

HOUSE AMENDMENTS TO HOUSE BILL 3626

By JOINT COMMITTEE ON WAYS AND MEANS

February 21

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the line and line 3 and insert
2 “294.145, 294.847, 396.515, 401.280, 410.851 and 443.420 and section 2, chapter 981, Oregon Laws 2001,
3 and section 8, chapter 690, Oregon Laws 2005; repealing ORS 401.535 and 410.125 and sections 2, 3
4 and 5, chapter 911, Oregon Laws 2007; appropriating money; and declaring an emergency.”.

5 On page 2, line 40, delete “mitigation efforts” and insert “Federal Emergency Management
6 Agency approved mitigation plans”.

7 On page 3, line 14, before “Oregon” insert “Office of Emergency Management of the”.

8 After line 28, insert:

9 **“SECTION 6. (1) The Oregon Local Disaster Assistance Loan Account is established as
10 an account in the Oregon Disaster Response Fund. The account consists of moneys appro-
11 priated by the Legislative Assembly and any other moneys deposited into the account pur-
12 suant to law.**

13 **“(2) Moneys in the account are continuously appropriated to the Oregon Military De-
14 partment for:**

15 **“(a) Providing loans to local governments, as defined in ORS 174.116, and school districts
16 to match, either in full or in part, moneys from federal programs for federally declared dis-
17 aster relief that require a match; and**

18 **“(b) Subject to subsection (4) of this section, paying the department’s expenses for ad-
19 ministering the account.**

20 **“(3) The department shall deposit into the account any amounts repaid on loans made
21 under this section.**

22 **“(4) The department may not charge the account more than five percent of the maximum
23 amount in the account during a biennium for administrative expenses.**

24 **“(5) An applicant may apply to the department for a loan from the account. The depart-
25 ment shall consider the application, make a recommendation and submit the application and
26 recommendation to the Local Disaster Assistance Review Board established under subsection
27 (6) of this section.**

28 **“(6) The department shall establish a Local Disaster Assistance Review Board to:**

29 **“(a) Review the recommendations of the department regarding loans from the account;**

30 **“(b) Approve, by a majority vote of members, the amount of any loan; and**

31 **“(c) Approve, by a majority vote of members, the terms and conditions of any loan.**

32 **“(7) The review board shall include:**

33 **“(a) Three members of county governing bodies, with at least one member representing
34 a county from east of the crest of the Cascade Mountains, with membership determined by
35 the Association of Oregon Counties;**

1 “(b) Three members of city governing bodies, with at least one member representing a
2 city from east of the crest of the Cascade Mountains, with membership determined by the
3 League of Oregon Cities;

4 “(c) A representative of the office of the State Treasurer;

5 “(d) A representative of the Oregon Military Department;

6 “(e) A representative of school districts, with membership determined by the Oregon
7 School Boards Association;

8 “(f) A representative of special districts, with membership determined by the Special
9 Districts Association of Oregon;

10 “(g) A representative of the Oregon Department of Administrative Services; and

11 “(h) Two additional members determined jointly by the department, the Association of
12 Oregon Counties and the League of Oregon Cities.

13 “(8) The Office of Emergency Management of the Oregon Military Department shall adopt
14 rules establishing:

15 “(a) A loan application process and application forms;

16 “(b) Reasonable financial terms and conditions for loans, including interest and the re-
17 payment of the loans;

18 “(c) Eligibility requirements for loan applicants;

19 “(d) The maximum amount an applicant for a loan may receive;

20 “(e) The methodology the department will use for charging the account for administra-
21 tive expenses; and

22 “(f) Procedures for submission of loan recommendations to the review board.

23 “(9) The Oregon Military Department shall provide staff support for the review board.”.

24 In line 29, delete “6” and insert “7”.

25 In line 33, delete “7” and insert “8”.

26 After line 44, insert:

27 “**SECTION 9.** ORS 396.515 is amended to read:

28 “396.515. (1) Subject to the restriction contained in subsection (4) of this section, the Oregon
29 Military Department may sell, exchange or lease any military department real property that is found
30 to have become unsuitable for military department purposes. The Adjutant General shall make a
31 determination of the unsuitability of the property for military department purposes and the advis-
32 ability or necessity of sale, exchange or lease of the property.

33 “(2) Title to any real property sold or exchanged shall be given in the name of the State of
34 Oregon, and the deed conveying the title shall be signed by the Adjutant General. Title to real
35 property received in exchange of military department real property shall be taken in the name of
36 the State of Oregon, and the control of the property shall be vested in the military department.

37 “(3) Military department real property owned jointly by the State of Oregon and the United
38 States, or military department real property subject to federal restrictions in conflict with ORS
39 396.505 to 396.545, shall, with appropriate federal authorization, be subject to the provisions of ORS
40 396.505 to 396.545.

41 “(4) Prior to the sale of military department real property, the military department shall submit
42 to the Legislative Assembly [*if in regular session*], or to the Emergency Board when the legislature
43 is not in [*regular*] session, the proposed sale of military department real property, for approval.

44 “**SECTION 10.** (1) Not later than March 1, 2009, and March 1, 2011, the Department of
45 Higher Education shall report to the Joint Committee on Ways and Means and to any other

1 committee of the Legislative Assembly assigned to examine the budget of the department.

2 **“(2) Each report shall include:**

3 **“(a) Current information on the finances and status of the University of Oregon new**
4 **arena capital construction project and the University of Oregon athletic department budget;**

5 **“(b) Current projections of arena-related revenues and expenditures; and**

6 **“(c) Current information on the balance and projected balances of the athletic depart-**
7 **ment Legacy Fund established within the University of Oregon Foundation.**

8 **“SECTION 11.** ORS 410.851 is amended to read:

9 “410.851. (1) The Legislative Assembly finds and declares that patients admitted to and cared for
10 by long term care facilities in Oregon are more impaired than in the past. In keeping with the tra-
11 ditional commitment of the State of Oregon to the care and protection of its citizens who are frail
12 or elderly or who have disabilities, as expressed in ORS 410.020 (1) to (6), the Legislative Assembly
13 declares that a patient-based reimbursement system emphasizing quality incentives is appropriate for
14 long term care facilities. Such a system would reward long term care facilities for outcomes, such
15 as maintaining or improving a patient’s condition, and meet the legitimate costs of caring for pa-
16 tients.

17 **“(2) As used in this section,** ‘patient-based reimbursement’ means reimbursement for direct
18 patient care according to the needs of the patient, based on multiple levels of patient health, func-
19 tioning and impairment.

20 **“(3) [Notwithstanding the above,] A patient-based reimbursement system** does not require the
21 Department of Human Services to assess each patient and reimburse long term care facilities ac-
22 cording to the constantly changing conditions of the patients except for changes between skilled and
23 intermediate levels of care which shall result in prompt readjustment of rates.

24 **“[(3)] (4) The department [of Human Services] shall establish by rule definitions of levels of care**
25 **and the payment rates for the patient-based reimbursement system. The rates shall be designed**
26 **to maintain and enhance access to community-based care services.**

27 **“(5) Notwithstanding ORS 410.555, the department, in cooperation with representatives**
28 **of community-based care providers, shall implement policies that offer incentives to provid-**
29 **ers for entering into Medicaid contracts with the department and that enable a patient, to**
30 **the greatest extent possible, to remain in the residential setting offering the scope of ser-**
31 **vices that best meets the patient’s needs.**

32 **“SECTION 12.** ORS 443.420 is amended to read:

33 “443.420. (1) A person applying for a license under ORS 443.415 must, in the judgment of the
34 Director of Human Services, be a person:

35 **“(a) Who demonstrates an understanding and acceptance of the rules governing residential fa-**
36 **cilities;**

37 **“(b) Mentally and physically capable of caring for such residents; and**

38 **“(c) Who employs or utilizes only individuals whose presence does not jeopardize the health,**
39 **safety or welfare of residents.**

40 **“(2) A residential facility shall not be operated or maintained in combination with a nursing**
41 **home or hospital unless licensed, maintained and operated as a separate and distinct part.**

42 **“(3) All physical residential facilities used for residents shall meet applicable requirements of**
43 **the State Fire Marshal.**

44 **“(4) Prior to licensure, a residential facility must be in substantial compliance with applicable**
45 **state and local laws, rules, codes, ordinances and permit requirements.**

1 “(5) Prior to licensure, a residential facility that proposes to house persons under the age of 21
2 years shall submit written proof of compliance with ORS 336.575 to the Department of Human Ser-
3 vices.

4 “(6) Prior to an initial licensure of a residential care facility, the department shall con-
5 sider:

6 “(a) The license applicant’s history of regulatory compliance and operational experience;

7 “(b) The need in the local community for the services offered by the license applicant,
8 as demonstrated by a market study produced by the license applicant;

9 “(c) The willingness of the license applicant to serve underserved populations; and

10 “(d) The willingness of the license applicant to contract with the department to provide
11 services through the state medical assistance program.

12 “**SECTION 13.** Section 2, chapter 981, Oregon Laws 2001, as amended by section 2, chapter 308,
13 Oregon Laws 2003, and section 2, chapter 690, Oregon Laws 2005, is amended to read:

14 “**Sec. 2.** Section 1, chapter 981, Oregon Laws 2001, is repealed on [June 30, 2009] **December**
15 **31, 2008.**

16 “**SECTION 14.** Section 8, chapter 690, Oregon Laws 2005, is amended to read:

17 “**Sec. 8.** Sections 1, 3, 4, 5 and 6, **chapter 690, Oregon Laws 2005**, [of this 2005 Act] are re-
18 pealed on [June 30, 2009] **December 31, 2008.**

19 “**SECTION 15.** (1) **The Department of Human Services, in cooperation with represen-**
20 **tatives of residential facilities and adult foster homes, shall:**

21 “(a) **Assess the capacity on January 1, 2008, of residential facilities and adult foster**
22 **homes to serve residents who qualify for state medical assistance;**

23 “(b) **Establish targets for expansion of the capacity assessed in paragraph (a) of this**
24 **subsection in each area of the state; and**

25 “(c) **Issue a report on changes in capacity on a quarterly basis.**

26 “(2) **The department shall report semiannually to the Legislative Assembly or the**
27 **Emergency Board the findings in subsection (1) of this section and any recommendations for**
28 **legislative action.**

29 “**SECTION 16.** **ORS 410.125 is repealed.**

30 “**SECTION 17.** **The repeal of ORS 410.125 by section 16 of this 2008 Act becomes operative**
31 **on June 30, 2009.**

32 “**SECTION 18.** **The amendments to ORS 443.420 by section 12 of this 2008 Act do not apply**
33 **to a license applicant who, as of September 30, 2008:**

34 “(1) **Has submitted schematic plans or construction drawings pursuant to section 3,**
35 **chapter 690, Oregon Laws 2005;**

36 “(2) **Is current in fees paid pursuant to sections 3 and 4, chapter 690, Oregon Laws 2005;**
37 **and**

38 “(3) **Has submitted copies of necessary permits in accordance with section 5, chapter 690,**
39 **Oregon Laws 2005.**

40 “**SECTION 19.** (1) **As used in this section:**

41 “(a) **‘Deployment’ means an act in which a person was ordered to active duty and was**
42 **deployed outside the United States.**

43 “(b) **‘Mobilization’ means an act in which a person left the person’s home station and**
44 **was transferred to a mobilization site for federal service.**

45 “(c) **‘Small business’ means a business that:**

1 “(A) Is a corporation, partnership, sole proprietorship or other legal entity licensed and
2 located in Oregon and formed for the purpose of making a profit, and that is independently
3 owned and operated from all other businesses; and

4 “(B) Employs 50 or fewer persons.

5 “(d) ‘Veteran’ means a person who owns a controlling interest in a small business and
6 who, at the time of the person’s mobilization or deployment, is:

7 “(A) A member of the Oregon National Guard; or

8 “(B) A member of the reserves of the Army, Navy, Air Force, Marine Corps or Coast
9 Guard of the United States and a resident of Oregon.

10 “(2) There is established in the Department of Veterans’ Affairs the Veterans’ Small
11 Business Repair Loan Program. The purpose of the program is to assist any veteran whose
12 small business, due to the veteran’s absence, incurred a setback during the veteran’s
13 mobilization or deployment by providing an interest-free loan to the veteran upon the vet-
14 eran’s return from mobilization or deployment. The loan shall be used by the veteran to re-
15 store the veteran’s small business, to the extent feasible, to the condition the small business
16 was in prior to the veteran’s mobilization or deployment.

17 “(3) A veteran may receive a maximum of two loans under the program. Each loan may
18 not exceed \$20,000. Application for a loan must be made within 12 months after
19 demobilization.

20 “(4) The department shall adopt by rule:

21 “(a) Criteria that a small business must meet to qualify as having incurred a business
22 setback while the veteran was mobilized or deployed;

23 “(b) The application process and any necessary forms;

24 “(c) Terms of loan repayment; and

25 “(d) Other criteria and processes necessary to carry out the purposes of the program.

26 “(5) If a veteran is deceased as a result of the veteran’s mobilization or deployment, the
27 unremarried surviving spouse of the deceased veteran is eligible to apply for and receive a
28 loan to continue the veteran’s small business.

29 “(6) If a veteran is at the time of the loan application no longer a member of the Oregon
30 National Guard or the reserves, the veteran must have been discharged under honorable
31 conditions.

32 “(7) The Department of Veterans’ Affairs, in consultation with the Economic and Com-
33 munity Development Department, shall review and reject or approve loan applications sub-
34 mitted by veterans.

35 “(8) Repayments of loans made under this section shall be deposited in the Veterans’
36 Small Business Repair Loan Fund established under section 20 of this 2008 Act.

37 “SECTION 20. The Veterans’ Small Business Repair Loan Fund is established in the State
38 Treasury, separate and distinct from the General Fund. Interest earned by the Veterans’
39 Small Business Repair Loan Fund shall be credited to the fund. Moneys received from legis-
40 lative appropriations and repayments of loans shall be credited to the fund. Moneys in the
41 fund are continuously appropriated to the Department of Veterans’ Affairs for the purposes
42 of funding loans under section 19 of this 2008 Act.

43 “SECTION 21. (1) There is established a grant program to improve access to and the ef-
44 fectiveness of health care delivery for families.

45 “(2) The goals of the program are to:

1 “(a) Improve preventive health services;

2 “(b) Increase access to appropriate, affordable and efficiently delivered primary care for

3 families;

4 “(c) Provide new access to health care for children;

5 “(d) Explore alternative models for reimbursement of health care services; and

6 “(e) Collect information to allow for an evaluation of each grant-funded project.

7 “(3) The Department of Human Services shall award grants for two projects. One of the

8 grants shall be awarded for a project that predominantly serves a rural area as defined by

9 the Office of Rural Health.

10 “(4) The department shall adopt rules in accordance with ORS 183.333 to:

11 “(a) Establish criteria for awarding grants based on the goals of the program.

12 “(b) Determine the amount of each grant.

13 “(c) Administer the program.

14 “(5) The department shall award grants under this section for projects that:

15 “(a) Create incentives for collaborative, community-based organizations to bring diverse

16 stakeholders together to coordinate, communicate and improve access to health care for lo-

17 cal residents of the community; and

18 “(b) Improve health care delivery in the community by providing:

19 “(A) Patient-centered care in which there is a sustained relationship between a patient

20 and a culturally competent provider team and that utilizes patient-driven goals and

21 evidence-based practices;

22 “(B) Team-based care that takes advantage of nursing services, including care coordi-

23 nation, school-based health services, home visits, telephone triage and clinical case manage-

24 ment, and that maximizes services during each patient visit;

25 “(C) Coordinated care that links patients to comprehensive services in the community,

26 including specialty care, mental health care, dental care, vision care and social services;

27 “(D) Provider accessibility through the use of telephone and electronic mail, and the re-

28 moval of transportation, language, cultural and other barriers to timely care; and

29 “(E) Collaboration with the community that ensures that health-related interests and

30 services are coordinated, psychosocial services are incorporated, resources are leveraged and

31 maximized and assessments are conducted on health status, disparities and effectiveness of

32 services.

33 “(6) To be awarded grants, applicants must demonstrate the ability to leverage nonstate

34 resources given the strengths and limitations of their geographic locations.

35 “(7) Each project must include an evaluation component that accurately monitors and

36 measures:

37 “(a) The impact of the project on the cost and quality of and access to health care; and

38 “(b) How the structure and operation of the organization reflects the interests of and is

39 accountable to the diverse needs of the local community.

40 “SECTION 22. Section 21 of this 2008 Act is repealed January 2, 2012.

41 “SECTION 23. (1) During the 2007-2009 biennium, the Department of Human Services

42 shall conduct an assessment and evaluation of the community mental health care component

43 of the mental health care delivery system in Oregon.

44 “(2) The assessment conducted under subsection (1) of this section shall include but is

45 not limited to:

1 “(a) An assessment of the gap between the number of Oregonians in need of community
2 mental health care and the number who receive community mental health care;

3 “(b) An assessment of the investment that the Department of Human Services, the De-
4 partment of Corrections and local governments make in community mental health care, in-
5 cluding an examination of the amount spent on community mental health care;

6 “(c) As assessment of the community mental health needs of particularly vulnerable
7 populations in this state; and

8 “(d) A catalog of the information that agencies and local governments use to evaluate
9 the performance of providers of community mental health care, including the data collected
10 and the performance measures and outcomes that are tracked by each agency and local
11 government.

12 “(3) The assessment conducted under subsection (2)(a) of this section must include a
13 separate analysis of the gap between the demand for community mental health care by vet-
14 erans returning from tours in Iraq, Afghanistan and other hostile fire areas and the com-
15 munity mental health care that is provided at United States Department of Veterans Affairs
16 facilities.

17 “(4) The evaluation conducted under subsection (1) of this section must contain:

18 “(a) An analysis of the strengths and weaknesses in the state community mental health
19 care delivery system;

20 “(b) An overview of future community mental health care delivery system needs; and

21 “(c) Recommendations from the Department of Human Services for improving the qual-
22 ity, effectiveness and efficiency of the community mental health care delivery system.

23 “(5) The department shall provide a written report of the results of the assessment and
24 evaluation conducted under subsection (1) of this section to the Senate Interim Committee
25 on Health and Human Services and the House Interim Committee on Health Care no later
26 than October 1, 2008.

27 “(6) The department may contract with a private entity or individual to conduct the as-
28 sessment and evaluation and to produce the report required by this section.

29 “SECTION 24. Section 23 of this 2008 Act is repealed January 2, 2009.

30 “SECTION 25. Sections 2, 3 and 5, chapter 911, Oregon Laws 2007, are repealed.”.

31 In line 45, delete “8” and insert “26”.