

A-Engrossed
House Bill 3664

Ordered by the House February 11
Including House Amendments dated February 11

Sponsored by COMMITTEE ON HEALTH CARE

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.

Creates new category of medical assistance for individuals from 18 to 21 years of age who, immediately prior to 18th birthday, were in substitute care paid for by public agency. **Finances assistance with moneys from Health System Fund.** Requires Oregon Health Authority to [*request implementing amendment*] **obtain necessary approvals to implement amendments** to State Medicaid Plan by March 31, 2010.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to medical assistance for individuals under the age of 21 who age out of foster care; cre-
3 ating new provisions; amending ORS 411.400, 411.402 and 414.025 and section 1, chapter 867,
4 Oregon Laws 2009; and declaring an emergency.

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

6 **SECTION 1.** ORS 414.025 is amended to read:

7 414.025. As used in this chapter, unless the context or a specially applicable statutory definition
8 requires otherwise:

9 (1) "Category of aid" means assistance provided by the Oregon Supplemental Income Program,
10 aid granted under ORS 412.001 to 412.069 and 418.647 or federal Supplemental Security Income
11 payments.

12 (2) "Categorically needy" means, insofar as funds are available for the category, a person who
13 is a resident of this state and who:

14 (a) Is receiving a category of aid.

15 (b) Would be eligible for a category of aid but is not receiving a category of aid.

16 (c) Is in a medical facility and, if the person left such facility, would be eligible for a category
17 of aid.

18 (d) Is under the age of 21 years and would be a dependent child as defined in ORS 412.001 except
19 for age and regular attendance in school or in a course of professional or technical training.

20 (e)(A) Is a caretaker relative, as defined in ORS 412.001, who cares for a child who would be a
21 dependent child except for age and regular attendance in school or in a course of professional or
22 technical training; or

23 (B) Is the spouse of the caretaker relative.

24 (f) Is under the age of 21 years[,] **and:**

25 (A) Is in a foster family home or licensed child-caring agency or institution [*under a purchase*
26 *of care agreement*] and is one for whom a public agency of this state is assuming financial responsi-

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 bility, in whole or in part; or

2 **(B) Is 18 years of age or older, is one for whom federal financial participation is available**
3 **under Title XIX or XXI of the federal Social Security Act and who met the criteria in sub-**
4 **paragraph (A) of this paragraph immediately prior to the person's 18th birthday.**

5 (g) Is a spouse of an individual receiving a category of aid and who is living with the recipient
6 of a category of aid, whose needs and income are taken into account in determining the cash needs
7 of the recipient of a category of aid, and who is determined by the Department of Human Services
8 to be essential to the well-being of the recipient of a category of aid.

9 (h) Is a caretaker relative as defined in ORS 412.001 who cares for a dependent child receiving
10 aid granted under ORS 412.001 to 412.069 and 418.647 or is the spouse of the caretaker relative.

11 (i) Is under the age of 21 years, is in a youth care center and is one for whom a public agency
12 of this state is assuming financial responsibility, in whole or in part.

13 (j) Is under the age of 21 years and is in an intermediate care facility which includes institutions
14 for persons with mental retardation.

15 (k) Is under the age of 22 years and is in a psychiatric hospital.

16 (L) Is under the age of 21 years and is in an independent living situation with all or part of the
17 maintenance cost paid by the Department of Human Services.

18 (m) Is a member of a family that received aid in the preceding month under ORS 412.006 or
19 412.014 and became ineligible for aid due to increased hours of or increased income from employ-
20 ment. As long as the member of the family is employed, such families will continue to be eligible for
21 medical assistance for a period of at least six calendar months beginning with the month in which
22 such family became ineligible for assistance due to increased hours of employment or increased
23 earnings.

24 (n) Is an adopted person under 21 years of age for whom a public agency is assuming financial
25 responsibility in whole or in part.

26 (o) Is an individual or is a member of a group who is required by federal law to be included in
27 the state's medical assistance program in order for that program to qualify for federal funds.

28 (p) Is an individual or member of a group who, subject to the rules of the department, may op-
29 tionally be included in the state's medical assistance program under federal law and regulations
30 concerning the availability of federal funds for the expenses of that individual or group.

31 (q) Is a pregnant woman who would be eligible for aid granted under ORS 412.001 to 412.069 and
32 418.647, whether or not the woman is eligible for cash assistance.

33 (r) Except as otherwise provided in this section, is a pregnant woman or child for whom federal
34 financial participation is available under Title XIX or XXI of the federal Social Security Act.

35 (s) Is not otherwise categorically needy and is not eligible for care under Title XVIII of the
36 federal Social Security Act or is not a full-time student in a post-secondary education program as
37 defined by the Department of Human Services by rule, but whose family income is less than the
38 federal poverty level and whose family investments and savings equal less than the investments and
39 savings limit established by the department by rule.

40 (t) Would be eligible for a category of aid but for the receipt of qualified long term care insur-
41 ance benefits under a policy or certificate issued on or after January 1, 2008. As used in this para-
42 graph, "qualified long term care insurance" means a policy or certificate of insurance as defined in
43 ORS 743.652 (6).

44 (u) Is eligible for the Health Care for All Oregon Children program established in ORS 414.231.

45 (3) "Income" has the meaning given that term in ORS 411.704.

1 (4) "Investments and savings" means cash, securities as defined in ORS 59.015, negotiable in-
2 struments as defined in ORS 73.0104 and such similar investments or savings as the Department of
3 Human Services may establish by rule that are available to the applicant or recipient to contribute
4 toward meeting the needs of the applicant or recipient.

5 (5) "Medical assistance" means so much of the following medical and remedial care and services
6 as may be prescribed by the Oregon Health Authority according to the standards established pur-
7 suant to ORS 413.032, including payments made for services provided under an insurance or other
8 contractual arrangement and money paid directly to the recipient for the purchase of medical care:

9 (a) Inpatient hospital services, other than services in an institution for mental diseases;

10 (b) Outpatient hospital services;

11 (c) Other laboratory and X-ray services;

12 (d) Skilled nursing facility services, other than services in an institution for mental diseases;

13 (e) Physicians' services, whether furnished in the office, the patient's home, a hospital, a skilled
14 nursing facility or elsewhere;

15 (f) Medical care, or any other type of remedial care recognized under state law, furnished by
16 licensed practitioners within the scope of their practice as defined by state law;

17 (g) Home health care services;

18 (h) Private duty nursing services;

19 (i) Clinic services;

20 (j) Dental services;

21 (k) Physical therapy and related services;

22 (L) Prescribed drugs, including those dispensed and administered as provided under ORS chapter
23 689;

24 (m) Dentures and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases
25 of the eye or by an optometrist, whichever the individual may select;

26 (n) Other diagnostic, screening, preventive and rehabilitative services;

27 (o) Inpatient hospital services, skilled nursing facility services and intermediate care facility
28 services for individuals 65 years of age or over in an institution for mental diseases;

29 (p) Any other medical care, and any other type of remedial care recognized under state law;

30 (q) Periodic screening and diagnosis of individuals under the age of 21 years to ascertain their
31 physical or mental impairments, and such health care, treatment and other measures to correct or
32 ameliorate impairments and chronic conditions discovered thereby;

33 (r) Inpatient hospital services for individuals under 22 years of age in an institution for mental
34 diseases; and

35 (s) Hospice services.

36 (6) "Medical assistance" includes any care or services for any individual who is a patient in a
37 medical institution or any care or services for any individual who has attained 65 years of age or
38 is under 22 years of age, and who is a patient in a private or public institution for mental diseases.
39 "Medical assistance" includes "health services" as defined in ORS 414.705. "Medical assistance"
40 does not include care or services for an inmate in a nonmedical public institution.

41 (7) "Medically needy" means a person who is a resident of this state and who is considered el-
42 igible under federal law for medically needy assistance.

43 (8) "Resources" has the meaning given that term in ORS 411.704. For eligibility purposes, "re-
44 sources" does not include charitable contributions raised by a community to assist with medical
45 expenses.

1 **SECTION 2.** Section 1, chapter 867, Oregon Laws 2009, as amended by section 46, chapter 828,
2 Oregon Laws 2009, is amended to read:

3 **Sec. 1.** (1) The Health System Fund is established in the State Treasury, separate and distinct
4 from the General Fund. Interest earned by the Health System Fund shall be credited to the fund.

5 (2) Amounts in the Health System Fund are continuously appropriated to the Oregon Health
6 Authority for the purpose of funding the Health Care for All Oregon Children program established
7 in [section 27, chapter 867, Oregon Laws 2009] **ORS 414.231**, health services described in ORS 414.705
8 (1)(a) to (j) and other health services. Moneys in the fund may also be used by the authority to:

9 (a) Provide grants to community health centers and safety net clinics under [section 33, chapter
10 867, Oregon Laws 2009] **ORS 413.225**.

11 (b) Pay refunds due under section 41, chapter 736, Oregon Laws 2003, and under section 11,
12 chapter 867, Oregon Laws 2009.

13 (c) Pay administrative costs incurred by the authority to administer the assessment in section
14 9, chapter 867, Oregon Laws 2009.

15 **(d) Provide health services described in ORS 414.705 to individuals described in ORS**
16 **414.025 (2)(f)(B).**

17 (3) The authority shall develop a system for reimbursement by the authority to the Office of
18 Private Health Partnerships out of the Health System Fund for costs associated with administering
19 the private health option pursuant to [section 30, chapter 867, Oregon Laws 2009] **ORS 414.826**.

20 **SECTION 3.** ORS 411.400 is amended to read:

21 411.400. (1) Application for any category of aid shall also constitute application for medical as-
22 sistance.

23 (2) Except as otherwise provided in this section, [*each person requesting medical assistance shall*
24 *make application therefor to the Department of Human Services*] **a person shall request medical**
25 **assistance by filing an application as provided in ORS 411.081.**

26 (3) The Department of Human Services shall determine eligibility for and fix the date on which
27 [*such*] **medical** assistance may begin, and shall obtain such other information required by the rules
28 of the department.

29 [(3)] (4) If an applicant is unable to make application for medical assistance, an application may
30 be made by someone acting responsibly for the applicant.

31 **(5) The department may modify the application requirements in ORS 411.081 for a person**
32 **whose basis of eligibility for medical assistance changes from one category of aid to another**
33 **category of aid under ORS 414.025 (2).**

34 **SECTION 4.** ORS 411.402 is amended to read:

35 411.402. For each person applying for medical assistance, the Department of Human Services
36 shall fully document:

37 (1) The category of aid as defined in ORS 414.025 that makes the person eligible for medical
38 assistance or the way in which the person qualifies as categorically needy as defined in ORS 414.025;

39 (2) The status of the person as a resident of this state; and

40 (3) The [*financial*] income and resources of the person **as necessary to establish financial el-**
41 **igibility.**

42 **SECTION 5.** No later than March 31, 2010, the Oregon Health Authority shall submit an
43 application to the Centers for Medicare and Medicaid Services to obtain necessary approvals
44 to implement the amendments to ORS 411.400, 411.402 and 414.025 and section 1, chapter 867,
45 Oregon Laws 2009, by sections 1 to 4 of this 2010 Act.

1 **SECTION 6. This 2010 Act being necessary for the immediate preservation of the public**
2 **peace, health and safety, an emergency is declared to exist, and this 2010 Act takes effect**
3 **on its passage.**

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