Shangri-La
Enriching Lives Together

Chair Reynolds, Vice Chair Anderson, Members of the Committee,

My name is Bradley Leland, I am the director of behavioral health for Shangri-La, and oversee the operation of 8 (soon to be 10) residential treatment homes here in Oregon. We are a member of the statewide association of behavioral health providers: Oregon Council for Behavioral Health.

I am writing to express support for Senate Bill 1195.

The recent study commissioned by the Oregon Health Authority made it clear that we need additional mental health residential capacity in this state. We know we don't currently have the right placement at the right time for many Oregonians in a mental health crisis.

Shangri-La began the work of expanding our behavioral health services to offer additional residential treatment beds 3 years ago, opening two new treatment homes in 2023 and 2024, with two additional programs slated to open sometime in the future, projects which are currently stalled out on regulatory technicalities that have created significant cost overruns and loss of revenue for us.

I note this to help illustrate that for mental health residential programs, building more facilities requires more than just investing in infrastructure, it requires ensuring that our current regulations allow providers to open and operate facilities sustainably, safely and responsibly.

SB 1195 asks OHA to review and develop new recommendations for many of the reimbursement models and regulatory structures that currently make it challenging to operate a mental health residential facility.

This includes:
Exploring alternatives to regulations and funding models that currently require us to serve more as a housing provider than a treatment provider. Currently, there is an OAR provision for giving a 24 hour notice of involuntary termination in the event of behavioral episodes that create imminent and continuous danger to self or others. However, because of the current appeal process and the fact that we are required to implement a legally enforceable landlord-tenant agreement and engage in a legally enforced eviction process, a 24 hour notice of service termination will invariably end up being many weeks of red tape prior to the individual actually leaving the program for a more appropriate placement. This is incongruent with the purpose of serving a 24 hour notice in the first place, which is designed to address imminent safety risks that cannot be mitigated with the supports in the program.

This amendment also addresses the problem that providers now face due to a recent emergency rule change, which prevents residential providers from specializing or tailoring their services to specific populations or similar levels of care. Shangri-La currently operates two programs that have been developed for the PSRB population, and we are now being told that we must accept individuals regardless of jurisdiction, presentation, or status. Mixing of populations such as PSRB with civilly committed or aid and assist populations will

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absolutely reduce positive treatment outcomes, prevent services from being tailored or specialized to best meet the needs of clients, and create additional administrative burdens for programs who will have multiple bodies of authority and treatment partners, each with vastly different aims, expectations and treatment goals.

A third provision here asks for recommendations that will enable providers to keep beds open to patients who are temporarily removed from a placement to seek momentary care at another setting to ensure they can seamlessly move back to their residential facility, or relocate to a different level of care if needed.

The current system that is in place here is not working. Last year, we served an individual in one of our programs for approx 3 weeks who rapidly decompensated and ended up in the hospital, and was subsequently civilly committed. After our 3 weeks of attempting to help this individual in our program, we were required to maintain a placement for them under a required landlord/tenant agreement for over 3 additional months, despite a unanimous treatment recommendation from every corner for a hospital level of care. Even when the individual was admitted from the local inpatient hospital to OSH, we had to go several rounds with the licensing division to get approval to close out their residency in our program because we could not secure the individual's voluntary consent, which was not possible in their current condition. This bed could have gone to another person in need months earlier, and we as a provider lost over 40k in revenue even with the current retainer payment system in place. Ultimately, as a provider it felt like we were being punished for being willing to take a chance on serving an individual with complex needs.

We know that the state is currently prioritizing expanding access to mental health residential care, and addressing the regulatory barriers outlined in this bill would be a low-cost step that could be critical in ensuring providers will be able to expand and grow these programs. I urge your support of Senate Bill 1195.

Thank you for your time

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