



February 5, 2025

TO: Joint Committee on Ways and Means Subcommittee On Human Services

Subject: Urgent Investment needed in Oregon's Behavioral Health System

Co-Chair Campos, Co-Chair Valderrama and Members of the Subcommittee,

On behalf of the Association of Oregon Community Mental Health Programs (AOCMHP), I urge your support for critical investments in Oregon's behavioral health system. Community Mental Health Programs (CMHPs) serve as the behavioral health care safety net in all 36 counties, providing essential and mandated services regardless of an individual's insurance status. However, without adequate funding, these programs will continue to face serious workforce shortages and gaps in service delivery that leave vulnerable Oregonians without the care they need.

The 2025 legislative session presents an opportunity to strengthen Oregon's public behavioral health system through the following key investments:

1. HB 2024 – Strengthening Oregon's Behavioral Health Workforce (\$45M)

- Oregon's public behavioral health system faces a **17% vacancy rate** overall, with crisis service positions at an alarming **29% vacancy rate**.
- HB 2024 provides **\$20M for a workforce incentive grant program** at the Oregon Health Authority, helping provider organizations offer housing stipends, tuition assistance, and childcare to attract and retain staff.
- The bill also allocates **\$5M to the United We Heal Labor Trust** to support wage increases and workforce incentives, leveraging federal matching funds.
- Additionally, the bill includes a **\$20M targeted Medicaid provider incentive payment** to ensure professionals working with people who have the most acute and complex needs, such as those experiencing behavioral health crises, individuals involved in the legal system, or clients needing medication-assisted treatment, are fairly compensated.

2. HB 2056 – Addressing the Biennial Funding Gap for Critical Services (\$64.8M)

- A recent cost study found that Oregon's CMHPs face a **\$32.4M annual shortfall** in funding to provide essential and mandated services for people who are unable to aid & assist in their own defense due to a mental health disorder, are going through the civil commitment process, or require crisis intervention and stabilization services.
- Most of these services are **not eligible for Medicaid reimbursement**, and CMHPs are completely reliant on State General Fund to maintain these critical services.
- HB 2056 seeks to allocate an **additional \$64.8M to the Oregon Health Authority** to close the current service level funding gap and ensure CMHPs can meet the needs of their communities.

3. Continued Investment in Jail Diversion Programs (\$16.5M)


- Jail diversion programs funded in 2024 provide critical interventions, including **crisis care, system navigation, housing assistance, and intensive case management**.

- These services have been **proven to reduce recidivism by 60%** and are vital in preventing unnecessary incarceration and hospitalization.
- We request the Legislature support the **Governor's recommendation of \$16.5M** to help CMHPs continue providing these critical services.

Expanding access to community-based behavioral health care reduces the burden on the Oregon State Hospital, emergency departments, law enforcement, and the criminal justice system while improving outcomes for Oregonians who need these services and the wellbeing of the entire community. Without these funding commitments, we risk deepening the crisis in Oregon's behavioral health system and leaving our communities without sufficient capacity for these essential and mandated services.

I appreciate your consideration of these urgent requests. AOCMHP stands ready to collaborate with the Legislature to ensure these funds are allocated effectively. Please do not hesitate to reach out with any questions or to discuss further how we can strengthen Oregon's behavioral health system together.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl L. Ramirez".

Cherryl Ramirez
Executive Director
Association of Oregon Community Mental Health Programs