



**MARION COUNTY BOARD OF COMMISSIONERS**  
**WORK SESSION**

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HHS Quarterly Meeting  
Minutes

Thursday, March 26, 2026, 1:30 p.m. – 2:30 p.m.  
Commissioners' Boardroom  
Courthouse Square, 555 Court St. NE, Suite 5231  
Salem, Oregon 97301

**ATTENDANCE:**

**Commissioner's:** Colm Willis, Danielle Bethell and Kevin Cameron.

**Board's Office:** Trevor Lane, Alvin Klausen, Matt Lawyer, and Toni Whitler.

**Legal Counsel:** Jennifer Rogers.

**Health and Human Services :** Rhett Martin Naomi Hudkins, Debbie Wells, Carol Heard, Karin Perkins, Ryan Matthews, and Katrina Griffith.

Commissioner Colm Willis called the meeting to order at 1:35 p.m.

**1. Welcome & Introductions**

-Commissioner Colm Willis

**2. Discussion**

-Ryan Matthews

- Rural Health Transformation Funding:
  - Oregon received \$197.3M to improve access to healthcare in rural areas.
  - Oregon Health Authority (OHA) seeking Centers for Medicare & Medicaid Services (CMS) approval for \$10M as non-competitive awards.
  - County's anticipated allocation is \$522,682 or \$606,231:
    - Depending on rural-only versus rural + social determinants of health.
  - Funds likely by contract amendment with OHA and anticipated summer 2026:
    - Must be spent by September 30, 2027.
  - Required focus areas and allowable uses:
    - Access to home visiting, home & community-based services.
    - Increase mental health and substance use disorder treatment.
    - Preventive health and chronic disease initiatives.
    - Increase rural service by health and social service providers.
    - Overall access to care in rural communities.
  - Allowable activities include:
    - Prevention and chronic disease initiatives.
    - Behavioral health services and support.
    - Technology advances, solutions, and innovative care models.
  - Prohibited uses include:
    - Construction, broadband, and meals.
    - Services already reimbursable elsewhere.
  - Potential uses and priorities discussed:

- Jail Electronic Medical Record (EMR)/Electronic Health Record (EHR):
    - Care coordination with health and continuity of services.
  - Rural clinic and provider support:
    - Reduced reimbursement to rural clinics.
    - Help maintain existing rural healthcare access.
    - Support providers struggling due to payment changes.
  - Behavioral health and peer services in rural areas:
    - Behavioral and addiction providers possible partners.
    - Interest in training support for behavioral health providers.
- Horizon House Audit & Licensing Process:
  - Multiple audits beginning in mid-2023.
  - Compliance with Home and Community-Based Services (HCBS) and licensing.
  - Initial Plan of Correction (POC) submitted and approved mid-2024:
    - Followed by additional in person licensure audits with further findings.
  - Initial POC deemed sufficient, then later re-classified as insufficient:
    - Early 2026, OHA stated earlier 2023 POC was not sufficiently done.
  - OHA imposed sanction prohibiting admitting new residents:
    - Three open beds since February with referrals ready for admission.
    - Beds step-down from Oregon State Hospital (OSH) sanction:
      - Limits ability to help address state hospital discharge pressures.
      - Financial impacts due to lost per diem revenue for empty beds.
  - Nature of OHA concerns:
    - Administrative and documentation items:
      - Listing approximate meal times flagged as non-compliant:
        - Residents technically must be able to eat at any time.
    - Talk on residency agreements, policies, procedures, and training.
  - County repeatedly revised documents, including legal counsel review:
    - Receive new or contradictory feedback from OHA.
  - Training and residency agreements:
    - A training plan on HCBS rules.
    - New signed residency agreements from all residents.
    - Difficulty complying because:
      - Prior training materials given by OHA later deemed insufficient.
      - Approval of residency agreement and training not clear.
  - Legal and advocacy steps:
    - Filed request for contested case hearing challenging sanction:
      - Preserve factual record.
    - Requested sanction be lifted pending hearing outcome:
      - No relief granted to date.
      - Only notice with hearing date received.
  - Hearing is scheduled for April 27.
  - County response emphasizes:
    - Financial harm from empty beds.
    - System level impacts on state hospital flow.
    - Extensive administrative burden including off-hours work.
  - Concern about administrative burden and inconsistency.
- Annual Data Report Review:
  - Overall encounter and client volume in 2025:
    - About 227,000 encounters for over 7,200 individuals:
      - About 3% increase in encounters versus 2024.
      - About 2% decrease in unique individuals served.
    - Not all programs currently in EHR data set.
  - Behavioral Health Crisis Center (BHCC) data:

- About 2,600 unique individuals with BHCC encounters and about 30,000 total BHCC encounters.
  - Explanation of encounters:
    - Each billable service counted as separate encounter:
      - Intake.
      - Assessment.
      - Therapy.
      - Case management.
      - Medication management.
      - Transportation.
    - One client visit can generate multiple encounters in single day.
    - High need, respite or ongoing clients have many encounters.
  - Service intensity and profiles:
    - Average number and encounter type per person over treatment.
    - High intensity users and compare to majority clients.
    - Many may be in services for about three months:
      - Weekly therapy or group visits.
  - Future data enhancements:
    - Mapping to show geographic distribution of clients and encounters.
    - Integrate additional programs into data set.
    - Pair service data with population and burden of disease data.
- Willamette Health Council (WHC) Executive Committee Meeting:
  - Focus was planning if PacificSource (PS) should exit region in 2027:
    - Presenter seemed to speak for PS, though PS leadership did not review all materials.
    - CEO was not fully briefed and perceived presentation as unexpected.
  - Contingency planning motion and perspectives:
    - Should WHC develop contingency plan to serve OHP members.
    - Others and county representatives voted no.
    - WHC's role is being interpreted broader than originally envisioned.
    - Selection, contracting, and oversight lies with the State of Oregon.
    - Planning to backstop or replace may shift state responsibility to local entities without authority or adequate funding.
  - County being Coordinated Care Organization (CCO) if there is a gap:
    - High financial risk:
      - Entity currently reporting multi-million-dollar losses.
    - Large operational and contractual complexity.
    - Many providers would align with future CCO, rather than maintaining allegiance to WHC.
    - General preference that PacificSource remain as CCO.
  - Provider network impacts:
    - Many providers signed 2026 contracts with reduced rates.
    - Some organizations lost contracts altogether.
    - Speech therapy provider raised concerns via public comment.
    - Peer-run organizations have hours reduced.
    - Some providers who have a contract limit PS patient.
    - Challenges in understanding network:
      - No list of providers who declined or did not renew contracts.
      - PS states to use online provider directory:
        - Does not capture capacity limitations.
- Rapid Engagement, Assessment & Community Health (REACH) Update:
  - REACH launched January 20<sup>th</sup> and data reviewed through March 11<sup>th</sup>.
  - Approximately 90+ field contacts made during this period:

- 50% resulted in some type of transport:
      - About 39% to sobering/stabilization services.
      - 17 to BHCC.
      - About 14% to other community providers.
    - About 27 clients successfully stabilized in place.
  - Strong, effective partnership with Salem Fire Department.
  - Better dispatch patterns, more appropriate response units, and shared data.
  - Reduces need for large fire apparatus on behavioral/addiction-related calls.
  - Staffing:
    - Team community coordinator has submitted resignation effective July.
    - Use Qualified Mental Health Associate (QMHA) staff while recruiting.
  - System impact:
    - Large call reduction among high utilizers after REACH engagement.
    - Freeing ambulances and medic units for higher acuity emergencies.
    - Preventing some Emergency Room (ER) visits.
    - Concentrations of Emotionally Disturbed Persons (EDP) and overdose calls in downtown Salem and along Lancaster corridor.
  - Funding and extension proposal:
    - Original pilot funded at \$75,000 from opioid settlement funds.
    - Projected actual spending is slightly below initial budget.
    - Proposal:
      - Extend REACH by additional 6 months.
      - Request \$55,000 in additional opioid settlement funds.
    - Budget:
      - In FY 26–27 budget, a \$145,353 opioid fund placeholder for REACH was done:
        - Not yet formally approved.
      - Projected opioid settlement balance at end of FY 26–27 is approximately \$4.3M.
  - Future sustainability:
    - WHC mobile response grant.
    - Possible hospital contributions, given ER diversion benefits.
    - Longer term state legislative funding for program permanency.
- Bloomberg Harvard Leadership Initiative:
  - N/A

### **3. Other**

-All

- Acknowledge some topics need further discussion at later sessions.
- Important to have ongoing updates on key issues:
  - Horizon House sanction status and financial impacts.
  - WHC and PacificSource financial transparency.
  - REACH outcomes and opportunities for external funding.

### **4. Next Steps**

-All

- Rural Health Transformation Funding:
  - Obtain and share with the Board:
    - Federal and OHA definitions of “rural” and “frontier.”
    - Maps showing rural/frontier designations in Marion County.
  - Provide OHA Rural Health Transformation web link and supporting documents.

- Confirm with OHA if EMR/EHR and related IT investments are eligible uses.
- Develop options for:
  - Rural provider gap funding.
  - Training or license support for rural behavioral health providers.
- Return to the Board with:
  - Recommended process and priority areas for funding.
- Horizon House:
  - Continue active engagement with OHA to:
    - Obtain approval for policies, residency agreements, and training.
    - Seek lifting of admission sanction while contested case proceeds.
  - Proceed with case hearing on April 27<sup>th</sup>, building a thorough record of:
    - Administrative burden.
    - Financial impacts.
    - System level consequences for state hospital discharges.
  - Provide regular status updates on:
    - Sanction status.
    - Bed occupancy.
    - Financial and operational impacts.
- Annual Data Report/EHR Analytics:
  - Raw counts for key figures.
  - Encounter type and average encounter per individual for major programs.
  - Initial service intensity profiles, including:
    - “Typical” clients versus high utilizers.
  - Duration in services and service mix.
  - Begin planning for:
    - Addition of mapping and population burden data.
    - Inclusion of Women, Infant and Children (WIC) and other non-EHR programs where feasible.
    - Future outcome analysis by client profile.
- WHC / PacificSource:
  - Attend meeting with WHC leadership to:
    - Clarify intent and scope of contingency planning.
    - Communicate county’s position on:
      - State’s primary responsibility for CCO selection/funding.
      - Risks of inappropriate role expansion for WHC or county.
  - Pursue greater transparency from PacificSource regarding:
    - 2025-year end financials.
    - Changes in the provider network.
  - Prepare county position in case discussions arise about:
    - Assuming CCO functions.
    - Ensure clear documentation of financial and operational concerns.
- REACH Program:
  - Submit formal request for \$55,000 in opioid settlement funds to:
    - Extend REACH for an additional six months.
    - Coordinate with Salem Fire and City of Salem regarding funding requests and council approvals.
  - Refine data capture and reporting:
    - High utilizer call reductions with clear time frames.
    - Impacts on ambulance and medic unit availability.
    - ER diversion metrics.
  - Explore and prepare for:
    - Application to WHC for mobile response funding once grant opens.
    - Potential hospital partnerships related to ER diversion benefits.

- Legislative funding request:
  - Place August/September placeholder on calendar.
  - Coordinate with Board's office and legislative liaisons.
  - Gather necessary program cost and outcome data.
- Bloomberg Harvard Leadership Initiative:
  - If this initiative remains a priority:
    - Schedule a dedicated agenda item at a future meeting to:
      - Clarify goals, participation, and expected deliverables.
      - Align with ongoing data and systems work.

**Adjourned** – time: 2:34 p.m.

**Minutes by:** Mary Vityukova

**Reviewed by:** Gary L. White