HB 4004 -1 STAFF MEASURE SUMMARY

House Committee On Behavioral Health

Prepared By:	Oliver Droppers, LPRO Analyst
Sub-Referral To:	Joint Committee On Ways and Means
Meeting Dates:	2/3

WHAT THE MEASURE DOES:

Directs the Oregon Health Authority (OHA) to administer a grant program permitting behavioral health providers to use funds for services reimbursed with state or federal funds. Specifies parameters for use of grant funds by providers including increasing staff wages, retention bonuses, and hiring of new staff. Authorizes OHA rulemaking to implement program including provider reporting requirements on use of funds. Directs OHA to contract with adult and child residential behavioral health facilities to employ nursing professionals to mitigate workforce shortages due to COVID-19 pandemic. Permits OHA to request federal funding if necessary. Authorizes the Oregon Youth Authority (OYA) to grant existing funding allocated to OYA to local municipalities, nonprofit organizations, and individuals to ensure the treatment and needs of committed youths are adequately supported. Repeals OHA workforce grant program on January 2, 2023. Declares emergency, effective on passage.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Extends timeline for the Oregon Health Authority (OHA) to distribute grant funds by 30 days.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

BACKGROUND:

House Bill 2086 (2021) directed the Oregon Health Authority (OHA) to evaluate the state's behavioral workforce with a focus on Medicaid funding. OHA contracted with OHSU's Center for Health Systems Effectiveness. The final report (Feb. 2022) indicates the following policies and investments may improve Oregon's behavioral health system:

- increase practitioner wages and Medicaid reimbursement rates
- improve reimbursement parity between substance abuse disorder counselors and mental health counselors
- reduce administrative burden, claims delays, and denials
- address gaps in training and career advancement opportunities for behavioral health practitioners including tuition reimbursement and loan repayment programs

House Bill 4004 seeks to increase Oregon's behavioral health workforce by directing OHA to administer a grant program to increase practitioner wages, offer retention bonuses, or recruit and hire new behavioral health staff.

PRELIMINARY