

A-Engrossed
House Bill 3536

Ordered by the House April 6
Including House Amendments dated April 6

Sponsored by Representatives PARRISH, TOMEI; Representatives FREDERICK, GILLIAM, GREENLICK, HARKER, THOMPSON, WEIDNER

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.

[Requires Oregon Health Authority to suspend medical assistance of recipient of medical assistance who becomes inmate of public institution.]

Directs Department of Human Services and Oregon Health Authority to suspend, instead of terminate, medical assistance of medical assistance recipient who becomes inmate of local correctional facility for expected term of no more than 12 months.

Requires department and authority to jointly report to Legislative Assembly no later than May 31, 2013, on feasibility of extending suspension requirement to medical assistance recipient who is incarcerated for more than 12 months.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to medical assistance; creating new provisions; amending ORS 411.439; and declaring an
3 emergency.

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

5 **SECTION 1. (1) The Department of Human Services or the Oregon Health Authority shall**
6 **suspend, instead of terminate, the medical assistance of a person who becomes an inmate**
7 **of a local correctional facility, as defined in ORS 169.005, and who is expected to remain in**
8 **the local correctional facility for no more than 12 months.**

9 **(2) Upon notification that a person described in subsection (1) of this section is no longer**
10 **an inmate residing in a local correctional facility, the department or the authority shall**
11 **reinstate the person's medical assistance if the person is eligible for medical assistance.**

12 **(3) This section does not extend eligibility to an otherwise ineligible person or extend**
13 **medical assistance to a person if matching federal funds are not available to pay for the**
14 **medical assistance.**

15 **SECTION 2.** ORS 411.439 is amended to read:

16 411.439. (1) As used in this section:

17 (a) "Person with a serious mental illness" means a person who is diagnosed by a psychiatrist,
18 a licensed clinical psychologist or a certified nonmedical examiner as having dementia,
19 schizophrenia, bipolar disorder, major depression or other affective disorder or psychotic mental
20 disorder other than a disorder caused primarily by substance abuse.

21 (b) "Public institution" means:

22 (A) A state hospital as defined in ORS 162.135;

23 (B) A local correctional facility as defined in ORS 169.005;

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 (C) A Department of Corrections institution as defined in ORS 421.005; or

2 (D) A youth correction facility as defined in ORS 162.135.

3 (2) Except as provided in subsections (6) and (7) of this section, the Department of Human Ser-
4 vices **or the Oregon Health Authority** shall suspend, **instead of terminate**, the medical assist-
5 ance of a person with a serious mental illness when:

6 (a) The person receives medical assistance because of a serious mental illness; and

7 (b) The person becomes an inmate residing in a public institution.

8 (3) The department **or the authority** shall continue to determine the eligibility of the person
9 as categorically needy as defined in ORS 414.025.

10 (4) Upon notification that a person described in subsection (2) of this section is no longer an
11 inmate residing in a public institution, the department **or the authority** shall reinstate the person's
12 medical assistance if the person is otherwise eligible for medical assistance.

13 (5) This section does not extend eligibility to an otherwise ineligible person or extend medical
14 assistance to a person if matching federal funds are not available to pay for medical assistance.

15 (6) Subsection (2) of this section does not apply to a person with a serious mental illness residing
16 in a state hospital as defined in ORS 162.135 who is under 22 years of age or who is 65 years of age
17 or older.

18 (7) A person with a serious mental illness may apply for medical assistance between 90 and 120
19 days prior to the expected date of the person's release from a public institution. If the person is
20 found to be eligible, the effective date of the person's medical assistance shall be the date of the
21 person's release from the institution.

22 **SECTION 3. The Department of Human Services and the Oregon Health Authority shall**
23 **jointly report to the Legislative Assembly no later than May 31, 2013, on the feasibility of**
24 **requiring the suspension, instead of the termination, of medical assistance provided to per-**
25 **sons who become inmates of local correctional facilities, as defined in ORS 169.005, or De-**
26 **partment of Corrections institutions, as defined in ORS 421.005, who are expected to be**
27 **incarcerated for more than 12 months.**

28 **SECTION 4. This 2011 Act being necessary for the immediate preservation of the public**
29 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
30 **on its passage.**

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