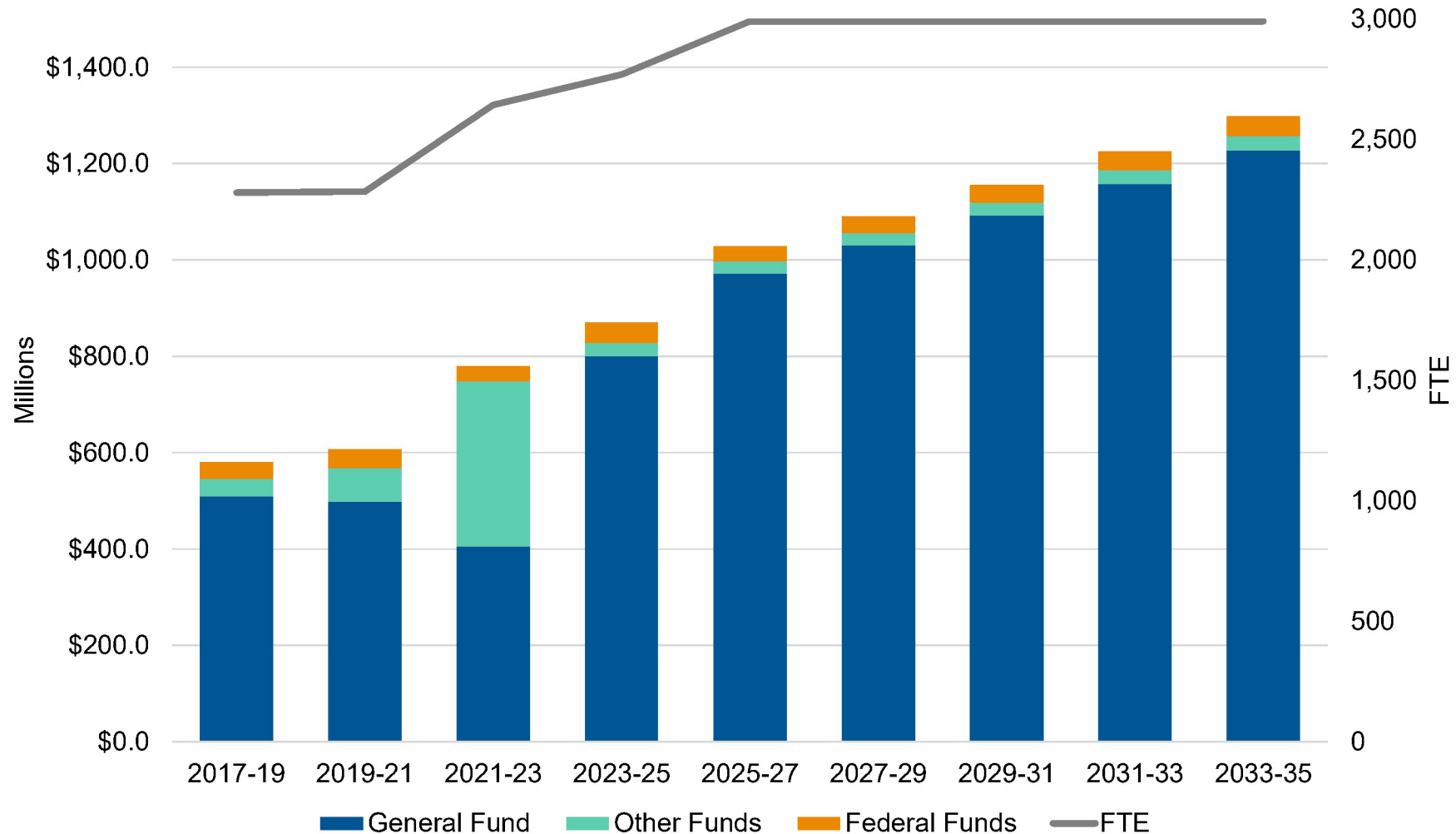




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# Appendix

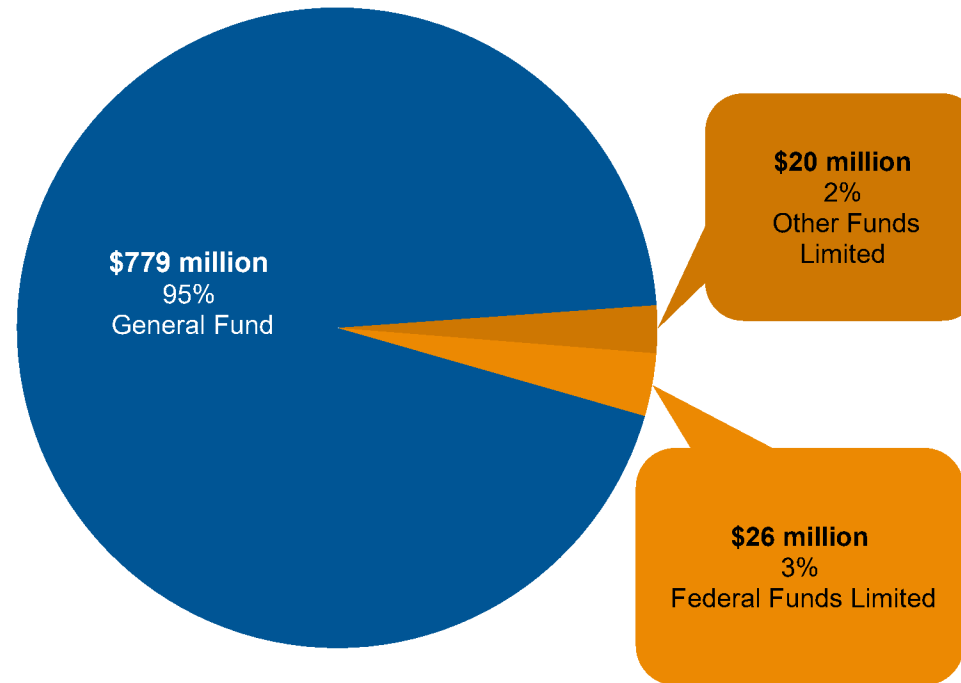
# Oregon State Hospital Funding



# Salem Campus, by Fund Type

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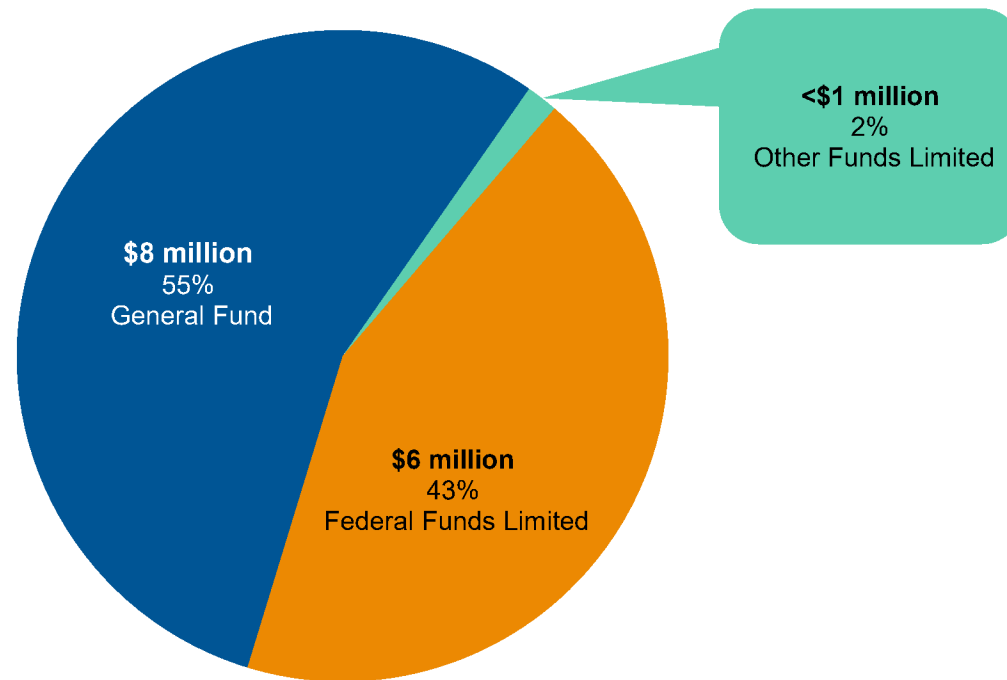
Salem Campus by Fund Type  
\$825.4 million Total Funds



# State Delivered SRTFs, by Fund Type

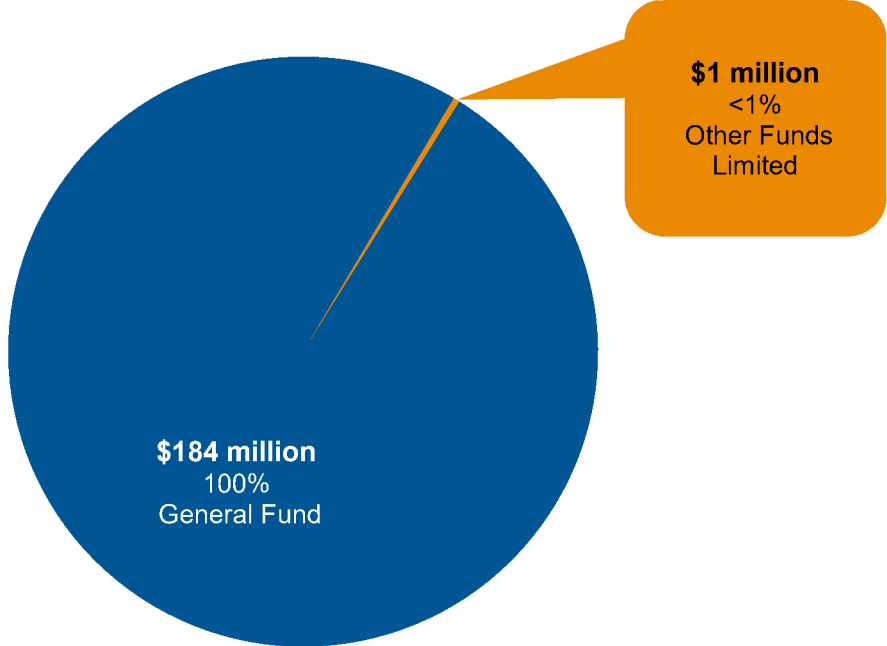
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State Delivered SRTFs by Fund Type  
\$14.4 million Total Funds



# Junction City Operations, by Fund Type

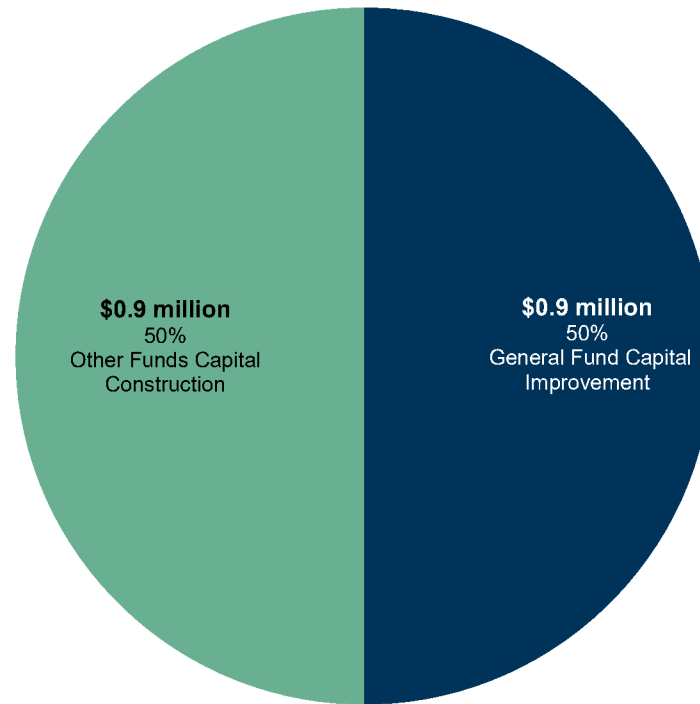
Junction City Operations by Fund Type  
**\$184.5 million Total Funds**



# Capital Improvements, by Fund Type

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Capital Improvements by Fund Type  
**\$1.7 million Total Funds**



# Capital Construction, by Fund Type

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Capital Construction by Fund Type  
**\$2.7 million Total Funds**

