



Oregon

Tina Kotek, Governor

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March 6, 2025

Co-Chair Wlnsvey Campos
Co-Chair Andrea Valderrama
Joint Ways and Means, Subcommittee on Human Services

Dear Co-Chairs and Members of the Subcommittee:

At agency budget presentation on March 4th, 2025, and specifically during our presentation on the Oregon Public Guardian (OPG) Program, Representative Ed Diehl requested additional information on 1) the estimated costs for the expansion of the OPG program to serve a maximum caseload capacity of 500 highly vulnerable adults, and 2) the related costs in other major systems for individuals OPG can provide services. Additionally, Co-Chair Campos requested historical data related to OPG caseload capacity and growth.

Please find our responses below:

Question #1: Estimated Fiscal Cost for Expansion of OPG to a 500-Client Capacity

Positions required:

- 1 FTE Compliance and Regulatory Manager 1 (CRM1)
- 12 FTE Deputy Public Guardians (PA3)
- 1 FTE Administrative Specialist 1 (AS2)
- 2 FTE Case Assistance Specialists (PA1)

Total Projected Cost (Biennium): Approximately \$5.2 million GF (the specific fiscal breakdown can be provided when/if needed). This figure would be less for the 2025-27 biennium if the resources were phased in throughout the biennium.

This estimate includes all necessary salary, benefits and services and supplies for the positions.

Mission: To protect individual rights, promote independence, and ensure quality of life for Oregonians living in long-term care and residential facilities and for Oregonians with decisional limitations.

Question #2: Costs in other systems that are prevented by OPG services

Local Hospitals

Financial costs

- Estimate provided to OPG from a Metro-based hospital on 3/5/2025 indicates that it costs hospitals approximately \$2,800 per day to board an individual that lacks a medical need to be there, and insurance will no longer provide payment to the hospital. (*note: this does include the amount of money the hospitals lose out on by not serving a patient in that bed for whom insurance could be billed)
 - The hospital also provided information that the average length of stay for a patient needing guardianship is 106 days
 - The entire \$5.2 million proposed expansion package for OPG is equal to the cost to hospitals of 18 individuals having one of these extensive hospitalizations.
 - OPG currently serves over 80 individuals that otherwise would have remained stuck in a hospital.
 - With capacity for 500 clients, about 250 of those will likely be patients OPG helps to discharge from hospitals and prevents from returning.

Social costs

- Oregon has a very limited number of available hospital beds per capita and is under resourced for hospital capacity compared to many other states.
 - Every hospital bed filled by a patient needing discharge with no medical need to be there can potentially prevent admission of a patient experiencing an actual medical emergency.

The Oregon State Hospital

Financial costs

- Current estimated cost to the state of Oregon for 1 day of care at OSH is approximately \$1500 per day. This is a conservative estimate based on a 2019 calculation reported by then director of OHA, Patrick Allen, that was reported in an Oregonlive news article. At the time Director Allen stated the cost was \$1324/day. The \$1500/day figure assumes a modest increase due to inflation.
<https://www.oregonlive.com/pacific-northwest-news/2019/05/oregon-mental-hospital-is-worlds-most-expensive-homeless-shelter-state-health-director-says.html>
OPG has requested an updated actual cost per day from OHA, but has not yet received that information. We can provide that to the Subcommittee if/when received.

- The length of stay for an individual at OSH for aid and assist is based on whether they are facing misdemeanor charges (90 days maximum stay) or felony charges (180 days maximum).
 - The entire \$5.2 million proposed expansion for OPG would be equal to the cost of 19 individuals admitted to OSH for aid and assist based on felony charges or 38 individuals admitted based on misdemeanor charges.
 - OPG currently serves 23 individuals that were previously in the aid and assist cycle, many of those clients had been admitted to OSH multiple times for separate aid & assist evaluations.
 - With capacity for 500 clients, it is expected that about 70 of those will likely be individuals previously in the aid and assist cycle that OPG prevents from returning to OSH.
- Individuals at OSH under civil commitment have no maximum length of stay as long as civil commitment continues to be renewed. OPG currently serves individuals who have been able to break the cycle of civil commitment.
- Individuals at OSH under Guilty Except for Insanity (GEI) are there based on the maximum length of their sentences, sometimes this can be for decades.
 - The cost for 1 individual serving a 10 year GEI sentence at OSH exceeds \$5.2 million.
 - OPG has, for example, one individual who has safely discharged from OSH but would have remained at OSH for a remaining two years under a GEI sentence if not for OPG.
- As is known, the State has been the subject of numerous lawsuits brought by DRO, counties and local hospitals all related to the inability of the state to admit patients to OSH in a timely manner due to the capacity issues caused by the aid and assist crisis. Our assumption is that similar expenditures defending such lawsuits can ideally be avoided once these capacity issues are stabilized, of which OPG can be a contributing element to the stabilization.

Social costs

- Capacity at OSH is highly limited and chronically operating at full capacity. The vast majority of patients are admitted for aid and assist. At this time, essentially the only way someone can be admitted to OSH is they must commit a crime first.
 - This leaves many individuals that are in psychiatric crisis and need the supports provided by OSH unable to access them.
- When individuals exit OSH after aid and assist, they often did not get the help they need and return to homelessness. Without supports they often engage in significantly erratic and disruptive behavior in the community which leads to a decrease in quality

of life for the highly vulnerable adult as well as the Oregonians and communities impacted by these behaviors.

Aid & Assist: Other costs

Financial costs

- Beyond the high costs of utilization of the Oregon State Hospital for aid and assist patients there are multiple other significant financial costs associated with the arrest of a person with significant cognitive impairments that then is subject to an aid and assist process. These include the following
 - Cost of the law enforcement agency that investigated and arrested the person
 - Cost of the law enforcement agency (usually County Sherriff) to jail the person while awaiting admission to OSH.
 - Cost of a defense attorney to represent the accused
 - Cost to the district attorney's office responsible for the prosecution
 - Cost to the court for overseeing the multiple hearings associated with the case
 - Cost to the county mental health program involved.
- OPG has requested estimations of the above costs from the 2025 legislatively formed workgroup tasked with studying and evaluating Aid and Assist and Civil Commitment. That information can be provided to the subcommittee if/when received.

Social costs

- Oregon is facing a significant shortage of public defenders leading to long wait times for the accused to be appointed legal counsel. Each cognitively impaired person in the aid and assist process must be appointed one of the limited available public defenders.
- When highly vulnerable adults are unsupported on the streets, law enforcement agencies are forced to use their limited resources to become de facto social workers trying to assist. In some areas this leads to law enforcement being stretched so thin they are unable to investigate property and other crimes.

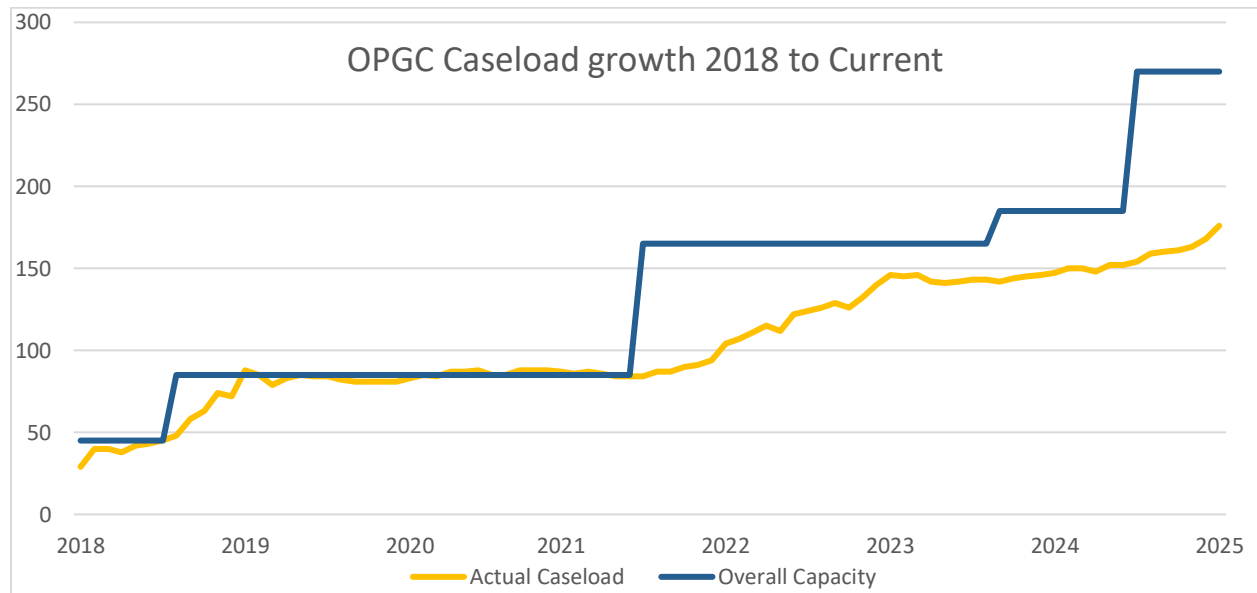
Question #3: OPG Capacity and Actual Caseload Growth Over Time

The chart below shows the change in OPG caseload capacity and actual caseload over the last 7 years. Increases in caseload capacity occurred in 2018 (legislative expansion) 2021 (legislative expansion), 2023 (Asante grant funding) and 2024 (legislative expansion: limited duration).

As can be seen in the chart, each time OPG has received capacity increases, the program has been able to begin processing and bringing on more cases. Correspondingly, each time the program has been at or approaching full capacity, the ability to bring on new cases slows or stops.

Note that actual caseload numbers slowed slightly during 2023 due to a staff's family leave event. Being a very small program with limited staff, this dramatically impacted new case intakes for a period of time.

Finally, it is important to note that as the actual caseload of the program has grown, OPG has begun routinely losing a number of clients each year, which offsets the number of new cases added. In 2024, 18 cases were closed. It is believed that once OPG reaches a certain caseload size, anticipated to be between 500-1000, that the caseload will reach an equilibrium where the number of new cases coming in will equal the number closed. At that time the program will no longer require further expansion.



Please let us know if additional details or adjustments are needed. We appreciate your consideration and are available for any follow-up questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred Steele, Jr." with a stylized flourish at the end.

Fred Steele, Jr.

Agency Director