

## SENATE AMENDMENTS TO SENATE BILL 1557

By COMMITTEE ON HUMAN SERVICES

February 19

1 On page 1 of the printed bill, line 3, delete “, 419C.396 and 419C.398” and insert “and  
2 419C.396”.

3 Delete lines 5 through 15 and delete pages 2 through 4.

4 On page 5, delete lines 1 through 3 and insert:  
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6

### “POLICY AND VALUES 7

8 “**SECTION 1. It is the intent of the Legislative Assembly in enacting sections 2 to 4 of  
9 this 2024 Act that the rules adopted by the Oregon Health Authority or the Department of  
10 Human Services and actions taken by the authority and the department to administer  
11 sections 2 to 4 of this 2024 Act be guided by the following policy and values, that:**

12 “(1) Each child and youth is an individual with unique strengths and needs and must be  
13 met with developmentally, culturally and linguistically appropriate and individually respon-  
14 sive services that recognize the individual as a whole person;

15 “(2) Children, youth and their families are the experts on their lives and needs and must  
16 be meaningfully included in all decisions about their individual services and supports and be  
17 meaningfully included in policy making and service design;

18 “(3) All children and youth, regardless of the type or severity of diagnoses or the disa-  
19 bility they experience, must be supported to live, work, play and attend school in integrated  
20 community settings and must be supported to safely and successfully remain in their family  
21 homes and local schools to the maximum extent possible;

22 “(4) Agencies and community partners must proactively recognize and build upon the  
23 unique strengths and potential of each child, youth and family;

24 “(5) State agencies must prioritize child, youth and family-centered supports toward  
25 prevention and recovery;

26 “(6) Children and youth must not be restricted to a single-service setting or delivery  
27 system and must be provided with access to all services for which the children or youth are  
28 eligible regardless of their disability type or family situation;

29 “(7) Children, youth and their families must be supported to access the appropriate  
30 comprehensive home and community-based services and supports that prevent crises from  
31 happening or from reoccurring and that provide support and stabilization in the event of a  
32 crisis;

33 “(8) State agencies that serve children, youth and their families must prioritize collab-  
34 oration and information-sharing to support children and youth receiving multi-system sup-  
35 ports through culturally and linguistically appropriate, disability-affirming and

1 family-focused supports to remain in the community and avoid physical or mental health  
2 crises, hospitalizations or out-of-home placements;

3 “(9) State agencies that serve children, youth and their families and community partners  
4 of the state agencies must collaborate to provide wraparound, child and youth-centered and  
5 trauma-responsive supports to children, youth and their families, including foster families,  
6 as children and youth transfer between placement settings across the continuum of services;  
7 and

8 “(10) The state must access, to the maximum extent possible, all federal funds available  
9 to support children and youth with complex needs, at home, in substitute care, in the com-  
10 munity and at school.

11  
12 “ENTITLEMENT UNDER THE K PLAN

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14 “SECTION 2. Consistent with any assurances made by the Oregon Health Authority to  
15 the Centers for Medicare and Medicaid Services under the provisions of the state plan for  
16 medical assistance relating to the Community First Choice Option under 42 U.S.C. 1396n(k),  
17 the authority shall ensure that all children and youth who are eligible for medical assistance,  
18 including children who are in the custody of the Department of Human Services, who meet  
19 the criteria for an institutional level of care have access to the home and community-based  
20 services to which they are entitled under the state plan for medical assistance.

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22 “COORDINATION AND CROSS-AGENCY COLLABORATION

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24 “SECTION 3. (1) As used in this section:

25 “(a) ‘Child’ means an individual under 18 years of age.

26 “(b) ‘Medicaid/CHIP Operations Coordination Steering Committee’ means the committee  
27 comprised of executive level staff and subject matter experts that is required by the terms  
28 of the state’s Home and Community-Based Services waiver, under 42 U.S.C. 1396n(c), to  
29 meet at least quarterly to coordinate all mutual policy issues related to the operation and  
30 administration of the state’s medical assistance programs, including state plan amendments,  
31 waiver requests, rules, procedures and interpretive guidance.

32 “(c) ‘Multi-system involved child or youth’ means a child or youth who is concurrently  
33 involved in two or more of the child welfare, mental health, juvenile justice, special educa-  
34 tion, developmental disability services or aging and persons with disabilities services sys-  
35 tems.

36 “(d) ‘Serious emotional disturbance’ means a mental, behavioral or emotional disorder,  
37 regardless of origin, that:

38 “(A) Is of sufficient duration to be diagnosed by a qualified licensed health provider uti-  
39 lizing the diagnostic criteria specified in the fifth edition of the Diagnostic and Statistical  
40 Manual of Mental Disorders published by the American Psychiatric Association; and

41 “(B) Has resulted in a functional impairment that substantially interferes with or limits  
42 the individual’s role or functioning in family, school or community activities.

43 “(e) ‘Wraparound team’ means a group of people chosen by a child or youth and con-  
44 nected to the child or youth through natural, community and formal support systems, who  
45 develop and implement the child or youth and the family’s plan to address unmet needs and

1 work toward the child or youth and family’s vision and team mission.

2 “(f) ‘Youth’ means an individual 18 through 20 years of age.

3 “(2) In consultation with the Medicaid/CHIP Operations Coordination Steering Commit-  
4 tee, the Department of Human Services and the Oregon Health Authority shall adopt rules  
5 necessary to facilitate cross-agency coordination that supports each multi-system involved  
6 child or youth who is eligible for services and supports funded through the Community First  
7 Choice Option under 42 U.S.C. 1396n(k) or the state plan for medical assistance to have all  
8 of the assessed needs of the child or youth fully met, including through the use of available  
9 natural and community supports, while avoiding the duplication of services. At a minimum,  
10 the rules must:

11 “(a) Clarify the roles of wraparound teams, community developmental disabilities pro-  
12 grams, children’s intensive in-home services providers, schools, child welfare programs and  
13 other relevant entities in the determination of a multi-system involved child or youth’s level  
14 of care needs and an assessment of the functional and service coordination needs of each  
15 child or youth;

16 “(b) Streamline the application and eligibility determination process by allowing each  
17 multi-system involved child or youth’s assessment, application and service plan to be shared  
18 across all relevant systems to the maximum extent permitted by state and federal law;

19 “(c) Ensure that each child or youth who experiences intellectual or developmental disa-  
20 bilities in addition to mental illness or a substance use disorder is provided simultaneous  
21 access to services and support offered by each agency serving the child or youth without  
22 delay;

23 “(d) Prohibit any agency, program or provider from denying mental or behavioral health  
24 services to a child or youth because the child or youth has an intellectual or developmental  
25 disability or a substance use disorder, including alcohol use disorder, in addition to the child  
26 or youth’s mental illness or serious emotional disturbance;

27 “(e) Ensure coordination between public agencies that serve multi-system involved chil-  
28 dren or youth:

29 “(A) To support each multi-system involved child or youth to enable the child or youth  
30 to remain in the community and avoid health crises, hospitalizations or out-of-home place-  
31 ments;

32 “(B) With a focus of the coordination being on prevention, recovery and support, recog-  
33 nizing the unique strengths and potential of each multi-system involved child or youth; and

34 “(f) Support children or youth and their families to access the appropriate comprehensive  
35 home and community-based services and supports that prevent crises from happening or  
36 reoccurring and that provide support and stabilization in the event of a crisis.

37 “(3) In adopting rules under this section, the department and the authority shall appoint  
38 a rules advisory committee that includes youth who are or who were multi-system involved  
39 children or youth, and their families.

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41 “INVESTIGATION AND REPORT ON K PLAN  
42 SERVICES AND SUPPORTS  
43

44 “SECTION 4. (1) As used in this section:

45 “(a) ‘Child’ means an individual under 18 years of age.

1       “(b) ‘Mental health resource home’ means a foster home specifically designed for children  
2 with mental illness, including those who have been removed from their families not due to  
3 abuse or neglect but to provide specialized foster care to meet their needs.

4       “(c) ‘Multi-system involved children or youth’ means children or youth who are concur-  
5 rently involved in two or more of the child welfare, mental health, juvenile justice, special  
6 education, developmental disability services or aging and persons with disabilities services  
7 systems.

8       “(d) ‘Serious emotional disturbance’ has the meaning given that term in section 3 of this  
9 2024 Act.

10       “(e) ‘Treatment foster care’ means a foster care setting providing enhanced services as  
11 an alternative to institutional or residential care and group home placements for children  
12 and youth with serious emotional disturbances or severe behavioral disorders.

13       “(f) ‘Wraparound team’ means a group of people chosen by a child or youth and con-  
14 nected to the child or youth through natural, community and formal support systems who  
15 develop and implement the child or youth and the family’s plan to address unmet needs and  
16 work toward the child or youth and family’s vision and team mission.

17       “(g) ‘Youth’ means an individual 18 through 20 years of age.

18       “(2) The Oregon Health Authority, in collaboration with the Department of Human Ser-  
19 vices and with families and youth with lived experience, shall investigate the services and  
20 supports provided to individuals under the age of 21 years and funded through the Commu-  
21 nity First Choice Option under 42 U.S.C. 1396n(k) that are provided to avoid a placement of  
22 a child or youth in each of the following types of institutions:

23       “(a) A hospital, as defined in ORS 442.015;

24       “(b) A nursing home;

25       “(c) An intermediate care facility for individuals with intellectual disabilities or persons  
26 with related conditions certified under 42 C.F.R. part 483; or

27       “(d) An inpatient facility providing psychiatric treatment to individuals under the age of  
28 21 years.

29       “(3) No later than October 1, 2024, the authority shall provide a preliminary report of the  
30 authority’s findings in its investigation under subsection (2) of this section to the interim  
31 committees of the Legislative Assembly related to health care and to human services. The  
32 report must include, at a minimum:

33       “(a) The following information disaggregated by the each type of institutional care listed  
34 in subsection (2) of this section that are avoided by providing the services and supports de-  
35 scribed in subsection (2) of this section:

36       “(A) The number of individuals under the age of 21 years who are receiving services and  
37 supports funded by the Community First Choice Option;

38       “(B) How the authority informs the following individuals, facilities and organizations  
39 about how to access the services and supports:

40       “(i) Individuals who are eligible for the services and supports and their parents, guardi-  
41 ans or caretakers;

42       “(ii) The child welfare programs within the Department of Human Services that have  
43 children in protective custody;

44       “(iii) Pediatricians;

45       “(iv) Children’s mental health programs;

1       “(v) Wraparound teams;  
2       “(vi) Schools; and  
3       “(vii) Hospitals;  
4       “(C) The types of home and community-based settings in which the individuals receive  
5 the services and supports;  
6       “(D) The number of individuals who received relief care utilizing funding available  
7 through the Community First Choice Option;  
8       “(E) The number of individuals receiving services and supports who are served by child  
9 welfare programs within the department;  
10       “(F) The total amount of federal funds generated to serve individuals under the age of  
11 21 years through the Community First Choice Option in each of the prior three fiscal years;  
12       “(G) An estimate of the total amount of unmatched General Fund expenditures that  
13 could receive federal matching funds through the Community First Choice Option and that  
14 were spent to meet the needs of individuals under the age of 21 years who are in the child  
15 welfare system; and  
16       “(H) An estimate of the number of children disrupted from their family homes each year  
17 due to the children’s unmet disability or mental health related needs; and  
18       “(b) Recommendations:  
19       “(A) About opportunities to use the Community First Choice Option to expand and en-  
20 hance the services that will support individuals under the age of 21 years who experience  
21 serious emotional disturbances or mental illness to live successfully in their family homes  
22 and avoid crises;  
23       “(B) About opportunities to maximize federal matching funds to support services for in-  
24 dividuals under the age of 21 years who experience substance use disorders;  
25       “(C) For how federal matching funds provided through the Community First Choice Op-  
26 tion can be used to expand and enhance funding for and access to supports to foster parents  
27 serving children with serious emotional disturbances, mental illness or substance use disor-  
28 ders, including but not limited to relief care, training and in-home attendant care services;  
29       “(D) About whether and how provisions of Medicaid and Medicaid funding streams may  
30 be utilized to create mental health resource homes, specialized homes for up to two children  
31 with behavioral health needs or treatment foster care that is accessible to the children  
32 served by child welfare programs in the Department of Human Services and to children,  
33 youth and young adults without requiring the children, youth or young adults to first access  
34 the child welfare system or the juvenile justice system;  
35       “(E) About how federal matching funds through the Community First Choice Option can  
36 be used to support children and youth with serious emotional disturbances, mental illness  
37 or substance use disorders and to provide services necessary for a successful transition from  
38 institutional placement or other restrictive placement to a family home, a foster home or  
39 another less restrictive environment;  
40       “(F) For how multi-system involved children or youth who are eligible for services and  
41 supports under the Community First Choice Option or the state plan for medical assistance  
42 have their assessed needs fully met while avoiding duplication of services and supports, in-  
43 cluding by using available natural and community supports;  
44       “(G) For any statutory changes or changes to the authority’s legislatively adopted budget  
45 that are necessary to implement recommendations that will maximize available funds

1 through the Community First Choice Option and support children and youth to avoid crises  
2 and remain in the least restrictive environment; and

3 “(H) About implementing a policy to disregard parental income when determining medical  
4 assistance eligibility for children and youth with serious emotional disturbances, including  
5 the following information about the effects of the policy:

6 “(i) The estimated size of the population that is not currently eligible for medical assist-  
7 ance but that would be eligible for medical assistance due to such a policy;

8 “(ii) The estimated cost to serve the entire eligible population;

9 “(iii) Whether the number of children with serious emotional disturbances who are eli-  
10 gible to have their parents’ income disregarded should be capped, and if so, at what number;

11 “(iv) Criteria to utilize if the number of children described in sub-subparagraph (iii) of  
12 this subparagraph was capped; and

13 “(v) What impact the disregard of parental income may have on preventing the tempo-  
14 rary lodging of children in the custody of the Department of Human Services, accessing  
15 Medicaid funding for school-based care for students with high needs and boarding children  
16 in emergency rooms due to the lack of available placements.

17 “(4) No later than March 1, 2025, the authority shall provide to the interim committees  
18 of the Legislative Assembly related to health care and to human services a report with up-  
19 dated information and recommendations described in subsection (3) of this section.

20 “(5) The department or the authority shall implement without delay any recommen-  
21 dations that can be implemented without legislative action or budgetary authority or that  
22 are otherwise mandated under state or federal law.

23  
24 “ACCESS TO HEALTH CARE

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26 “SECTION 5. (1) The Oregon Health Authority, a community mental health program, a  
27 licensed medical provider or other certified or licensed practitioner, an education provider  
28 or a coordinated care organization may not deny any individual under the age of 21 years  
29 access to mental health assessment, treatment or services on the basis that the individual  
30 also has an intellectual or developmental disability.

31 “(2) The authority, the Department of Human Services, the Department of Education, the  
32 Oregon Medical Board and other health licensing agencies that license or certify mental or  
33 behavioral health providers shall adopt rules to carry out the provisions of this section.

34 “(3)(a) As used in this section, ‘education provider’ means:

35 “(A) A school district, as defined in ORS 332.002;

36 “(B) The Oregon School for the Deaf;

37 “(C) An educational program under the Youth Corrections Education Program;

38 “(D) A public charter school, as defined in ORS 338.005;

39 “(E) An education service district, as defined in ORS 334.003;

40 “(F) An approved recovery school, as defined in ORS 336.680; or

41 “(G) Any state-operated program that provides educational services to students.

42 “(b) ‘Education provider’ does not include:

43 “(A) The Oregon Youth Authority;

44 “(B) The Department of Corrections; or

45 “(C) The Department of Education, except when functioning as an education provider on

1 behalf of the Oregon School for the Deaf.

2 **“SECTION 6.** Section 7 of this 2024 Act is added to and made a part of ORS chapter 414.

3 **“SECTION 7. (1)** The Oregon Health Authority shall review, and amend as needed, cur-  
4 rent administrative rules and contracts to ensure that individuals receiving medical assist-  
5 ance who are under 21 years of age have timely access to the services described in subsection  
6 **(2) of this section.**

7 **“(2)** The services described in subsection (1) of this section shall include:

8 **“(a)** The medically necessary or medically appropriate medical assistance services nec-  
9 essary to:

10 **“(A)** Prevent an individual who is under 21 years of age from needing an out-of-home  
11 placement, prevent the disruption of a current placement or prevent the need for the indi-  
12 vidual to move to a placement providing a higher level of care;

13 **“(B)** Ensure the continuity of care for individuals under 21 years of age who are in out-  
14 of-home placements and move from one coordinated care organization to another coordi-  
15 nated care organization or are enrolled for the first time in a coordinated care organization;  
16 **and**

17 **“(C)** Ensure, to individuals described in subparagraph (B) of this paragraph, uninterrupted  
18 access to prescription medication, medical equipment and supplies;

19 **“(b)** Assessments or evaluations necessary to establish eligibility for services and sup-  
20 ports provided in the medical assistance program or by the Department of Education;

21 **“(c)** Diabetic supplies; and

22 **“(d)** Counseling, therapy or mental health or substance use disorder treatment with a  
23 provider with whom a child or youth has an established relationship.

24  
25 **“FEDERAL FUNDS FOR SCHOOL-BASED SERVICES”.**

26  
27 In line 4, delete “4” and insert “8”.

28 In line 26, delete “high school”.

29 After line 29, insert:

30  
31 **“DETERMINATION OF YOUTH’S FITNESS TO PROCEED”.**

32  
33 In line 30, delete “5” and insert “9”.

34 On page 6, line 16, delete “6” and insert “10”.

35 In line 33, delete “7” and insert “11”.

36 In line 43, restore the bracketed material and delete the boldfaced material and after  
37 “proceed” insert “and enter an order”.

38 On page 7, delete lines 33 through 45.

39 On page 8, delete lines 1 through 14 and insert:

40  
41 **“REPEALS**

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43 **“SECTION 12.** Section 4 of this 2024 Act is repealed on July 2, 2026.

44 **“SECTION 13.** Section 8 of this 2024 Act is repealed on January 2, 2025.

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**“CAPTIONS**

**“SECTION 14. The unit captions used in this 2024 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2024 Act.**

**“EMERGENCY CLAUSE”.**

In line 15, delete “12” and insert “15”.

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