

House Bill 2719

Sponsored by Representative THOMPSON

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**.

Implements expansion of medical assistance eligibility required by Patient Protection and Affordable Care Act. Repeals expansion on January 2, 2017, when federal match rate drops to 95 percent of state costs.

A BILL FOR AN ACT

1
2 Relating to expansion of medical assistance coverage; creating new provisions; amending ORS
3 411.404, 414.025, 414.706 and 416.350 and section 9, chapter 736, Oregon Laws 2003; and repeal-
4 ing ORS 414.428.

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 and ORS chapters 411 and 413, unless the context or a specially
8 applicable statutory definition requires otherwise:

9 (1)(a) "Alternative payment methodology" means a payment other than a fee-for-services pay-
10 ment, used by coordinated care organizations as compensation for the provision of integrated and
11 coordinated health care and services.

12 (b) "Alternative payment methodology" includes, but is not limited to:

13 (A) Shared savings arrangements;

14 (B) Bundled payments; and

15 (C) Payments based on episodes.

16 (2) "Category of aid" means assistance provided by the Oregon Supplemental Income Program,
17 aid granted under ORS 412.001 to 412.069 and 418.647 or federal Supplemental Security Income
18 payments.

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

21 (a) Is receiving a category of aid.

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

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

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

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

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

31 (f) Is under the age of 21 years and:

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 (A) Is in a foster family home or licensed child-caring agency or institution and is one for whom
 2 a public agency of this state is assuming financial responsibility, in whole or in part; or

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

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

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

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

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

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

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

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

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

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

29 (p) Is an individual or member of a group who, subject to the rules of the department or the
 30 Oregon Health Authority, may optionally be included in the state's medical assistance program un-
 31 der federal law and regulations concerning the availability of federal funds for the expenses of that
 32 individual or group.

33 (q) Is a pregnant woman who would be eligible for aid granted under ORS 412.001 to 412.069 and
 34 418.647, whether or not the woman is eligible for cash assistance.

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

37 (s) Is not otherwise categorically needy and is not eligible for care under Title XVIII of the
 38 federal Social Security Act [*or is not a full-time student in a post-secondary education program as*
 39 *defined by the department or the authority by rule*], but whose family income is **above 100 percent**
 40 **of the federal poverty level and** at or below **138 percent of** the federal poverty level [*and whose*
 41 *family investments and savings equal less than the investments and savings limit established by the*
 42 *department or the authority by rule*].

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

1 ORS 743.652 (7).

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

3 (v) Is dually eligible for Medicare and Medicaid and receiving care through a coordinated care
4 organization.

5 (4) “Community health worker” means an individual who:

6 (a) Has expertise or experience in public health;

7 (b) Works in an urban or rural community, either for pay or as a volunteer in association with
8 a local health care system;

9 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
10 ences with the residents of the community where the worker serves;

11 (d) Assists members of the community to improve their health and increases the capacity of the
12 community to meet the health care needs of its residents and achieve wellness;

13 (e) Provides health education and information that is culturally appropriate to the individuals
14 being served;

15 (f) Assists community residents in receiving the care they need;

16 (g) May give peer counseling and guidance on health behaviors; and

17 (h) May provide direct services such as first aid or blood pressure screening.

18 (5) “Coordinated care organization” means an organization meeting criteria adopted by the
19 Oregon Health Authority under ORS 414.625.

20 (6) “Dually eligible for Medicare and Medicaid” means, with respect to eligibility for enrollment
21 in a coordinated care organization, that an individual is eligible for health services funded by Title
22 XIX of the Social Security Act and is:

23 (a) Eligible for or enrolled in Part A of Title XVIII of the Social Security Act; or

24 (b) Enrolled in Part B of Title XVIII of the Social Security Act.

25 (7) “Global budget” means a total amount established prospectively by the Oregon Health Au-
26 thority to be paid to a coordinated care organization for the delivery of, management of, access to
27 and quality of the health care delivered to members of the coordinated care organization.

28 (8) “Health services” means at least so much of each of the following as are funded by the
29 Legislative Assembly based upon the prioritized list of health services compiled by the Health Evi-
30 dence Review Commission under ORS 414.690:

31 (a) Services required by federal law to be included in the state’s medical assistance program in
32 order for the program to qualify for federal funds;

33 (b) Services provided by a physician as defined in ORS 677.010, a nurse practitioner certified
34 under ORS 678.375 or other licensed practitioner within the scope of the practitioner’s practice as
35 defined by state law, and ambulance services;

36 (c) Prescription drugs;

37 (d) Laboratory and X-ray services;

38 (e) Medical equipment and supplies;

39 (f) Mental health services;

40 (g) Chemical dependency services;

41 (h) Emergency dental services;

42 (i) Nonemergency dental services;

43 (j) Provider services, other than services described in paragraphs (a) to (i), (k), (L) and (m) of
44 this subsection, defined by federal law that may be included in the state’s medical assistance pro-
45 gram;

- 1 (k) Emergency hospital services;
- 2 (L) Outpatient hospital services; and
- 3 (m) Inpatient hospital services.

4 (9) "Income" has the meaning given that term in ORS 411.704.

5 (10) "Investments and savings" means cash, securities as defined in ORS 59.015, negotiable in-
 6 struments as defined in ORS 73.0104 and such similar investments or savings as the department or
 7 the authority may establish by rule that are available to the applicant or recipient to contribute
 8 toward meeting the needs of the applicant or recipient.

9 (11) "Medical assistance" means so much of the medical, mental health, preventive, supportive,
 10 palliative and remedial care and services as may be prescribed by the authority according to the
 11 standards established pursuant to ORS 414.065, including premium assistance and payments made for
 12 services provided under an insurance or other contractual arrangement and money paid directly to
 13 the recipient for the purchase of health services and for services described in ORS 414.710.

14 (12) "Medical assistance" includes any care or services for any individual who is a patient in
 15 a medical institution or any care or services for any individual who has attained 65 years of age
 16 or is under 22 years of age, and who is a patient in a private or public institution for mental dis-
 17 eases. "Medical assistance" does not include care or services for an inmate in a nonmedical public
 18 institution.

19 (13) "Patient centered primary care home" means a health care team or clinic that is organized
 20 in accordance with the standards established by the Oregon Health Authority under ORS 414.655
 21 and that incorporates the following core attributes:

- 22 (a) Access to care;
- 23 (b) Accountability to consumers and to the community;
- 24 (c) Comprehensive whole person care;
- 25 (d) Continuity of care;
- 26 (e) Coordination and integration of care; and
- 27 (f) Person and family centered care.

28 (14) "Peer wellness specialist" means an individual who is responsible for assessing mental
 29 health service and support needs of the individual's peers through community outreach, assisting
 30 individuals with access to available services and resources, addressing barriers to services and
 31 providing education and information about available resources and mental health issues in order to
 32 reduce stigmas and discrimination toward consumers of mental health services and to provide direct
 33 services to assist individuals in creating and maintaining recovery, health and wellness.

34 (15) "Person centered care" means care that:

- 35 (a) Reflects the individual patient's strengths and preferences;
- 36 (b) Reflects the clinical needs of the patient as identified through an individualized assessment;
- 37 and
- 38 (c) Is based upon the patient's goals and will assist the patient in achieving the goals.

39 (16) "Personal health navigator" means an individual who provides information, assistance, tools
 40 and support to enable a patient to make the best health care decisions in the patient's particular
 41 circumstances and in light of the patient's needs, lifestyle, combination of conditions and desired
 42 outcomes.

43 (17) "Quality measure" means the measures and benchmarks identified by the authority in ac-
 44 cordance with ORS 414.638.

45 (18) "Resources" has the meaning given that term in ORS 411.704. For eligibility purposes, "re-

1 sources” does not include charitable contributions raised by a community to assist with medical
 2 expenses.

3 **SECTION 2.** ORS 414.706 is amended to read:

4 414.706. The Legislative Assembly shall approve and fund health services to the following per-
 5 sons:

- 6 (1) Persons who are categorically needy as described in ORS 414.025 (3)(o) and (p);
- 7 (2) Pregnant women with incomes no more than 185 percent of the federal poverty guidelines;
- 8 (3) Persons under 19 years of age with incomes no more than 200 percent of the federal poverty
 9 guidelines;
- 10 (4) Persons described in ORS 414.708; and
- 11 (5) Persons 19 years of age or older with incomes [*no more than*] **above** 100 percent of the fed-
 12 eral poverty guidelines **and at or below 138 percent of the federal poverty guidelines** who do
 13 not have federal Medicare coverage.

14 **SECTION 3.** ORS 411.404 is amended to read:

15 411.404. (1) The Department of Human Services shall determine eligibility for medical assistance
 16 according to criteria prescribed by rule in consultation with the Oregon Health Authority that take
 17 into account:

- 18 (a) The requirements and needs of the applicant and of the spouse and dependents of the appli-
 19 cant;
- 20 (b) The income, resources and maintenance available to the applicant; and
- 21 (c) The responsibility of the spouse of the applicant and, with respect to an applicant who is
 22 blind or is permanently and totally disabled or is under 21 years of age, the responsibility of the
 23 parents.

24 (2) Rules adopted by the department under subsection (1) of this section:

25 [*(a) Shall disregard resources for those who are eligible for medical assistance only by reason of*
 26 *ORS 414.025 (3)(s), except for the resources described in ORS 414.025 (3)(s).]*

27 [*(b)*] (a) May disregard income and resources within the limits required or permitted by federal
 28 law, regulations or orders.

29 [*(c)*] (b) May not require any needy person over 65 years of age, as a condition of entering or
 30 remaining in a hospital, nursing home or other congregate care facility, to sell any real property
 31 normally used as the person’s home.

32 (3) Notwithstanding subsections (1) and (2) of this section, the authority may adopt rules nec-
 33 essary to implement the Health Care for All Oregon Children program established by ORS 414.231
 34 or applicable provisions of federal law.

35 **SECTION 4.** ORS 414.025, as amended by section 1 of this 2013 Act, is amended to read:

36 414.025. As used in this chapter and ORS chapters 411 and 413, unless the context or a specially
 37 applicable statutory definition requires otherwise:

38 (1)(a) “Alternative payment methodology” means a payment other than a fee-for-services pay-
 39 ment, used by coordinated care organizations as compensation for the provision of integrated and
 40 coordinated health care and services.

41 (b) “Alternative payment methodology” includes, but is not limited to:

- 42 (A) Shared savings arrangements;
- 43 (B) Bundled payments; and
- 44 (C) Payments based on episodes.

45 (2) “Category of aid” means assistance provided by the Oregon Supplemental Income Program,

1 aid granted under ORS 412.001 to 412.069 and 418.647 or federal Supplemental Security Income
2 payments.

3 (3) “Categorically needy” means, insofar as funds are available for the category, a person who
4 is a resident of this state and who:

5 (a) Is receiving a category of aid.

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

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

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

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

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

15 (f) Is under the age of 21 years and:

16 (A) Is in a foster family home or licensed child-caring agency or institution and is one for whom
17 a public agency of this state is assuming financial responsibility, in whole or in part; or

18 (B) Is 18 years of age or older, is one for whom federal financial participation is available under
19 Title XIX or XXI of the federal Social Security Act and who met the criteria in subparagraph (A)
20 of this paragraph immediately prior to the person’s 18th birthday.

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

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

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

29 (j) Is under the age of 21 years and is in an intermediate care facility which includes institutions
30 for persons with developmental disabilities.

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

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

34 (m) Is a member of a family that received aid in the preceding month under ORS 412.006 or
35 412.014 and became ineligible for aid due to increased hours of or increased income from employ-
36 ment. As long as the member of the family is employed, such families will continue to be eligible for
37 medical assistance for a period of at least six calendar months beginning with the month in which
38 such family became ineligible for assistance due to increased hours of employment or increased
39 earnings.

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

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

44 (p) Is an individual or member of a group who, subject to the rules of the department or the
45 Oregon Health Authority, may optionally be included in the state’s medical assistance program un-

1 der federal law and regulations concerning the availability of federal funds for the expenses of that
 2 individual or group.

3 (q) Is a pregnant woman who would be eligible for aid granted under ORS 412.001 to 412.069 and
 4 418.647, whether or not the woman is eligible for cash assistance.

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

7 *[(s) Is not otherwise categorically needy and is not eligible for care under Title XVIII of the fed-
 8 eral Social Security Act, but whose family income is above 100 percent of the federal poverty level and
 9 at or below 138 percent of the federal poverty level.]*

10 *[(t)]* (s) Would be eligible for a category of aid but for the receipt of qualified long term care
 11 insurance benefits under a policy or certificate issued on or after January 1, 2008. As used in this
 12 paragraph, “qualified long term care insurance” means a policy or certificate of insurance as defined
 13 in ORS 743.652 (7).

14 *[(u)]* (t) Is eligible for the Health Care for All Oregon Children program established in ORS
 15 414.231.

16 *[(v)]* (u) Is dually eligible for Medicare and Medicaid and receiving care through a coordinated
 17 care organization.

18 (4) “Community health worker” means an individual who:

19 (a) Has expertise or experience in public health;

20 (b) Works in an urban or rural community, either for pay or as a volunteer in association with
 21 a local health care system;

22 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
 23 ences with the residents of the community where the worker serves;

24 (d) Assists members of the community to improve their health and increases the capacity of the
 25 community to meet the health care needs of its residents and achieve wellness;

26 (e) Provides health education and information that is culturally appropriate to the individuals
 27 being served;

28 (f) Assists community residents in receiving the care they need;

29 (g) May give peer counseling and guidance on health behaviors; and

30 (h) May provide direct services such as first aid or blood pressure screening.

31 (5) “Coordinated care organization” means an organization meeting criteria adopted by the
 32 Oregon Health Authority under ORS 414.625.

33 (6) “Dually eligible for Medicare and Medicaid” means, with respect to eligibility for enrollment
 34 in a coordinated care organization, that an individual is eligible for health services funded by Title
 35 XIX of the Social Security Act and is:

36 (a) Eligible for or enrolled in Part A of Title XVIII of the Social Security Act; or

37 (b) Enrolled in Part B of Title XVIII of the Social Security Act.

38 (7) “Global budget” means a total amount established prospectively by the Oregon Health Au-
 39 thority to be paid to a coordinated care organization for the delivery of, management of, access to
 40 and quality of the health care delivered to members of the coordinated care organization.

41 (8) “Health services” means at least so much of each of the following as are funded by the
 42 Legislative Assembly based upon the prioritized list of health services compiled by the Health Evi-
 43 dence Review Commission under ORS 414.690:

44 (a) Services required by federal law to be included in the state’s medical assistance program in
 45 order for the program to qualify for federal funds;

1 (b) Services provided by a physician as defined in ORS 677.010, a nurse practitioner certified
 2 under ORS 678.375 or other licensed practitioner within the scope of the practitioner’s practice as
 3 defined by state law, and ambulance services;

4 (c) Prescription drugs;

5 (d) Laboratory and X-ray services;

6 (e) Medical equipment and supplies;

7 (f) Mental health services;

8 (g) Chemical dependency services;

9 (h) Emergency dental services;

10 (i) Nonemergency dental services;

11 (j) Provider services, other than services described in paragraphs (a) to (i), (k), (L) and (m) of
 12 this subsection, defined by federal law that may be included in the state’s medical assistance pro-
 13 gram;

14 (k) Emergency hospital services;

15 (L) Outpatient hospital services; and

16 (m) Inpatient hospital services.

17 (9) “Income” has the meaning given that term in ORS 411.704.

18 (10) “Investments and savings” means cash, securities as defined in ORS 59.015, negotiable in-
 19 struments as defined in ORS 73.0104 and such similar investments or savings as the department or
 20 the authority may establish by rule that are available to the applicant or recipient to contribute
 21 toward meeting the needs of the applicant or recipient.

22 (11) “Medical assistance” means so much of the medical, mental health, preventive, supportive,
 23 palliative and remedial care and services as may be prescribed by the authority according to the
 24 standards established pursuant to ORS 414.065, including premium assistance and payments made for
 25 services provided under an insurance or other contractual arrangement and money paid directly to
 26 the recipient for the purchase of health services and for services described in ORS 414.710.

27 (12) “Medical assistance” includes any care or services for any individual who is a patient in
 28 a medical institution or any care or services for any individual who has attained 65 years of age
 29 or is under 22 years of age, and who is a patient in a private or public institution for mental dis-
 30 eases. “Medical assistance” does not include care or services for an inmate in a nonmedical public
 31 institution.

32 (13) “Patient centered primary care home” means a health care team or clinic that is organized
 33 in accordance with the standards established by the Oregon Health Authority under ORS 414.655
 34 and that incorporates the following core attributes:

35 (a) Access to care;

36 (b) Accountability to consumers and to the community;

37 (c) Comprehensive whole person care;

38 (d) Continuity of care;

39 (e) Coordination and integration of care; and

40 (f) Person and family centered care.

41 (14) “Peer wellness specialist” means an individual who is responsible for assessing mental
 42 health service and support needs of the individual’s peers through community outreach, assisting
 43 individuals with access to available services and resources, addressing barriers to services and
 44 providing education and information about available resources and mental health issues in order to
 45 reduce stigmas and discrimination toward consumers of mental health services and to provide direct

1 services to assist individuals in creating and maintaining recovery, health and wellness.

2 (15) "Person centered care" means care that:

3 (a) Reflects the individual patient's strengths and preferences;

4 (b) Reflects the clinical needs of the patient as identified through an individualized assessment;
5 and

6 (c) Is based upon the patient's goals and will assist the patient in achieving the goals.

7 (16) "Personal health navigator" means an individual who provides information, assistance, tools
8 and support to enable a patient to make the best health care decisions in the patient's particular
9 circumstances and in light of the patient's needs, lifestyle, combination of conditions and desired
10 outcomes.

11 (17) "Quality measure" means the measures and benchmarks identified by the authority in ac-
12 cordance with ORS 414.638.

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

16 **SECTION 5.** ORS 414.706, as amended by section 2 of this 2013 Act, is amended to read:

17 414.706. The Legislative Assembly shall approve and fund health services to the following per-
18 sons:

19 (1) Persons who are categorically needy as described in ORS 414.025 (3)(o) and (p);

20 (2) Pregnant women with incomes no more than 185 percent of the federal poverty guidelines;

21 (3) Persons under 19 years of age with incomes no more than 200 percent of the federal poverty
22 guidelines; **and**

23 (4) Persons described in ORS 414.708.[: *and*]

24 [*(5) Persons 19 years of age or older with incomes above 100 percent of the federal poverty guide-*
25 *lines and at or below 138 percent of the federal poverty guidelines who do not have federal Medicare*
26 *coverage.*]

27 **SECTION 6.** ORS 416.350 is amended to read:

28 416.350. (1) The Department of Human Services or the Oregon Health Authority may recover
29 from any person the amounts of medical assistance the department or the authority incorrectly paid
30 to or on behalf of the person.

31 (2) Medical assistance pursuant to ORS chapter 414 paid to or on behalf of an individual who
32 was 55 years of age or older when the individual received the assistance, or paid to or on behalf
33 of a person of any age who was a permanently institutionalized inpatient in a nursing facility,
34 intermediate care facility for persons with mental retardation or other medical institution, may be
35 recovered from the estate of the individual or from any recipient of property or other assets held
36 by the individual at the time of death including the estate of the surviving spouse. Claim for such
37 medical assistance correctly paid to or on behalf of the individual may be established against the
38 estate, but the claim may not be adjusted or recovered until after the death of the surviving spouse,
39 if any, and only at a time when the individual has no surviving child who is under 21 years of age
40 or who is blind or permanently and totally disabled. Transfers of real or personal property by re-
41 cipients of such aid without adequate consideration are voidable and may be set aside under ORS
42 411.620 (2).

43 (3) Nothing in this section authorizes the recovery of the amount of any aid from the estate or
44 surviving spouse of a recipient to the extent that the need for aid resulted from a crime committed
45 against the recipient.

1 (4) In any action or proceeding under this section to recover medical assistance paid, it is the
 2 legal burden of the person who receives the property or other assets from a medical assistance re-
 3 cipient to establish the extent and value of the recipient's legal title or interest in the property or
 4 assets in accordance with rules established by the authority.

5 (5) Amounts recovered under this section do not include the value of benefits paid to or on be-
 6 half of a beneficiary under a qualified long term care insurance policy or certificate, described in
 7 ORS 414.025 [(3)(t)] **(3)(s)**, that were disregarded in determining eligibility for or the amount of
 8 medical assistance provided to the beneficiary.

9 (6) As used in this section, "estate" includes all real and personal property and other assets in
 10 which the deceased individual had any legal title or interest at the time of death including assets
 11 conveyed to a survivor, heir or assign of the deceased individual through joint tenancy, tenancy in
 12 common, survivorship, life estate, living trust or other similar arrangement.

13 **SECTION 7.** Section 9, chapter 736, Oregon Laws 2003, as amended by section 2, chapter 757,
 14 Oregon Laws 2005, section 2, chapter 780, Oregon Laws 2007, section 53, chapter 828, Oregon Laws
 15 2009, section 19, chapter 867, Oregon Laws 2009, and section 59, chapter 602, Oregon Laws 2011, is
 16 amended to read:

17 **Sec. 9.** (1) The Hospital Quality Assurance Fund is established in the State Treasury, separate
 18 and distinct from the General Fund. Interest earned by the Hospital Quality Assurance Fund shall
 19 be credited to the Hospital Quality Assurance Fund.

20 (2) Amounts in the Hospital Quality Assurance Fund are continuously appropriated to the
 21 Oregon Health Authority for the purpose of paying refunds due under section 6, chapter 736, Oregon
 22 Laws 2003, and funding services under ORS [414.705 to 414.750] **414.631, 414.651 and 414.688 to**
 23 **414.750**, including but not limited to:

24 (a) Increasing reimbursement rates for inpatient and outpatient hospital services under ORS
 25 [414.705 to 414.750;] **414.631, 414.651 and 414.688 to 414.750; and**

26 [(b) Maintaining, expanding or modifying services for persons described in ORS 414.025 (3)(s);]

27 [(c) Maintaining or increasing the number of persons described in ORS 414.025 (3)(s) who are en-
 28 rolled in the medical assistance program; and]

29 [(d)] **(b)** Paying administrative costs incurred by the authority to administer the assessments
 30 imposed under section 2, chapter 736, Oregon Laws 2003.

31 (3) Except for assessments imposed pursuant to section 2 (3)(b), chapter 736, Oregon Laws 2003,
 32 the authority may not use moneys from the Hospital Quality Assurance Fund to supplant, directly
 33 or indirectly, other moneys made available to fund services described in subsection (2) of this sec-
 34 tion.

35 **SECTION 8. ORS 414.428 is repealed.**

36 **SECTION 9. The amendments to ORS 411.404, 414.025, 414.706 and 416.350 and section 9,**
 37 **chapter 736, Oregon Laws 2003, by sections 3 to 7 of this 2013 Act and the repeal of ORS**
 38 **414.428 by section 8 of this 2013 Act become operative January 2, 2017.**