Portland City Council
Behavioral Health Work Session

September 9, 2026 | 2:00-5:00 pm

City of Portland
Office of Government Relations

Work Session Agenda

- Welcome & Purpose | *what are we hoping to achieve?*
- Background | *key context*
- Proposed Area of Focus | *with needs across the behavioral health spectrum, where do we focus?*
- Proposed Path Forward | *how do we strategically tackle the problem?*
- Council Discussion
- Next Steps & Closing

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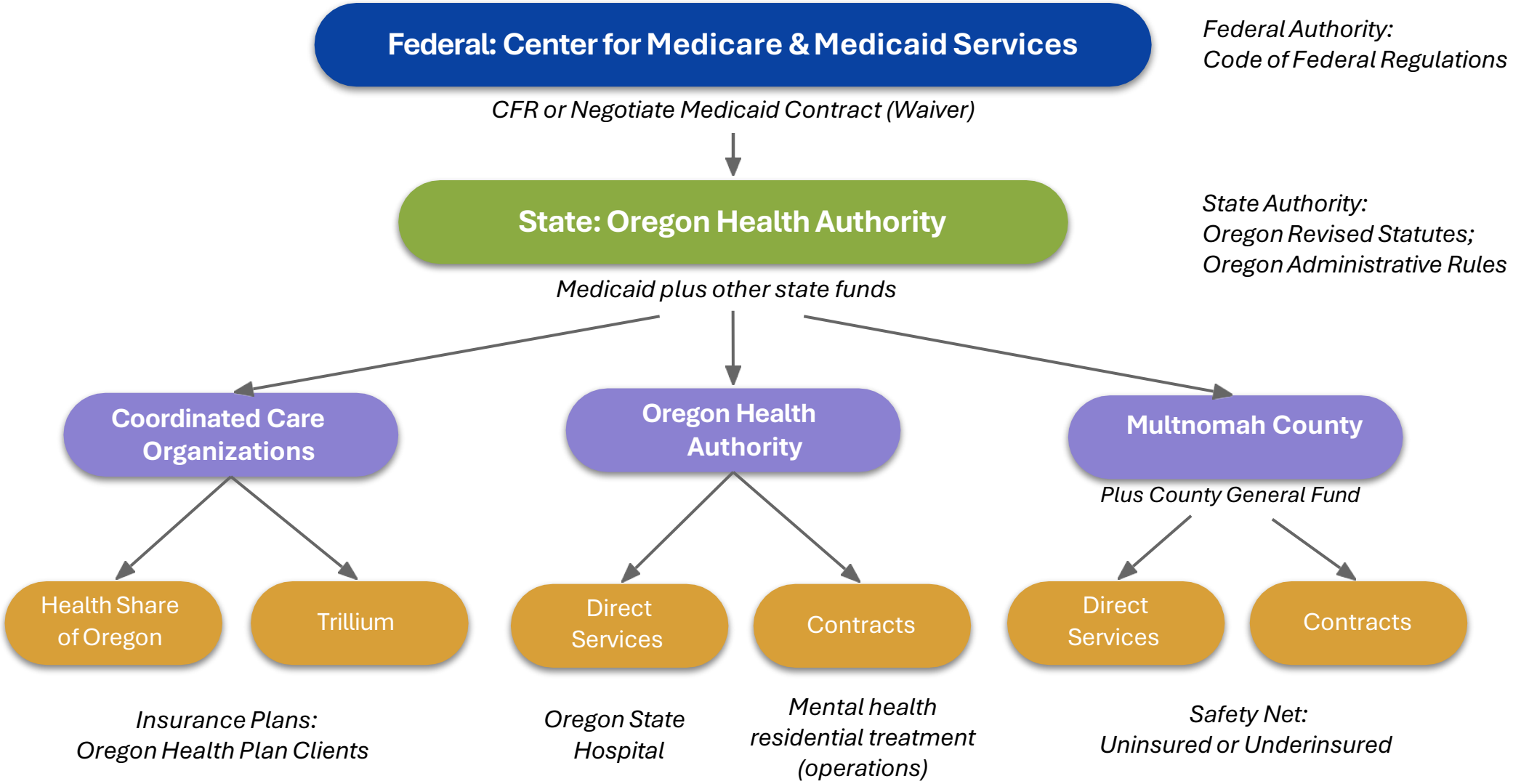
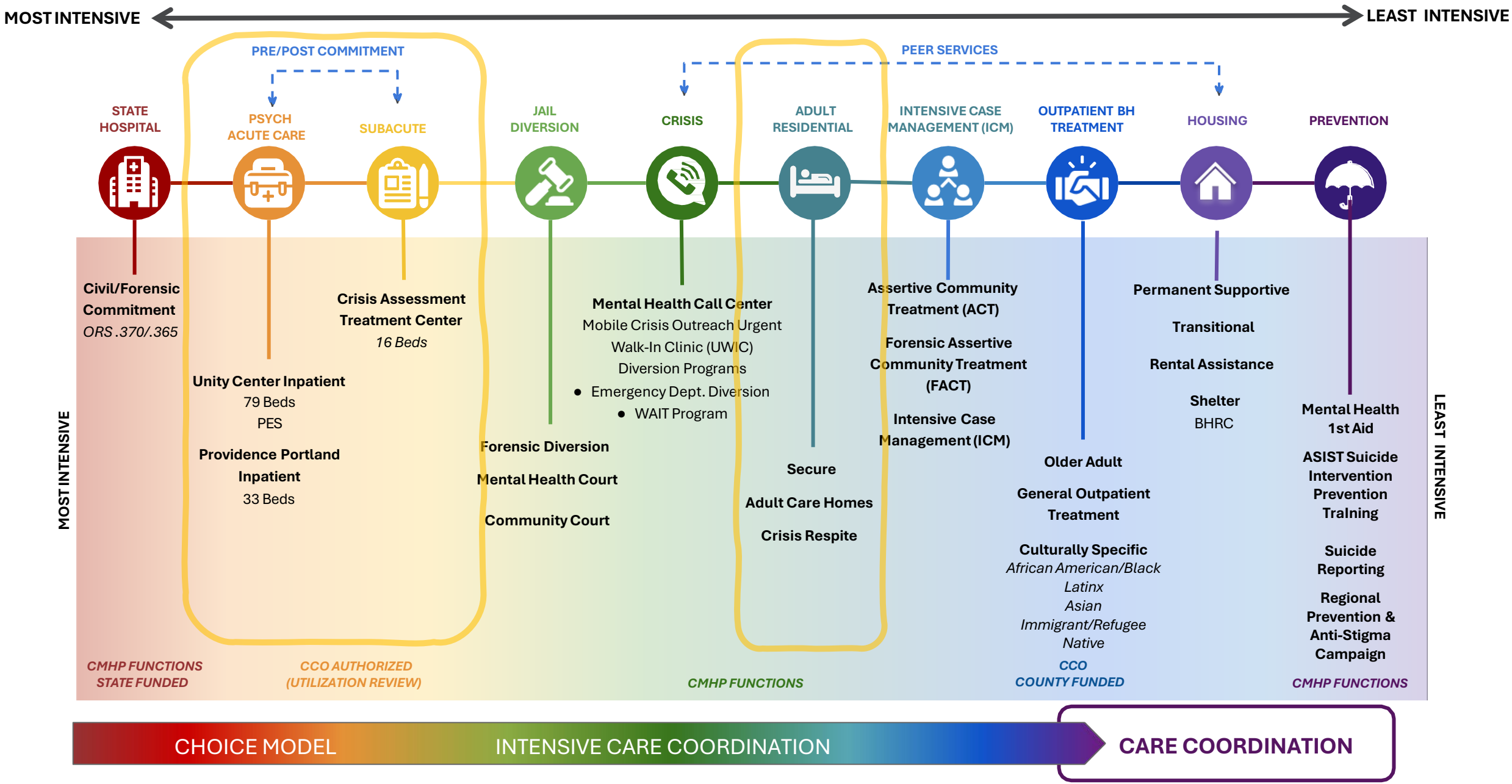
Overview: Structure & Oversight



Overview: Adult Mental Health Continuum of Care



Overview: State Legal Landscape

2003 — Oregon Advocacy Center v. Mink

Constitutional requirement that defendants found unable to "aid and assist" in their own defense **must be admitted within 7 days**

2022-23 — Mosman Orders

OSH is ordered to **prioritize "Aid & Assist" and meet strict length of stay limits**

2025-26 — Contempt & Compliance Order

Found in contempt + fined. Compliance order tightened, **further limiting admissions and duration of stays**

This means that **new capacity at OSH is prioritized for Aid & Assist patients**. To ensure access to psychiatric care outside of the criminal justice system, Portland needs other more accessible (and cost-effective) forms of acute psychiatric capacity.

Overview: Recent State Investments

The State legislature made historic **statewide investments** from 2021-2025 with many new beds still coming online:

2021

$130 M GF
licensed residential facilities for severe and persistent mental illness

2022

$100 M GF
behavioral health housing and treatment (~420 new beds)

2023

$15 M GF
SUD treatment (~70 new beds)

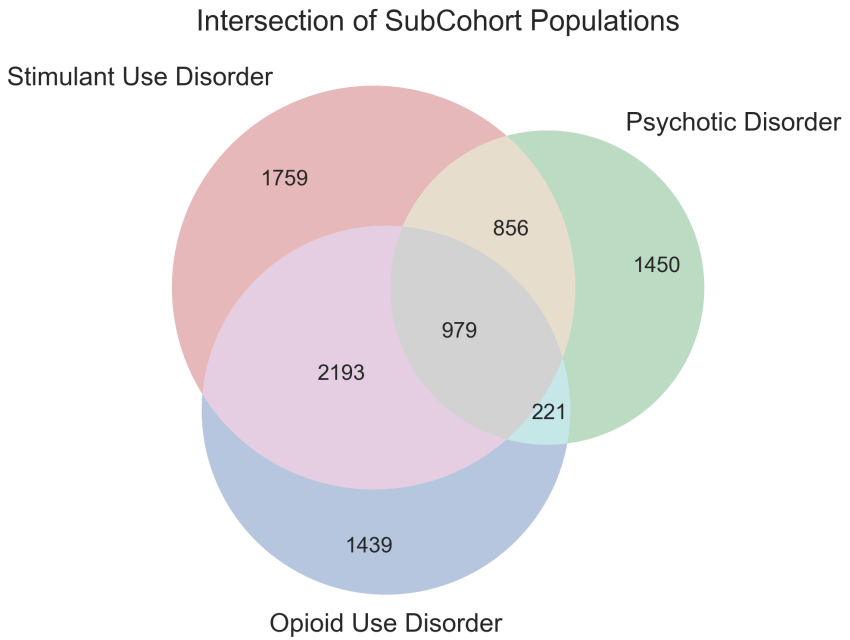
2025

$65 M GF - withdrawal management, residential treatment, psychiatric inpatient; **$18 M GF** - SUD treatment & supportive housing (~160 beds); **$50 M** lottery bonds - community psych and discharge (~175 beds)

The Challenge: Serving the High Acuity Behavioral Health Cohort

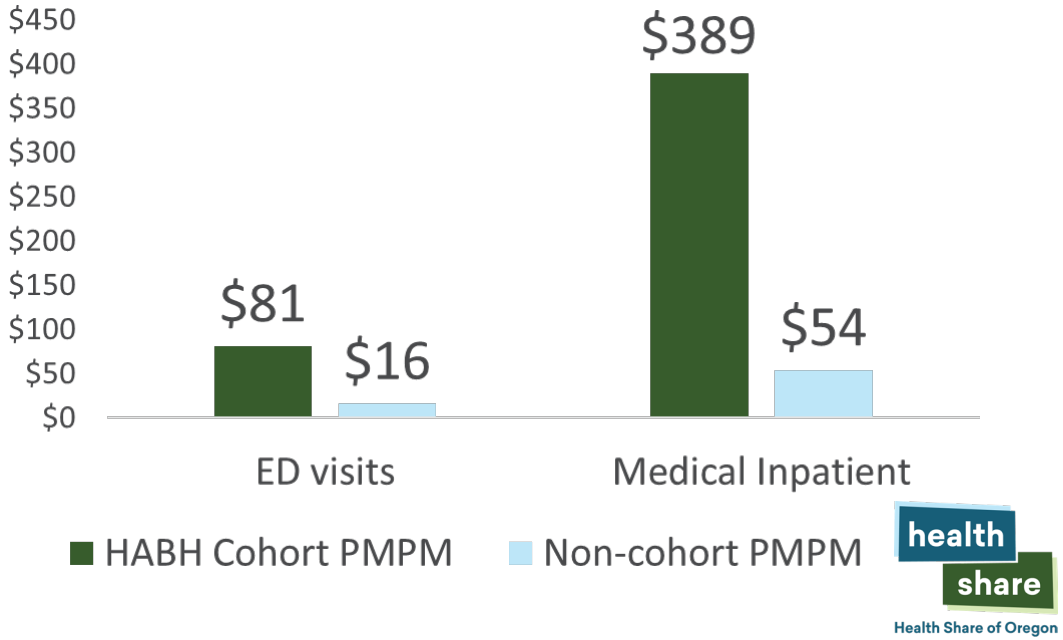
The High Acuity Behavioral Health cohort is members with a claims diagnosis of:

- Stimulant use disorder,
- Opioid use disorder,
- Psychosis, or
- Unintentional substance-associated overdose.



This cohort, 9% of members, accounted for:

- 29% of all adult costs
- 33% of all Emergency Department costs
- 41% of all Medical Inpatient (hospital) costs
- 49% of all Behavioral Health costs



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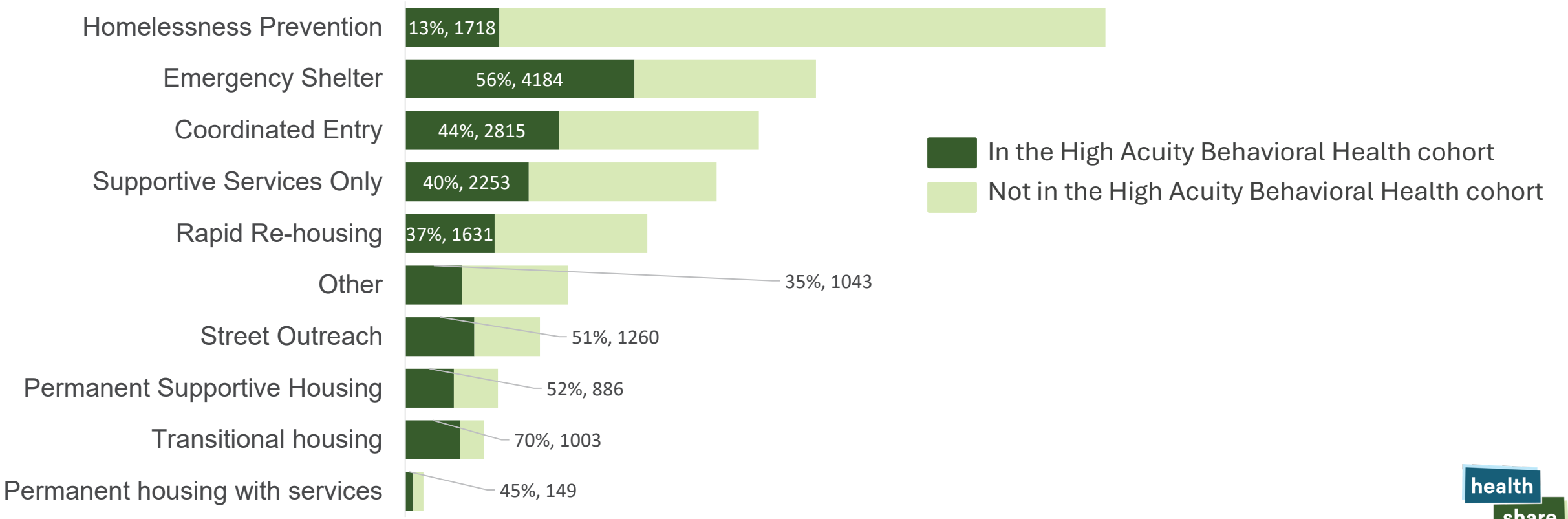
HABH in the Homelessness Response System

More than half the population in emergency shelter (56%), permanent supportive housing (52%), and street outreach (51%) programs have a high acuity behavioral health condition.



Notes: People can be in more than one program. Transitional housing is treatment housing, and less than 100% due to alcohol use disorder.

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Key Takeaways

A lack of capacity for high acuity behavioral health cohort drives:

- **Poorer health outcomes**
  4x higher risk of death
- **Disproportionate healthcare spending with limited outcomes**
  9% of adult population is driving 29% of costs and 41% of inpatient medical costs, repeat emergency department use
- **Gaps in the continuum and coordination**
- **Challenges in the housing system**
  people with a high acuity behavioral health condition engaged in permanent housing placements are 3.5x more likely to return to homelessness
- **Community livability challenges**

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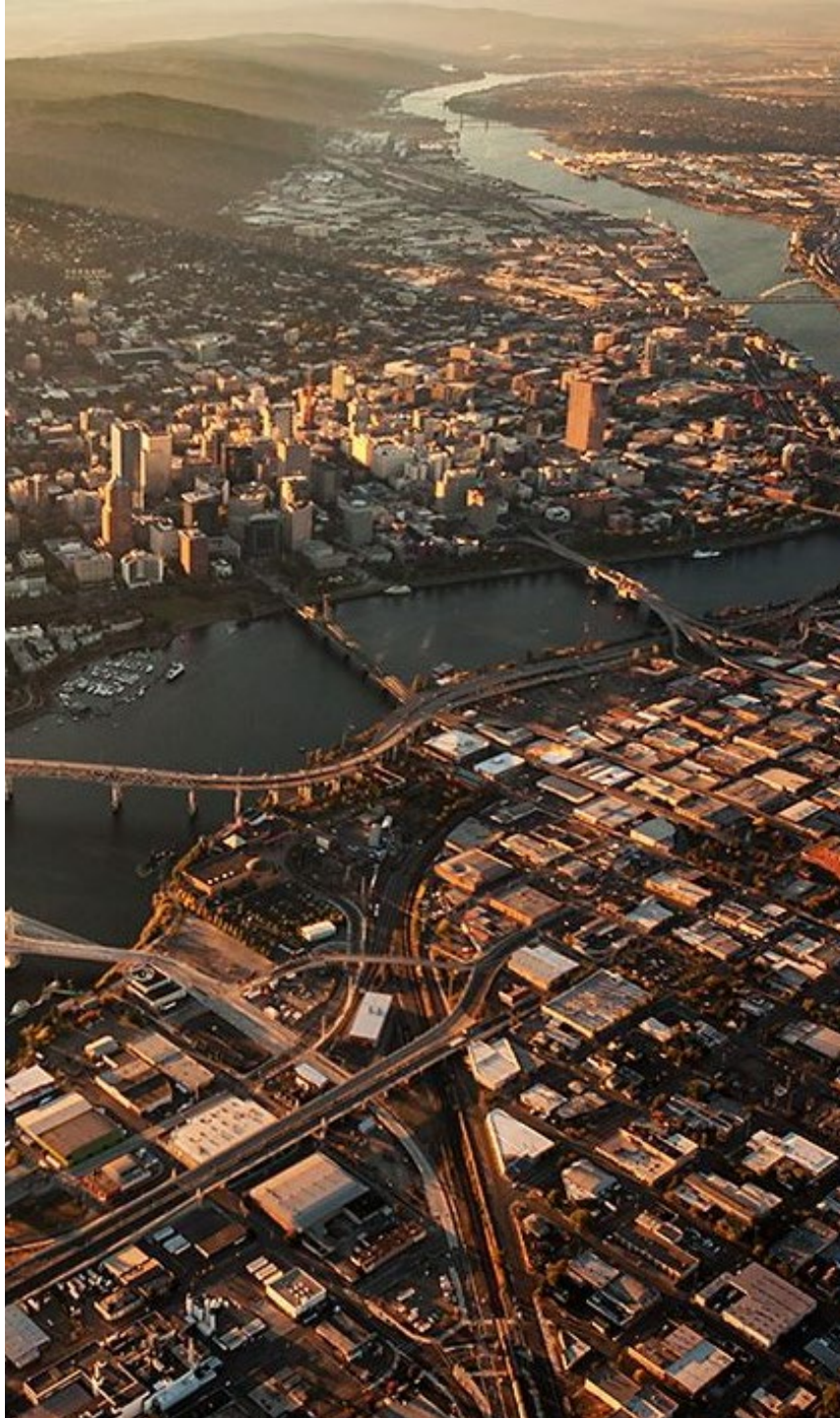
How this plays out for local governments

- Multnomah County
- City of Portland



The Challenge: The Behavioral Health System

Individuals with high acuity behavioral health conditions need:

Diversion & Early Prevention

Inpatient Psychiatric Care

Transitional Psychiatric Care

Outpatient & Case Management

\+ supportive housing

Individuals with high acuity behavioral health conditions often show up in other systems:

Miss diversion and early services that help prevent crisis

Enter system in crisis, cycle through crisis response and ER stays because appropriate services are unavailable

Some need higher levels of care before going into supportive or affordable housing

Become justice involved

If deemed unable to stand trial, some are sent to the Oregon State Hospital for competency restoration (not long-term stabilization)

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Proposed Path Forward

Health Share commissioned a model using County data that forecasts how changes in capacity effect system throughput. Findings show that the metro region needs:

- **To preserve inpatient psychiatric beds and backfill recent closures**
- **Build out psychiatric respite and subacute beds**
- **Break even reimbursement rates for inpatient psychiatric care**
- **Policies that support streamlined throughput, funding alignment and reduced administrative burden for providers**
  - Faster siting and local permitting to get already funded beds opened faster
  - Prioritized access to State Hospital beds for patients outside of “Aid & Assist”
  - Separate subacute and respite from residential state licensing requirements

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What is subacute and respite care?

Subacute

- Secure 24-hour/day psychiatric supervision
- For patients who no longer meet full acute inpatient criteria but still require close monitoring and treatment.

While also considered a "step down" from inpatient psychiatric (IP) care, subacute and respite can be a more cost-effective way to provide a relatively intensive level of care, that can also help prevent the need for IP psych.

Respite

- 24-hour/day care from certified mental health aids
- On-site peer support services and skill-building
- Medication management and care coordination
- alternative to psychiatric hospitalization or step-down from higher levels of care

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Proposed Path Forward

WHAT THIS GETS US

- better access to care + more individuals moving through the system
- fewer days boarding in emergency rooms and jail due to faster connections to services
- reduced churn in the housing and healthcare system
- Oregon State Hospital remains compliant

Diversion & Early Prevention

Inpatient Psychiatric Care

Transitional Psychiatric Care

Outpatient & Case Management

\+ supportive housing

BOTTOM LINE

this proposal will give the metro area multiple alternative options for intensive inpatient and residential psychiatric care - reducing reliance on OSH, which prioritizes people who need to stand trial.

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Questions?

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