



Policy Brief

Title: Healthy Families Oregon, elimination of program matching funds

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ISSUE:

Historically, Healthy Families Oregon (HFO) programs have been required to contribute a 25 percent match to their general fund allocation. Five percent of this 25 percent has been required as cash, while the remaining could be a combination of in-kind and cash. The request at hand is to eliminate the match requirement.

BACKGROUND:

The Healthy Families America model (currently known in Oregon as Healthy Families Oregon) was developed in 1992 by Prevent Child Abuse America. Healthy Families Oregon (HFO) has been funded through the state general fund since 1993. Prior to coming to the Early Learning Division (ELD) in 2012, HFO was administered by the Oregon Commission on Children and Families.

Original rule language included a 20 percent match requirement. This increased to 25 percent, with 5 percent cash, by direction of a 2005 budget note to House Bill 5112. Match is calculated by taking 25 percent of each HFO program's general fund allocation. Of this 25 percent, 5 percent must be cash (or cash equivalent), while the rest can be a combination of in-kind and cash. Programs submit their two year budgets to ELD, which must include their 25 percent match and show how it is being invested into their program.

While stipulated in rule, this match requirement has never been in statute.

In 2015, the Best Beginnings Committee of the Early Learning Council (BB) became the advisory body for the HFO program.

In 2016, BB voted to amend the HFO Program Policy & Procedure Manual, Fiscal Guidelines, modifying the types of acceptable cash match. This change allowed programs to claim Medicaid earnings and Maternal, Infant and Early Childhood Home Visiting (MIECHV) funding as cash match.

In March 2017, BB Committee voted to recommend a rule change to remove the 25 percent match requirement in order to lessen the burden for programs to meet this requirement. Large programs with large allocations often struggle to meet this match requirement, while small programs are reluctant to accept increased funding for fear of not being able to meet the match requirement (with limited resources in rural areas). However, some programs have greater local contributions to their programs because of this requirement.

POLICY ANALYSIS:

PRO FOR ELIMINATING 25% MATCH	CON FOR ELIMINATING 25% MATCH
Programs can focus on critical services to families, instead of using staff time for fundraisers.	Some programs receive significant support from their local community/county because of this match requirement. There is concern that this support would go away without the match requirement.
Small/rural programs can take on increased funding, if available, and not pose a risk to their agency by not being able to meet the match requirement. This would result in serving additional families in these areas.	There is the potential for programs to serve a smaller number of families, as the removal of the 25% match could result in a reduction of the local program budget.
Large programs struggle to meet their match because their allocations are large, which results in a larger match requirement	

EQUITY ANALYSIS:

The burden that the 25% match places on rural programs makes this an important equity concern. Our smallest (rural & frontier) programs could accept additional funding if available, but are very reluctant because they do not have the local resources to meet the match requirement. This results in resource deficient communities having to turn down additional funding for needed services.

STAKEHOLDERS AFFECTED:

Providers: Local community agencies who administer HFO programs would no longer be required to fundraise and seek in-kind/cash donations in order to be in compliance with their contract to ELD.

Children and families: Approximately 7,500 families are screened each year for risk factors associated with child abuse and neglect (eligibility for HFO program). Approximately 3,000 families are served with 1:1 home visits each year.

Communities hosting HFO program: 35 of 36 Oregon counties have an HFO program.

REFERENCES/ADDITIONAL INFORMATION RESOURCES:

Relevant Oregon rules: <http://www.ode.state.or.us/search/page/?id=4061>

Relevant Oregon statutes: <https://www.oregonlaws.org/ors/417.795>

HFO Policy Manual.

HFA Best Practice Standards.