

Senate Bill 1061

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Human Services to establish Medicaid reimbursement rates at levels sufficient for specified residential care facilities and adult foster homes to maintain existing capacities for serving seniors and persons with physical disabilities through end of biennium.

Requires department to develop comprehensive plan for long term care system.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to long term care; and declaring an emergency.

3 Whereas Oregon is a pioneer in developing community-based care options for seniors and per-
4 sons with disabilities; and

5 Whereas Oregon continues to maintain the lowest institutionalization rate of seniors of all 50
6 states and is nationally recognized for its vast array of community-based care options; and

7 Whereas the aging demographic and an increase in the number of younger persons with disa-
8 bilities require that Oregon continue the current planning process to ensure that all Oregonians
9 have access to community-based care options; and

10 Whereas the Department of Human Services is developing a collaborative, comprehensive plan-
11 ning effort for the long term care system, built on the assumption of a strong and robust
12 community-based care infrastructure; and

13 Whereas that infrastructure is crumbling and requires immediate attention in order to ensure
14 a strong foundation on which to build the future long term care system; and

15 Whereas there is a growing disparity between Medicaid reimbursement rates and private pay
16 rates in community-based care settings, resulting in a loss of Medicaid-funded access to residential
17 care facilities, assisted living facilities and adult foster homes; and

18 Whereas recent trends in long term care placements are deviating from the previous forecasts;
19 and

20 Whereas it is imperative that the Seventy-fourth Legislative Assembly take immediate action to
21 stem the loss of housing options for seniors and persons with severe disabilities and redirect the
22 state's planning and resources toward building and maintaining a viable community-based care
23 infrastructure; now, therefore,

24 **Be It Enacted by the People of the State of Oregon:**

25 **SECTION 1. (1) As used in this section:**

26 **(a) "Adult foster home" has the meaning given that term in ORS 443.705.**

27 **(b) "Residential care facility" has the meaning given that term in ORS 443.400.**

28 **(2) The Department of Human Services shall establish, for the biennium beginning July**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 1, 2007, Medicaid reimbursement rates for those residential care facilities, including but not
 2 limited to assisted living facilities, and adult foster homes that contract with the department
 3 to serve seniors or persons with physical disabilities. The rates must be at levels sufficient
 4 to maintain the capacity of all residential care facilities and adult foster homes providing
 5 Medicaid services to seniors and persons with physical disabilities in this state on the effec-
 6 tive date of this 2008 Act.

7 **SECTION 2.** (1) The Department of Human Services shall develop a comprehensive plan
 8 for Oregon’s long term care system for seniors and persons with disabilities.

9 (2) In developing the comprehensive plan, the department shall work with stakeholders,
 10 advocates for seniors and advocates for persons with disabilities.

11 (3) The comprehensive plan must include recommendations for:

12 (a) Improving the long term care system in Oregon;

13 (b) Improving access by seniors and persons with disabilities to services in the least re-
 14 strictive long term care settings;

15 (c) Obtaining any Medicaid waivers that may be required; and

16 (d) Creating a reimbursement structure that ensures access to services while controlling
 17 costs and maintaining quality care by:

18 (A) Reexamining client acuity and appropriate service priority level designations;

19 (B) Developing reimbursement rates that are reasonably competitive with rates paid by
 20 private payers;

21 (C) Creating incentives for providers to participate in the state medical assistance pro-
 22 gram; and

23 (D) Addressing geographic differentials.

24 **SECTION 3.** The Department of Human Services shall report to the regular session of
 25 the Seventy-fifth Legislative Assembly on the department’s cost projections for:

26 (1) Stabilization and provision of adequate funding for Oregon Project Independence;

27 (2) Restoration of the general assistance program under ORS 411.710 to 411.730;

28 (3) Strengthening volunteer-based services for seniors, including the Senior Companion
 29 Program and the Retired and Senior Volunteer Program;

30 (4) Developing a model for a long term care system that:

31 (a) Is not funded by Medicaid;

32 (b) Is based on early intervention and prevention services; and

33 (c) Provides a single point of entry to the entire aging services network;

34 (5) Providing to area agencies, as defined in ORS 410.040, fair and adequate funding, based
 35 on workload;

36 (6) Addressing the needs of seniors and persons with disabilities for mental health and
 37 addiction services;

38 (7) Increasing the training capacity in this state to address shortages in the recruitment
 39 and retention of a qualified workforce, with special attention to rural workforce needs and
 40 to maximizing federal funding for training;

41 (8) Implementing a proposal, developed in collaboration with stakeholders, for a residen-
 42 tial care facility licensure review process that will replace the assisted living and residential
 43 care licensing moratorium created as a result of section 1, chapter 981, Oregon Laws 2001;

44 (9) Improving services for persons who have a traumatic brain injury; and

45 (10) Developing and exploring alternative long term care models.

