

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2086 - A**

81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Haylee Morse-Miller  
Reviewed by: Gregory Jolivette, Tom MacDonald  
Date: April 15, 2021

**Measure Description:**

Appropriates moneys to Oregon Health Authority to undertake specified steps to address needs of individuals with behavioral health disorders for services, treatment and housing.

**Government Unit(s) Affected:**

Department of Human Services (DHS), Oregon Health Authority (OHA)

**Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Behavioral Health to the Joint Committee on Ways and Means.

This measure includes a blank General Fund appropriation for the Oregon Health Authority (OHA). These funds may be expended for programs that are driven by and responsive to people of color, tribal communities, and people of lived experience, that are peer and community drive and provide culturally specific services, and for medical assistance reimbursement of tribal-based practices. Funds are also to be used for community reintegration for criminal defendants who have been found unfit to proceed in a criminal proceeding due to mental incapacity, which includes establishment of a reimbursement rate for case consultation and community reintegration for at least 400 individuals; and construction and operation of a secure residential treatment facility to serve up to 39 individuals per year.

This measure additionally appropriates \$10.2 million General Fund to OHA, which may be expended to reimburse the costs of co-occurring mental health and substance use disorder treatment services paid for on a fee-for-service basis at an enhanced rate, and for one-time startup funding for behavioral health treatment programs that provide integrated co-occurring disorder treatment.

OHA is directed to continually evaluate and revise administrative rules governing behavioral health programs and services to reduce the administrative burden of documentation. OHA must develop workforce training and establish endorsements or certifications for behavioral health providers of co-occurring disorder treatment. OHA is also to adopt by rule requirements for coordinated care organizations (CCOs) to provide housing navigation services and address the social determinants of health through care coordination.

*Further Analysis Required*

OHA, with the advice of stakeholders and the Alcohol and Drug Policy Commission, may establish minimum rates of reimbursement paid by OHA or coordinated care organizations to addiction treatment providers to ensure access by medical assistance recipients to all modalities of addiction treatment across the state. OHA is to consider increasing the amount of the global payment to coordinated care organizations for addiction services. OHA is to increase the aggregate fee-for-service reimbursement rate for addiction treatment providers by 25% above the rates paid currently, but withhold 10% of the increase as performance pay that will be paid to providers each year for achieving diversity, vacancy reduction, retention, and other goals identified by the authority. OHA must ensure that the reimbursement paid to addiction treatment providers is equal to the reimbursement paid to mental health treatment providers that have equivalent levels of education and training. OHA and the Alcohol and Drug Policy Commission are required to monitor the impact of increased rates on

improving low barrier access to addiction treatment. The measure also requires OHA to contract with a third-party vendor to survey medical assistance recipients about their experiences with behavioral health care and services using a standardized survey tool. This part of the measure becomes operative on January 1, 2022 or the date the Centers for Medicare and Medicaid Services provide approval, if necessary, to carry out this portion of the act.

This measure includes a third appropriation of \$400,000 General Fund to OHA to collect data from intensive behavioral health treatment providers on the demand for and capacity to provide treatment to children and adolescents with high acuity behavioral health needs. Providers must submit data to real-time provider directory, bed registry, and access portal. This measure repeals ORS 430.717, which requires OHA to contract with an Oregon-based nonprofit to operate a 24-hour call center dedicated to tracking and providing information about available placement settings for children and adolescents needing high acuity behavioral health services.

The measure requires OHA to provide the following reports:

- A study of reimbursement rates for co-occurring disorder treatments, with a report to the interim committees of the Legislative Assembly related to mental and behavioral health no later than December 1, 2022 on its findings and recommendations for future rate development;
- A report with recommendations to achieve a living wage for behavioral health care workers, including peers and family support specialists, with a report to the interim committees of the Legislative Assembly related to mental and behavioral health no later than February 1, 2022; and
- A report on demand and capacity for intensive behavioral health treatment for children and adolescents, and barriers to data collection in this area, with a report to the interim committees of the Legislative Assembly related to health and to the Governor no later than December 1, 2022.

This measure declares an emergency and takes effect on passage.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

# Further Analysis Required