

SB 1549 -1, -4 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 2/7, 2/12

WHAT THE MEASURE DOES:

Prohibits the Department of Human Services and the Oregon Health Authority from terminating Medicaid coverage through the Oregon Health Plan for individuals admitted to a state hospital until the person's recertification date or twelve months after the person is admitted, whichever is earlier. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Creates new provisions. Allows Department of Consumer and Business Services to approve a filing for a health benefit plan that qualifies for a health savings account distribution and is subject to prohibition of applying a deductible, under specified conditions. Applies to health benefit plans issued or renewed on or after January 1, 2019.

Fiscal impact: Indeterminate

Revenue impact: No impact

-4 Allows Department of Human Services and the Oregon Health Authority to continue Medicaid for a person admitted to a state hospital. Allows a person whose medical assistance is terminated while admitted to a state hospital to apply for medical assistance 120 days prior to their expected release date.

Fiscal impact: Indeterminate

Revenue impact: No impact

BACKGROUND:

Institutions for mental diseases are prohibited under federal law from receiving Medicaid reimbursements for services provided to patients in these institutions. The term "institution for mental diseases" is defined in federal law as a hospital, nursing facility, or other institution of more than 16 beds, providing care to persons with mental diseases (42 U.S. Code § 1396d).

The Oregon State Hospital is the only institution for mental disease in Oregon to which the law applies. Current Oregon law allows the Oregon Health Authority (OHA) or Department of Human Services (DHS) to suspend Medicaid enrollment for patients instead of terminating their coverage once admitted (ORS 411.439).

The measure would require OHA or DHS to continue medical assistance for a person admitted to the Oregon State Hospital for either 12 months or until the person's recertification date, whichever is earlier. If the person's medical assistance has been terminated while the person is admitted to a state hospital, they may apply for medical assistance between 90 to 120 days prior to their release date from a state hospital.