

SUBCOMMITTEE RECOMMENDATION

Item 12: Oregon Health Authority Behavioral Health Residential Rates

To: Ways and Means Full Committee
From: Human Services Subcommittee
Carrier: Senator Knopp

The Human Services Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$3,000,000 General Fund and an increase of \$9,000,000 in the Federal Funds expenditure limitation for the Oregon Health Authority in a budget reconciliation bill during the 2022 legislative session to temporarily increase behavioral health residential treatment provider rates.

In 2019-21, the Emergency Board allocated General Fund to OHA to temporarily increase reimbursement rates for residential providers to address the financial impact caused by COVID-19. This funding, combined with federal Medicaid match, resulted in a 10% rate increase over a 12-month period. Due to the continued impact from the pandemic, OHA has requested funding to extend this rate increase for an additional six months, retroactive to July 1, 2021. The rate increase is eligible for Medicaid match only while the federal public health emergency remains in effect. If the emergency is extended beyond its current January 16, 2022 end date, OHA is expected to request additional funding during the 2022 legislative session for another extension of the rate increase.

The Subcommittee recommends approval.