

# 2025-27 Budget Presentation ODHS | OHA Shared Services

Presented to  
Joint Ways & Means Subcommittee on Human Services  
March 20, 2025

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Seth Lyon, Chief Operations Officer, Oregon Department of Human Services  
Debbie Estabrook, Chief Information Officer,  
Oregon Health Authority and Oregon Department of Human Services

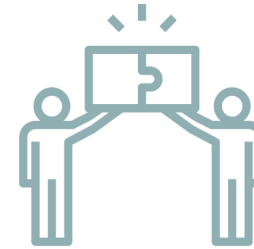
# Our history



In 2010, several ODHS and other agency **programs were combined to create OHA.**



ODHS and OHA agreed to **share services to save on dollars, time and capacity.**



ODHS and OHA **jointly manage Shared Services**

# A Cornerstone of Customer Service



OREGON  
**HEALTH**  
AUTHORITY

- Office of Information Services



Oregon Department  
of Human Services

- Shared Services Administration
- Budget Center
- Background Check Unit
- Contracts and Procurement
- Facilities Management
- Financial Services
- Forecasting and Research Analysis
- Health, Safety and Employee Well-being
- Imaging and Records Management
- Internal Audit and Consulting
- Office of Enterprise Data Analytics
- Payment Accuracy and Recovery
- Publications and Creative Services
- Training, Investigations and Safety



Oregon Department  
of Human Services



OREGON  
**HEALTH**  
AUTHORITY

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# Office of Information Services

Kris Kautz, Deputy Director for Administration, Oregon Health Authority  
Debbie Estabrook, Chief Information Officer,  
Oregon Health Authority and Oregon Department of Human Services



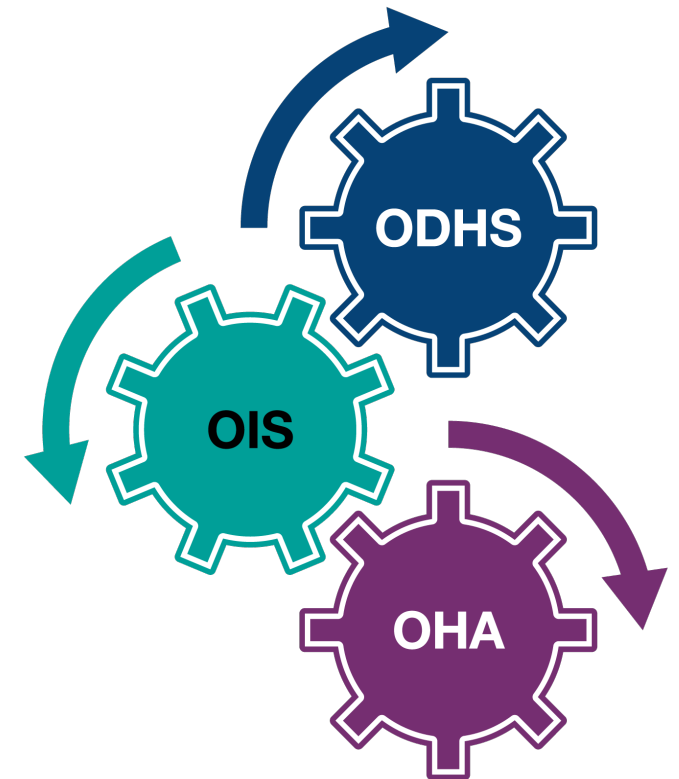
# What is the Office of Information Services?

OIS exists to deliver technology solutions and services

Organizationally, the Office of Information Services (OIS) is under the administrative oversight of OHA.

It is designed as a shared services entity to provide technology services and support to both OHA and ODHS.

We consider it a privilege to be able to deliver technology solutions and services that support OHA and ODHS in helping Oregonians achieve health, well-being, and independence.



# Serving the People of Oregon



In support of working families,  
children, pregnant women,  
single adults, and seniors



In support of Oregonians  
with intellectual and  
developmental disabilities



In support of older adults –  
our moms, dads, aunts,  
uncles, and friends



In support of babies,  
kids, and youth



In support of providers,  
partners, and communities

# OHA's Strategic Plan



# ODHS Strategic Plan

OIS plays a key role in supporting and advancing the goals of the ODHS Strategic Plan. We are sponsors on the Technology Goal, partner on the Data Goal, and will execute on the Strategic Technology Plan.



## Technology Goal

ODHS's technology improves customer and employee experiences, increases efficiency, and addresses service equity needs.



## Data Goal

Everyone in ODHS gets the data they need quickly and conveniently to make informed decisions.

# OHA|ODHS Strategic Technology Plan



**Cultivate IT  
workforce**



**Strengthen  
cybersecurity,  
risk and privacy**



**Accelerate  
technology  
modernization**



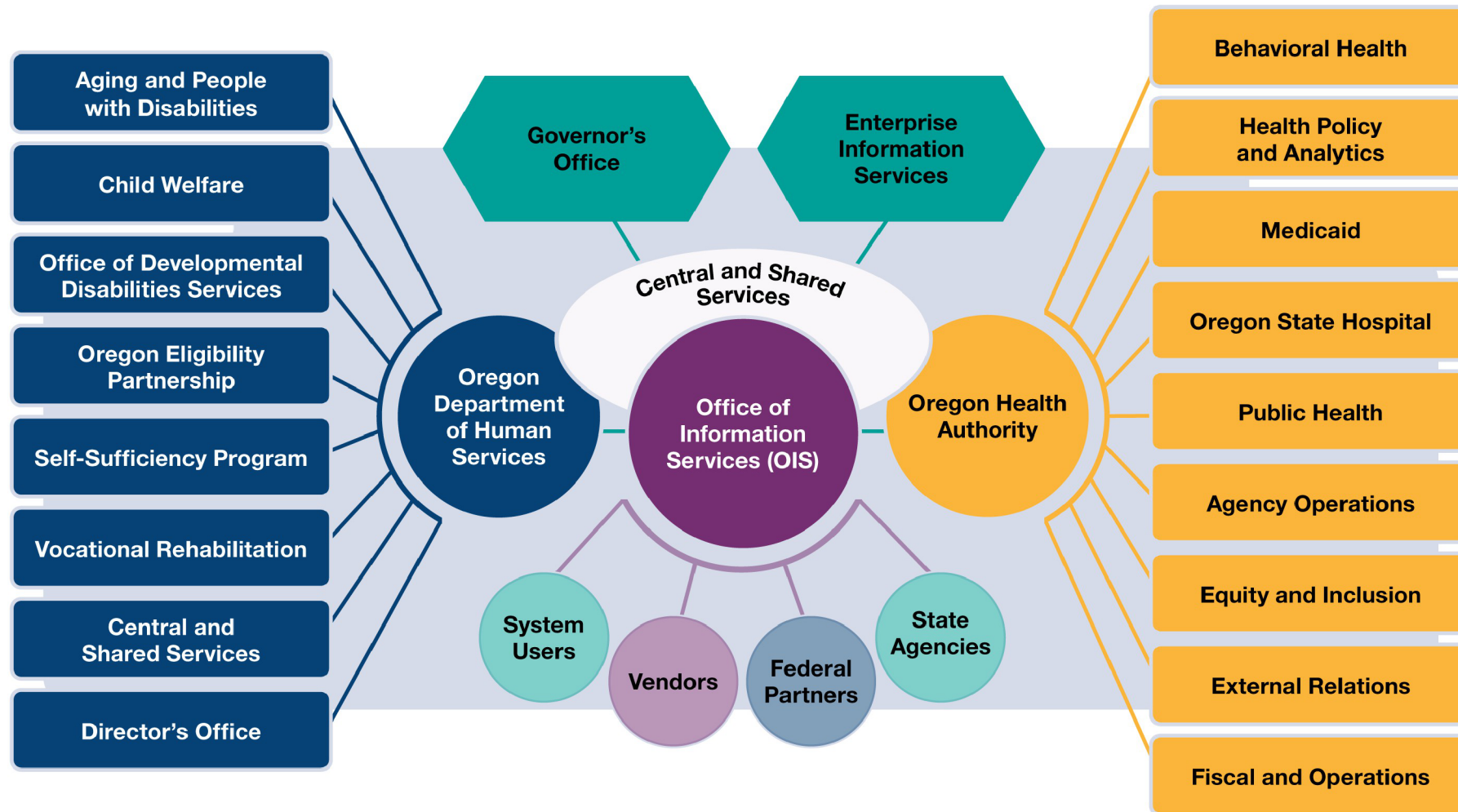
**Increase data  
insights**



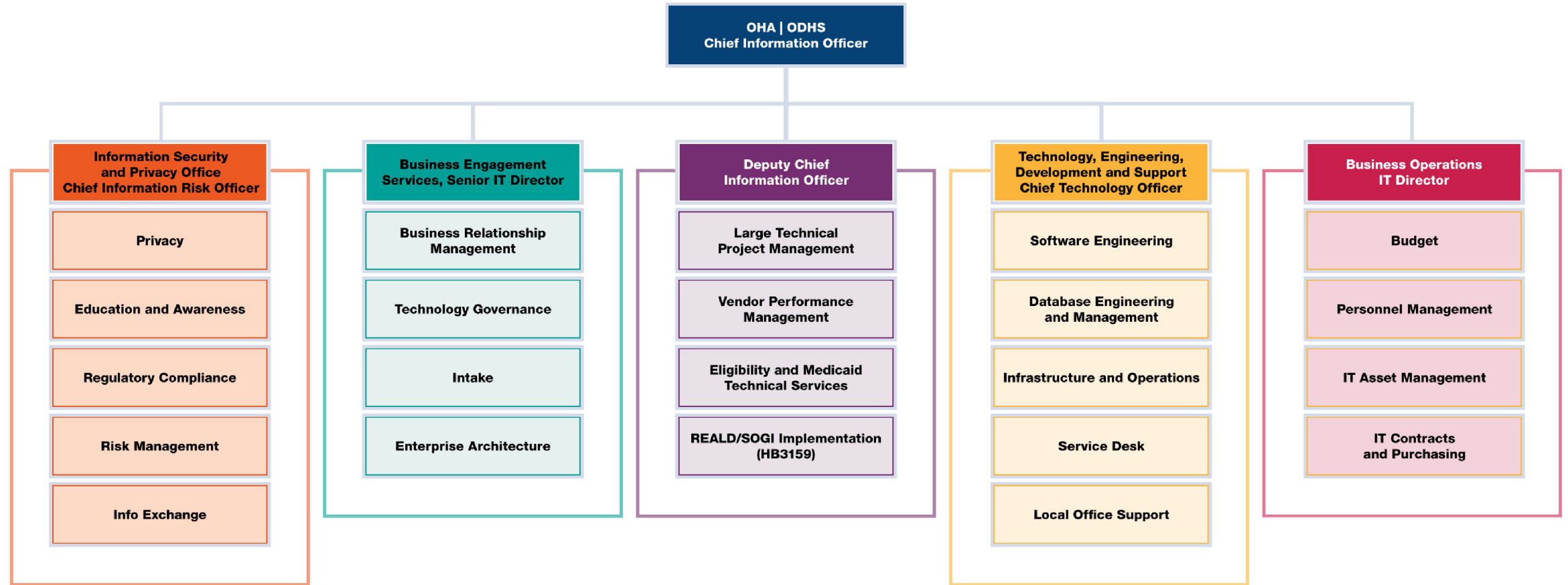
**Optimize  
technology  
management**



# OIS Partnerships



# Organizational Structure – OIS



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# Key Successes





# Top Priorities: Enhanced IT Collaboration Contributing to Health Coverage, Daycare and Food Security

## Employee Related Daycare Program (ERDC) - April 2024

Aligning with legislation (HB 3073), OIS provided tech services through an ODHS agreement with the Department of Early Learning and Care.

### **Tech Progress:**

Enhanced and implemented improved changes to ONE (Oregon Eligibility) and mainframe financial and provider systems.

## Basic Health Plan (BHP) - July 2024

BHP provides health coverage for individuals with incomes between 138%–200% of the federal poverty level.

**Tech Progress:** Enhanced and implemented changes to ONE, Medicaid Management Information Systems, and mainframe financial systems.

## Summer Electronic Benefits Transfer (EBT) – June 2024

Oregon Summer EBT 2024 helps reduce child hunger and supports healthier diets, as well as providing \$120 per eligible child to buy food.

### **Tech Progress:**

Enhanced and implemented changes to ONE; vendor-based systems; and mainframe financial systems.

## Project Portfolio Results

As of January 2025, there are 44 active technical projects with a project portfolio investment of \$402.7 million.

In 2023-2025, 23 projects will be completed for an investment of approximately \$78 million based on the current project schedules.

# Transforming Oregon's Public Services Through Modernization and Cloud Innovation

IT modernization is an ongoing process. Careful planning and strategic design are essential to ensuring continuous modernization in our work.

By moving to the cloud, in collaboration with the State Data Center and vendors, we can scale to meet changing needs; expand our support team; and enhance system resilience against regional disasters.

- Mainframe Financial Modernization/Benefits Payment System
- Oregon Eligibility & Enrollment (ONE) Environment Cloud Migration
- Medicaid Management Information System (MMIS) Environment Cloud Migration
- Medicaid Enterprise System (MES) Modernization

# Efficient Decision Making: Implemented Joint Governance that Delivers Results

OIS focuses on key priorities by following a mature and strong multi-level technology governance process that has clearly defined escalation paths. This includes the Governor's goals, ODHS|OHA projects, federal mandates, state legislation, labor agreements, and community needs.

## Joint Technology Governance Board

- ✓ The Board sets and approves agencies' top strategic initiatives for all tech governing bodies.
- ✓ It provides direction on multiple conflicting top priorities.
- ✓ Types of projects that may escalate to Board include:
  - Oregon Health Plan 1115 Waiver
  - Summer EBT 2024
  - Case Management
- ✓ **Tech Progress:** Following the Board's direction, projects are completed on time with a clear focus on critical needs to ensure better, more reliable services, such as accurate financial reporting, improved access to health programs, and timely support through food assistance.

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# Budget Overview

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# Budget Drivers

## Technology to Support

- Eligibility, Medicaid, and financial IT system enhancements and changes
- REALD/SOGI data collection
- Addressing increasing IT security and privacy vulnerabilities
- Ensuring ADA and language access for all (digital accessibility)
- Increase of additional staffing outpacing IT support services
- Large Telecom Contact Center support
- Newer Artificial Intelligence (AI) technologies

## Risks

- Healthcare is a target for cybersecurity attacks and increase of zero-day IT security vulnerabilities
- New mandates typically increase demand on IT systems
- Newer Artificial Intelligence (AI) technologies could create efficiencies (positive) but could also perpetuate systemic inequalities (negative)

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# Major OIS Program Changes

Program changes occurring in the last three biennia

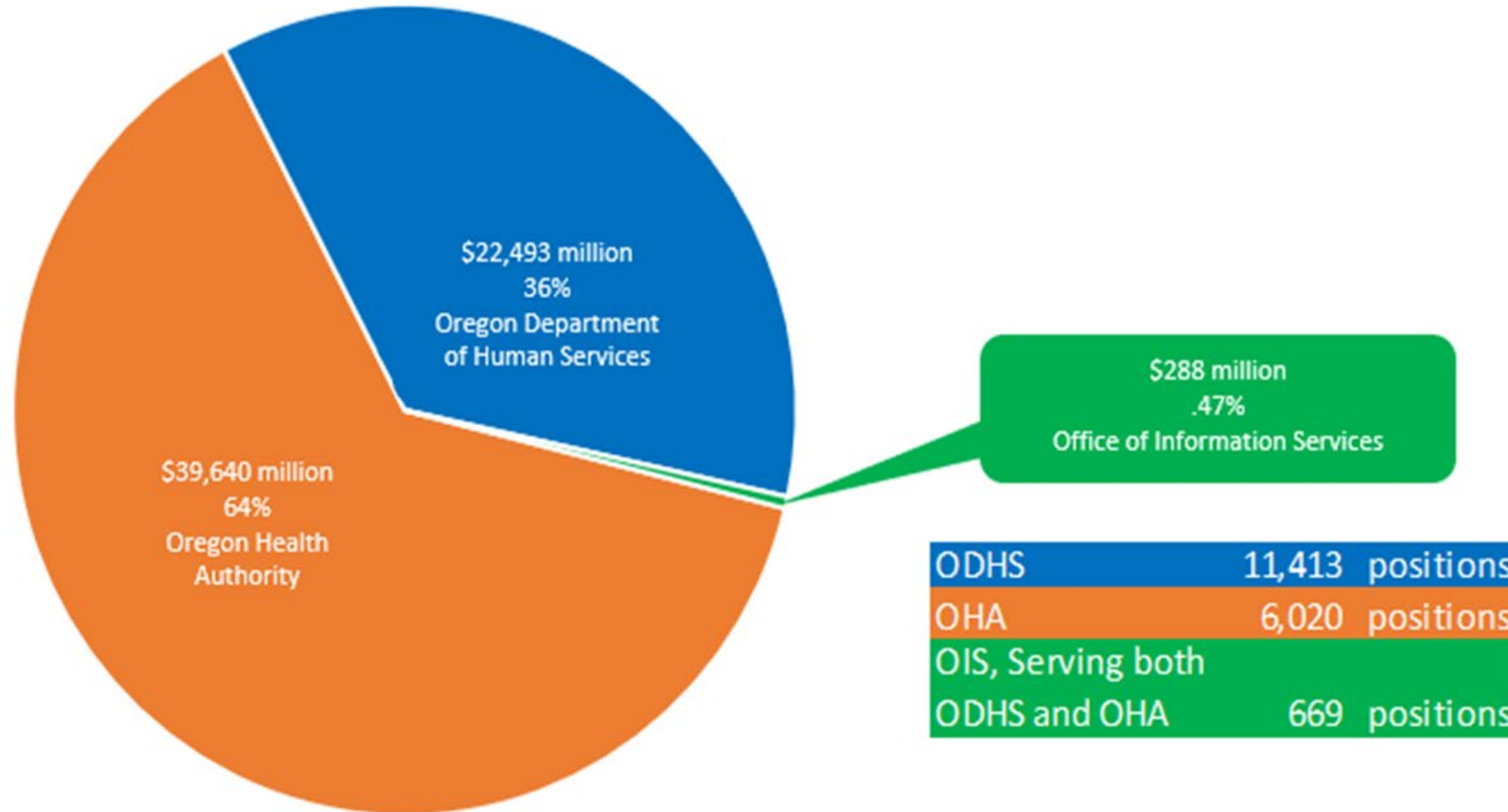
## Additions

- Telecom Contact Center Support
- Technology Modernization
- Health and Service Equity (REALD-SOGI Implementation)
- Oregon Eligibility (Including Legacy Systems) Maintenance and Operations

## Reductions

- COVID Recovery and Response Unit IT Support

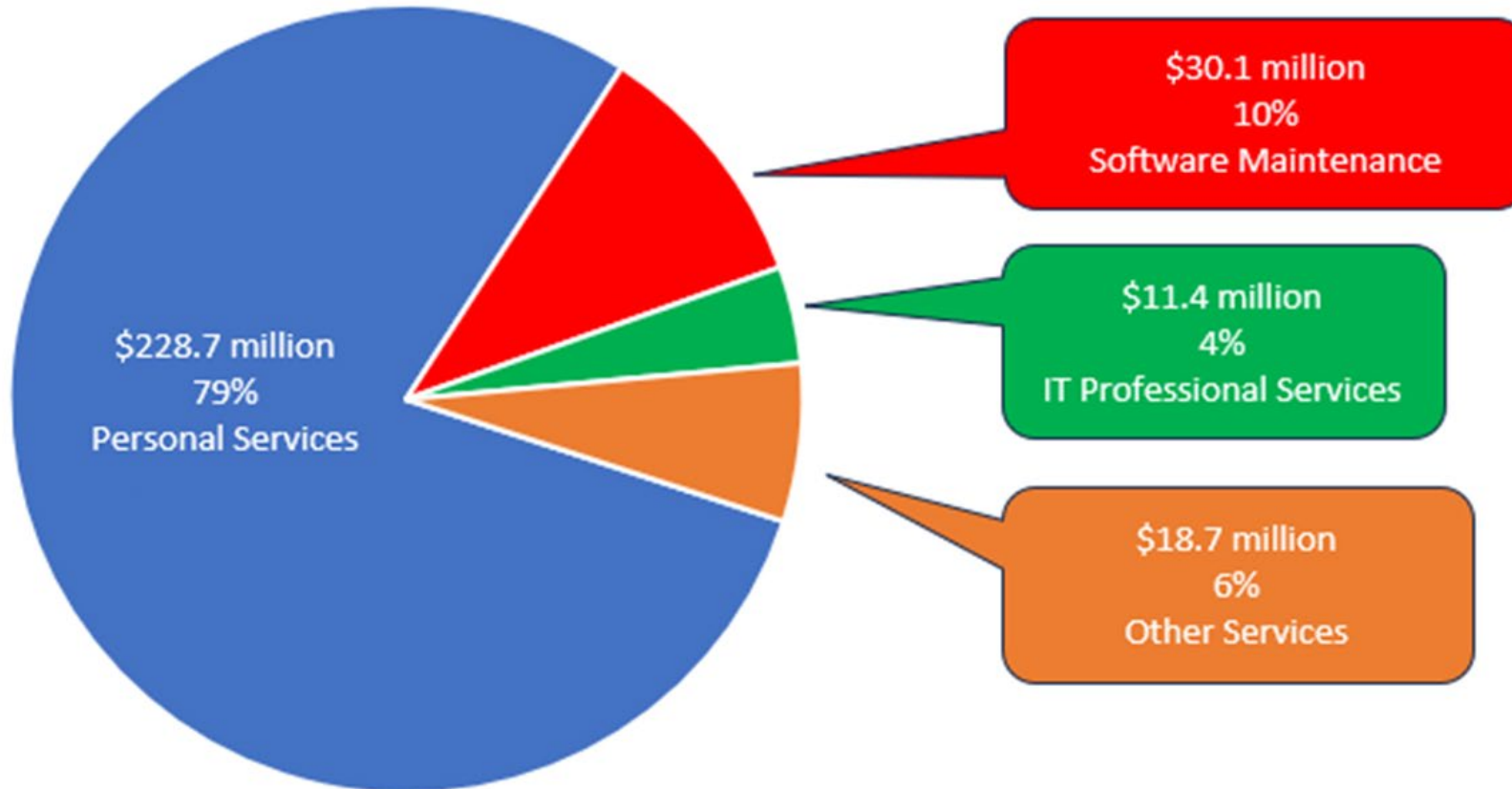
# 2025-27 Governor's Budget, OIS as Percentage of OHA and ODHS Budgets





# 2025-27 Governor's Budget

OIS Total: \$288.9 million



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# 2025-27 Focus Areas

- Statewide IT Improvements
- Newer Artificial Intelligence
- Continue mainframe modernization/financial and benefit payment system migration
- Eligibility, Medicaid, and financial IT system enhancements and changes
- Enhance IT security and incident response
- State-based health insurance marketplace technology platform
- OEBS/PEBS Benefits Management system project completion

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# Priority Investments

# POP 201 – Mainframe Modernization

## Challenge:

- Over one million people in Oregon depend on an aging mainframe platform supported by a dwindling number of technical specialists.
- The outdated technology hampers efforts to ensure equitable health outcomes and efficient service delivery, affecting the communities ODHS|OHA serves and the ability to respond to health inequities effectively.

## Proposal:

- Identify and procure a new payments system and move remaining benefits determination from the mainframe to ONE, ensuring better access to health benefits.
- Continued planning and modernization of other remaining systems and data on the mainframe.

## Desired outcomes:

- Improved system performance that will lead to more accurate, complete, and timely services, payments to providers, and benefit issuance.

	General Fund	Total Funds	Positions	FTE
POP 201	\$ 2,941,589	\$ 13,141,853	6	4.50

# POP 202 – Improve IT Security and Privacy

## Challenge:

- Information, security, and privacy standards are much greater than most other state agencies (1.7M clients, 80 mission/business critical systems); as the human impact of information security and privacy risks in government health and human services data is substantial.
- The recent dramatic increase in third-party health care data breaches and expansive use of mobile devices (15,525) to support telecommuting by ODHS|OHA employees (17,400) heightens the need for rigorous controls and oversight.

## Proposal:

- Proactively invest in resources and tools to strengthen essential areas and mitigate privacy risks and vulnerabilities impacting both agencies.

## Desired outcomes:

- Increased compliance with Center for Internet Security (CIS) security controls to provide increased functionality, protection, and capabilities. Also, utilization of tools and staff resources to provide more proactive information protection and privacy of agency data and reduce the risk of data breaches.

	General Fund	Total Funds	Positions	FTE
POP 202	\$ 2,336,672	\$ 7,545,892	4	2.00

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**Thank you**

# ODHS Shared Services

Seth Lyon, Chief Operations Officer, Oregon Department of Human Services



- Office of Information Services

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# 2025 Landscape

## Key priorities

- Safety for staff and public
- Service equity
- Increase efficiency and effectiveness

## Key challenges

- Rising safety needs
- Contracting uniformity and training
- Facilities





# The Heartbeat of ODHS and OHA



Ensuring accountability and accuracy



Supporting public services & safety



Managing data, records and information



Overseeing resources & operations

# Supporting Public Services and Safety

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Over 220,000  
background  
checks in  
2024



Average  
background  
check  
processing time  
reduced from  
56 days to 16  
days



5 positions serve  
17,000 staff  
across more than  
150 locations for  
employee safety  
and well-being

# 2025-27 Governor's Recommended Budget **Policy Option Package (POP) 109**

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## Office and Worker Safety

### PROBLEM

- 450% increase in threatening incidents at ODHS offices over the last five years.
- Current safety measures are inadequate to meet these rising challenges.

### SOLUTION

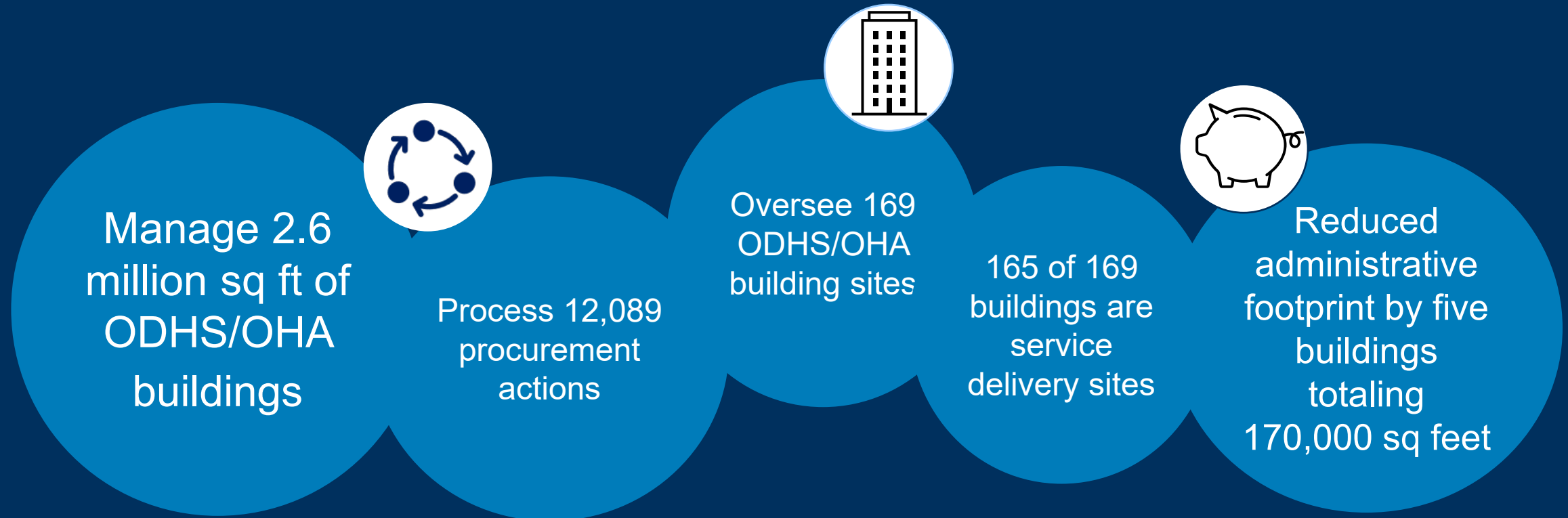
Allocate funds for facility improvements, security contracts, and additional staffing to improve physical security, managing safety incidents, and providing trauma response services.

### RESOURCES

- **GF:** \$3,486,51
- **OF:** \$1,397,46
- **FF:** \$2,599,631
- **Pos.:** 10
- **FTE:** 4.46

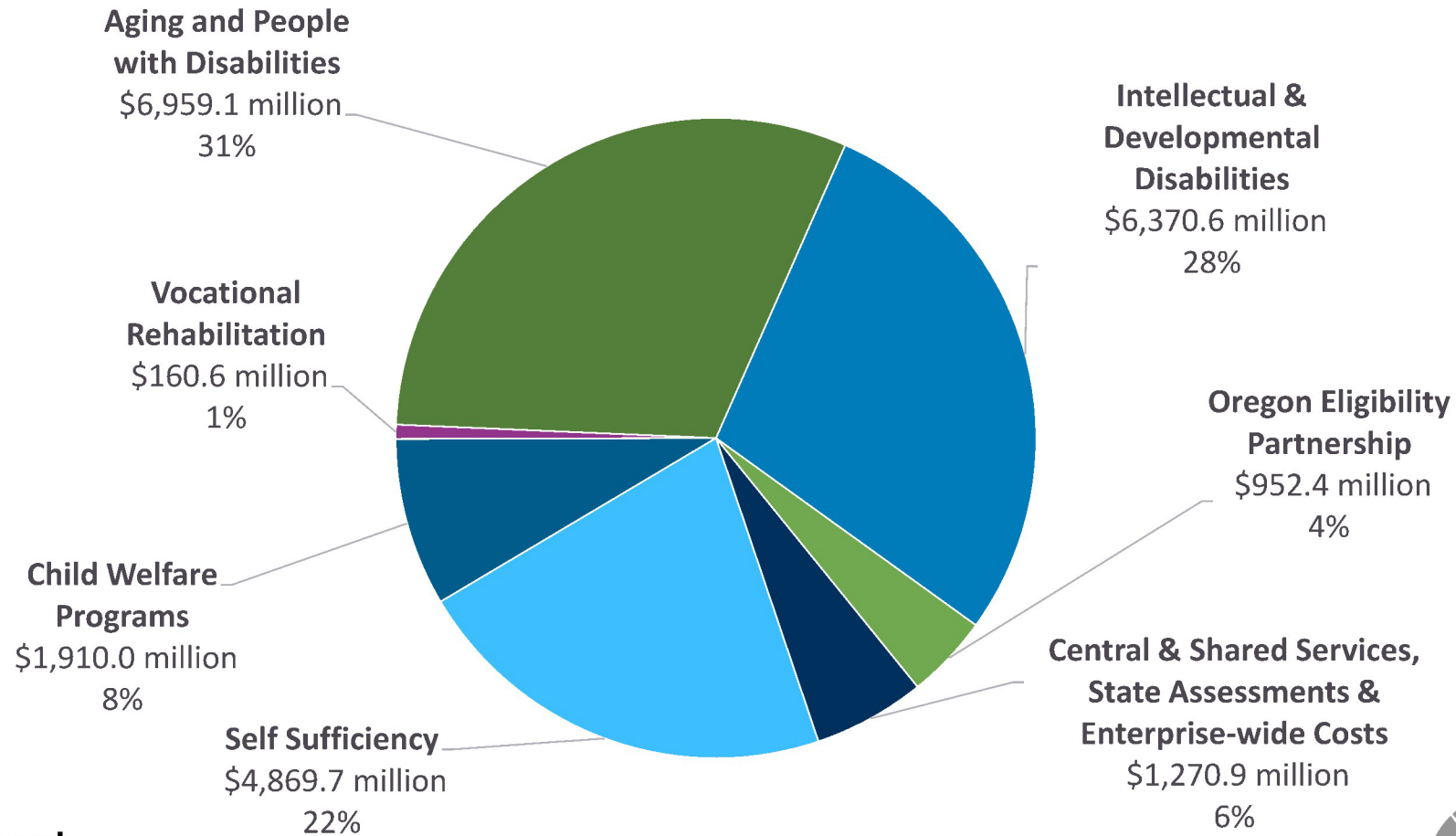
# Overseeing Resources and Operations

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# 2025-27 Governor's Recommended Budget

## Total ODHS budget by program area

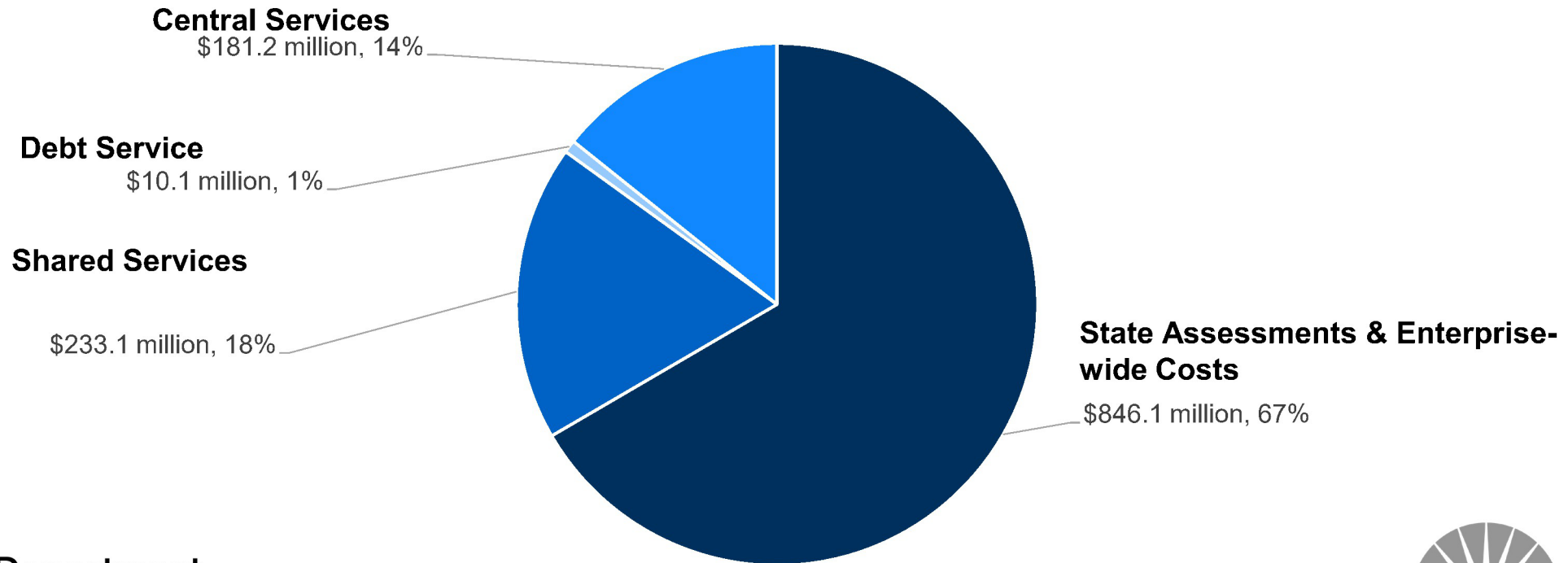


# 2025-27 Governor's Recommended Budget

## Shared Services as portion

Central Services, Shared Services, State Assessments & Enterprise-wide Costs

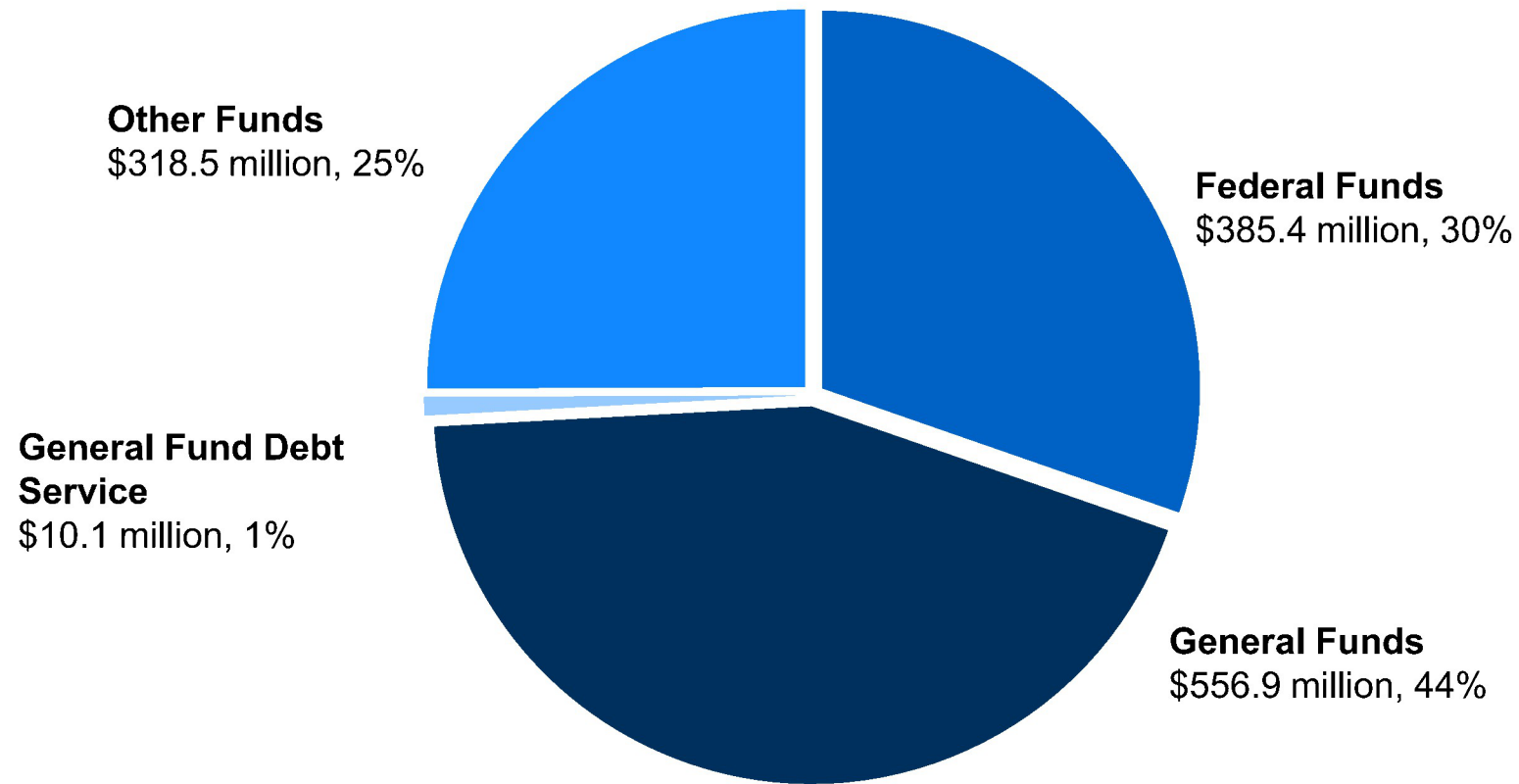
Total by program \$1,270.9 million



# 2025-27 Governor's Recommended Budget

## Funding by source

Central & Shared Services, State Assessments & Enterprise-wide Costs



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# Questions?



# Thank you!



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# Appendix

# Ensuring Accountability and Accuracy



These offices make sure public resources are used properly, policies are followed, and services are delivered efficiently.

- **Internal Audit and Consulting** – Checks processes to ensure programs are working as they should.
- **Payment Accuracy and Recovery** – This is a revenue-generating program that results in a cost avoidance/recovery of more than \$296 million biennium.
- **Budget Center** – Manages financial planning to keep programs running smoothly.
- **Forecasting and Research Analysis** – Uses data to predict trends and plan for future needs.
- **Administrative Rules Management** - Ensures the agency is in compliance with Oregon Administrative Rules regulations.

# Managing Data, Records, and Information



These offices handle critical records, research, and technology to improve decision-making and services.

- **Imaging and Records Management** – Organizes, shares and preserves important documents.
- **Office of Enterprise Data Analytics** – Analyzes data to improve services and outcomes.
- **Office of Information Services** – Manages technology and digital tools to support state operations.
- **Publications and Creative Services** –approximately 4,000 projects completed in 2024, including translation services to support equitable language access.



# Publications & Creative Services

## Mobile Disaster Recovery and Community Support



Oregon Department of Human Services  
RESILIENCE AND EMERGENCY MANAGEMENT

[orem.recovery@odhs.oregon.gov](mailto:orem.recovery@odhs.oregon.gov)

## Oregon Guide to Medicare Insurance Plans



2025 First edition

## You can be a homecare worker!



Benefits

Flexible schedules

Paid training

Serving older adults and people with disabilities



Just like going to the doctor for a check-up, getting your well tested each year helps you stay updated about changes in your drinking water that can impact your health.



 Schedule your test today!  
Call 541-564-5676.

 Have questions? Call 541-952-9254 or visit [testmywell.oregon.gov](https://testmywell.oregon.gov).



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# Digital Accessibility

## Quick facts

- 50k public-facing documents (ODHS only) \*
- Across all ODHS Documents and Form Servers: ~30k documents
- Across ODHS Web presence – external websites, web applications etc. Oregon.gov, Oregon Eligibility Partnership, SharePoint, etc.: ~20k documents
- Almost 700 web pages, and 21 websites or mobile apps not on Oregon.gov.

\*Note: This does not include OHA public-facing document impact (~80k), which will greatly impact PCS as a shared service.

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# Background Check Unit

## Quick facts

- Processes over 220,000 applications for background checks annually
- Conducts checks for employees, contractors, and community partners
- Comply with hundreds of statutes, rules, and federal regulations
- Complexity of checks vary, based on program requirements and criminal history
- Incorporate weight-testing to determine level of risk
- Represent the agency in contested background check hearings

# Office of Payment and Recovery

## Quick facts

- Office of Payment, Accuracy and Recovery ensure fiscal efficacy for ODHS and OHA through overpayment and recovery units:
  - Medical Payment Recovery unit
  - Estate Administration Unit
  - Data Match Unit
  - Fraud Investigation Unit
  - Overpayment Writing Unit
  - Client Maintenance Unit
  - Overpayment Recovery Unit
  - Personal Injury Liens Unit
- 
- Recovery: federally required and returns funds expended to our federal partners.
  - Accountability: Cost avoidance resulting in recouping fraud and overpayments.



# Office of Contracts & Procurement



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# Office of Contracts and Procurement

## Quick facts

DAS delegation (different than most agencies)

Total number of ODHS/OHA procurement actions for 23-25 biennium

- Contracts/other agreements: 6,446
- Grants: 2,207
- Purchase orders: 2,189
- ORS-190 agreements (intergovernmental): 1,247
- Total spend \$18,582,284,924



# Imaging & Records Management





# Office of Facilities Management

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# Facilities by the numbers

## Quick Facts

- State owned buildings – 17 ODHS/OHA
- Number of leased privately owned buildings – 172 OHA/ODHS Combined
- Number of administrative spaces has reduced by how many buildings – Square footage savings 169,745 for OHA/ODHS, Total Dollar savings \$9,155,248
- Amount of square footage being leased – DAS Lease square footage 580,380.73 sqft. Private Lease square footage 2,605,438.84 sq ft.
- Leasing costs from state owned and privately owned buildings? – Total lease and fees \$199,239,245 25-27 Budget