

2025-27 GOVERNOR'S RECOMMENDED BUDGET

Oregon Department of Human Services



Mike Streepey and Courtney Rogers
Department of Administrative Services
Chief Financial Office
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2025-27 Governor's Budget Overview



Emerging Issues:

- Rising caseloads and increased costs
- Public Health Emergency wind down (FMAP and SNAP impact)
- Outdated mainframe/provider payment systems
- Breaking down program siloes and service delivery transformation
- Federal funding uncertainties

FMAP = Federal Medicaid Assistance Percentage
SNAP = Supplemental Nutrition Assistance Program

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2025-27 Governor's Budget Overview

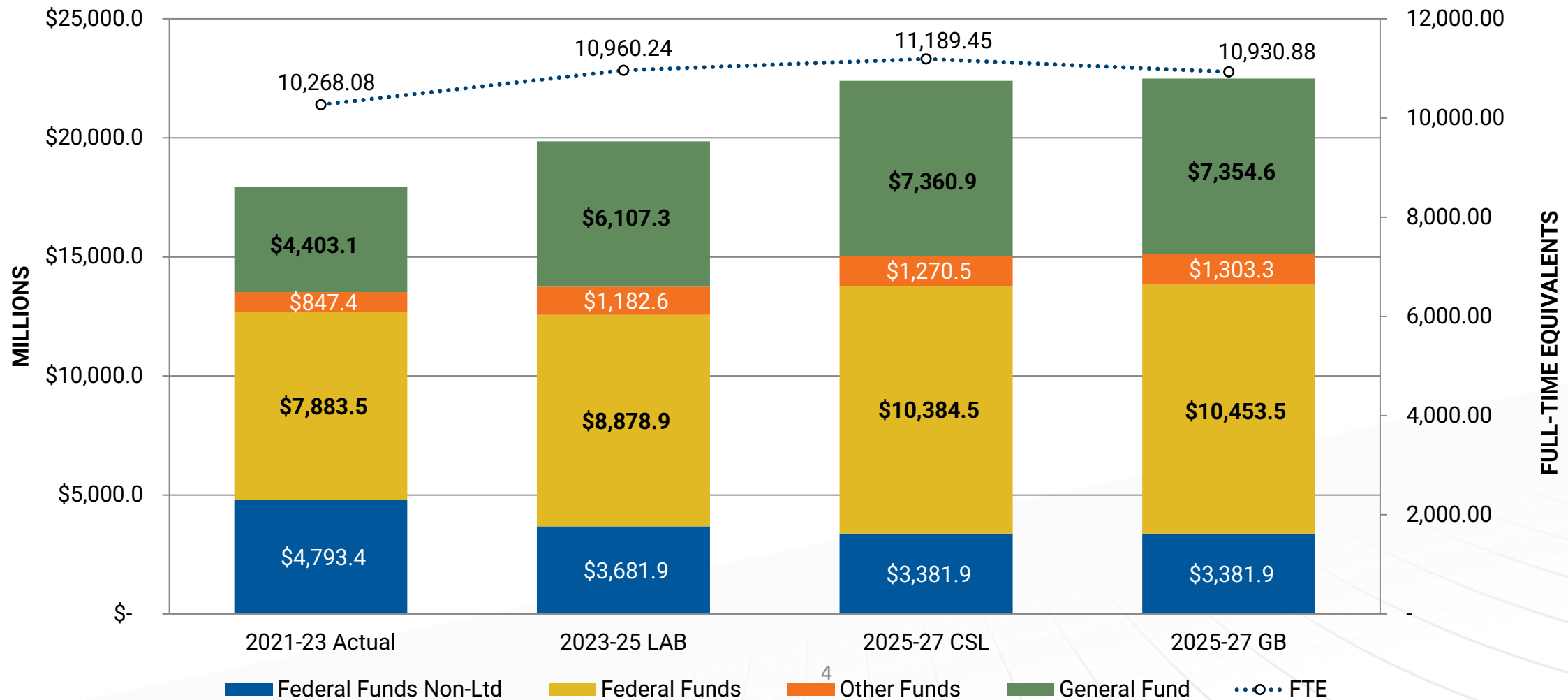


Budget Themes:

- Maintain budget stability for service recipients, state and non-state employees and providers
- Improving Child Welfare outcomes
- Governor's Initiatives (Behavioral Health and Housing)
- Enhanced safety and oversight
- Customer service and efficiencies
- Federally required changes

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Expenditure History + 2025-27 Governor's Budget

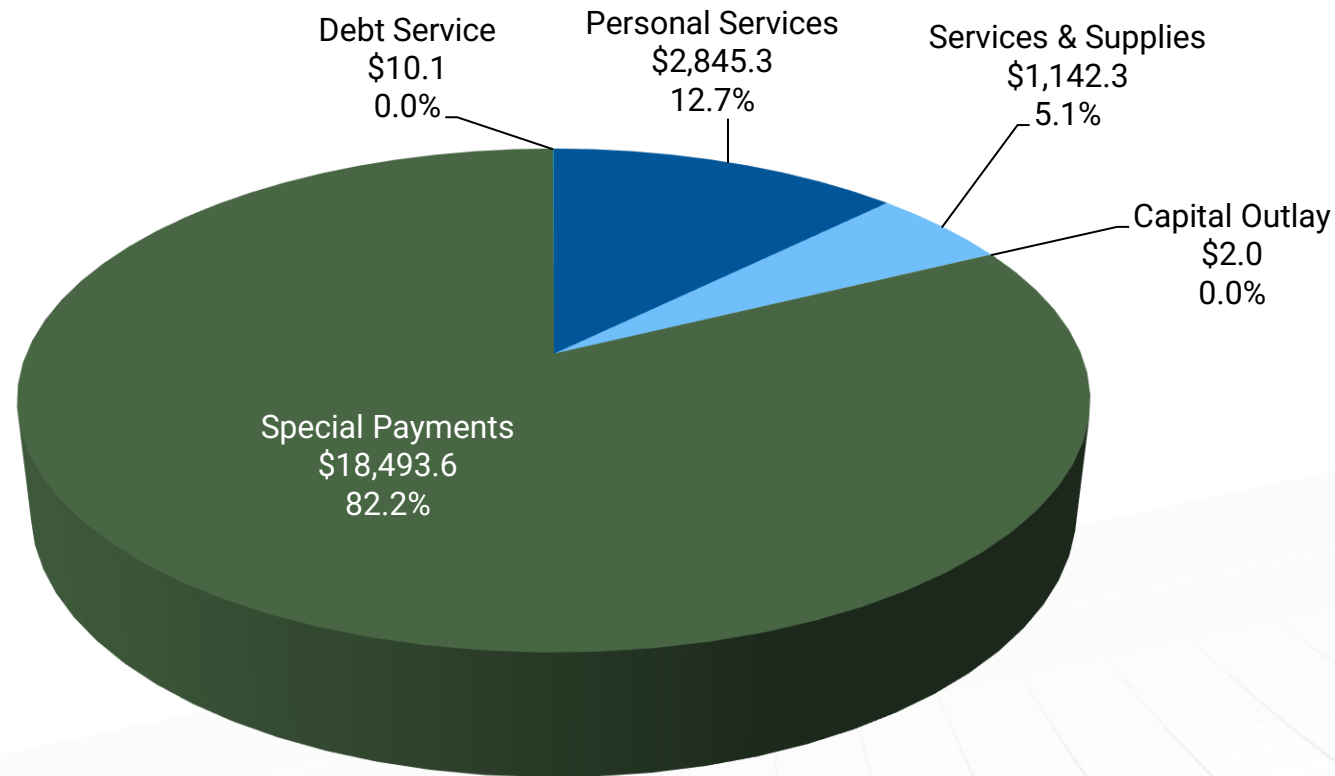


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2025-27 Governor's Budget



Agency Budget by Expenditure Category (in millions)

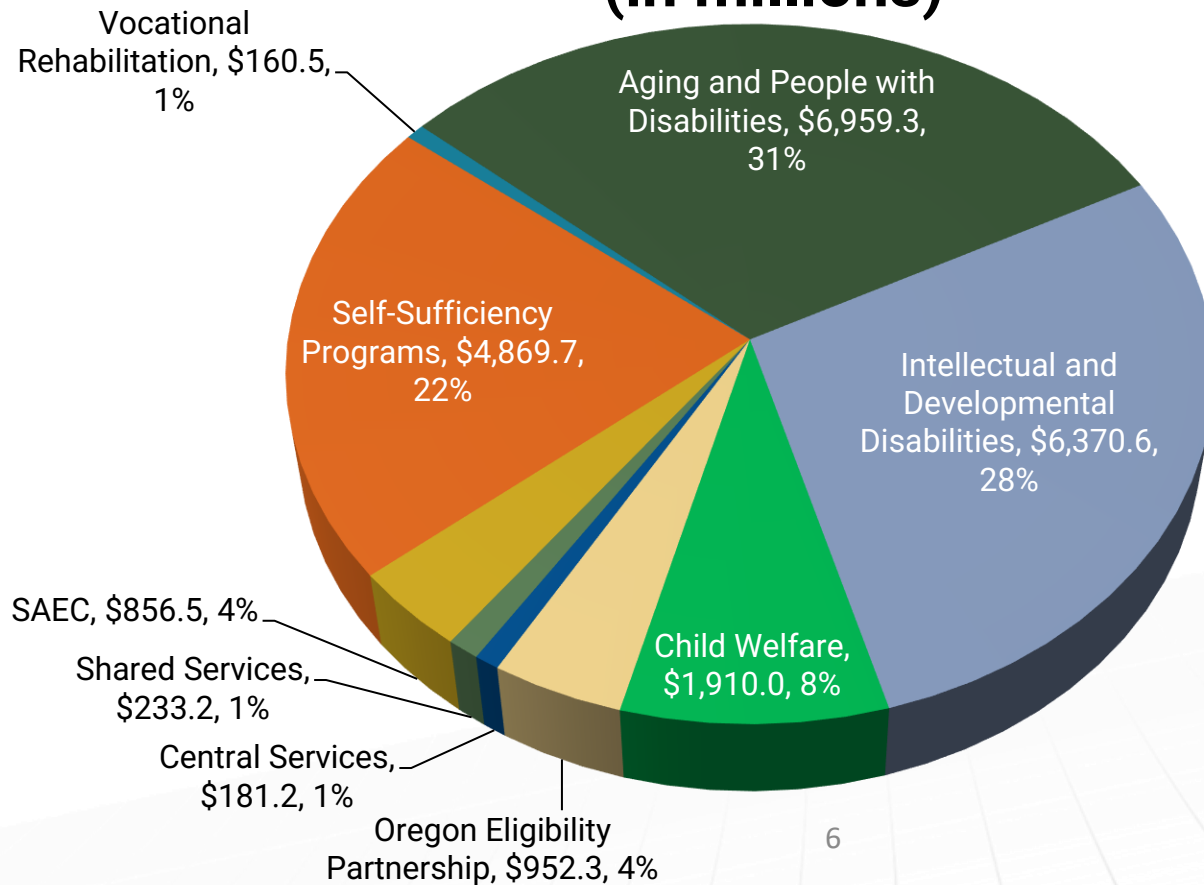


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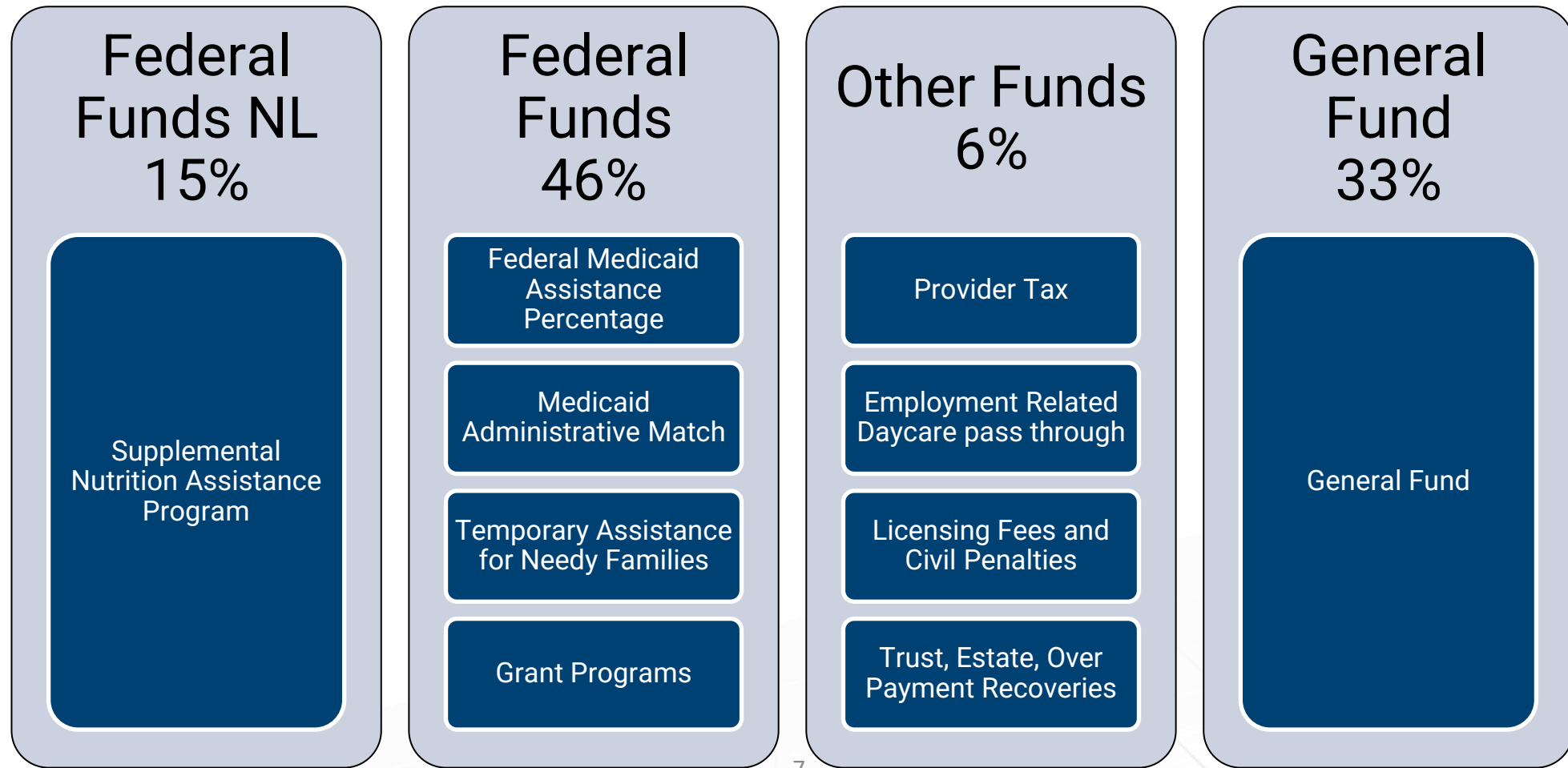


Governor's Budget by Agency Program (in millions)



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Revenue Sources



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2025-27 Governor's Budget - Investments



Improving Child Welfare Outcomes:

- Temporary Lodging innovative placements - \$10 million General Fund
- Family First Prevention Services - \$7.0 million General Fund, \$14 million total funds
- Independent Living provider rates and SSI benefit maximization - \$4.3 million General Fund, \$4.6 million total funds
- Child Welfare Contract Administration - \$1.9 million General Fund, \$2.7 million total funds
- Focus Program Expansion - \$0.4 million General Fund, \$0.5 million total funds

Housing and economic stability:

- Youth Experiencing Homelessness Program - \$19.7 million General Fund
- Nutritional benefit increase for JOBS program participants - \$5.2 million General Fund

Behavioral Health:

- Ensuring Access within Aging and People with Disabilities - \$10 million General Fund, \$25.8 million total funds

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2025-27 Governor's Budget – Investments continued



Provider support, oversight and non-state employee workforce:

- Adult Foster Home rate methodology - \$21.4 million General Fund, \$59.4 million total funds
- Safety and Regulatory Oversight - \$2.8 million General Fund, \$5.7 million total funds
- CMS Access Rule - \$2.1 million General Fund, \$4.2 million total funds
- Service Equity and accessibility - \$1.4 million General Fund, \$2.3 million total funds

IT infrastructure and Operations:

- Office and worker safety - \$3.5 million General Fund, \$7.5 million total funds
- Central Abuse Management System - \$1.3 million General Fund, \$2.5 million total funds
- Mainframe Modernization - \$2.2 million General Fund, \$6.2 million total funds
- Improve IT security and privacy - \$1.5 million General Fund, \$2.4 million total funds
- Office of Resilience and Emergency Management IT systems/water delivery - \$5.0 million
- SNAP elderly simplified application - \$0.6 million General Fund, \$1.2 million total funds
- Federally required changes to datahub - \$5.0 million General Fund, \$20 million total funds

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2025-27 Governor's Budget – Savings and Reductions



Fund Shifts:

- Utilize TANF carryforward - \$20 million General Fund decrease, no change total funds
- Utilize Quality Care Fund balance - \$18 million General Fund decrease, no change total funds

Services and Supplies/Contracts/Operational Savings:

- Eliminate phase in of one-time Services and Supplies reduction - \$32.1 million General Fund, \$38.6 million total funds
- Reduce employee training funds - \$5.9 million General Fund
- Reduce contract funding within I/DD - \$1.5 million General Fund, \$3.0 million total funds
- Repurpose mental health funding within APD - \$3.3 million General Fund
- SAEC targeted S&S reductions - \$5.5 million General Fund, \$8.4 million total funds
- Bring Office of Disability Determination Services licensing/certification to state level - \$2.3 million General Fund savings, \$4.3 million total funds

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2025-27 Governor's Budget – Revisions/clarification



- Budget assumes a portion of Stabilization and Crisis Unit services to be moved to community providers in year 2 of the biennium. Net reduction target is \$17.8 million General Fund, \$45.6 million total funds. The Budget includes an additional \$16.4 million General Fund, \$49 million total funds for community provider payments. Intent is to avoid layoffs, work with individuals/families and community providers to transition services.

Thank you

Contact information:

Mike Streepey | 971-283-1198
michael.streepey@das.oregon.gov

Courtney Rogers | 971-446-8187
courtney.rogers@das.oregon.gov

<https://oregon.gov/das/financial>

