

Requested by Senator GELSER BLOUIN

**PROPOSED AMENDMENTS TO  
SENATE BILL 1557**

1 On page 1 of the printed bill, delete lines 5 through 15 and delete pages  
2 2 through 4.

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

4  
5  
6

**“POLICY AND VALUES**

7 **“SECTION 1. It is the intent of the Legislative Assembly in enact-**  
8 **ing sections 2 to 4 of this 2024 Act that the rules adopted by the Oregon**  
9 **Health Authority or the Department of Human Services and actions**  
10 **taken by the authority and the department to administer sections 2**  
11 **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**  
13 **and needs and must be met with developmentally, culturally and lin-**  
14 **guistically appropriate and individually responsive services that rec-**  
15 **ognize the individual as a whole person;**

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

20 **“(3) All children and youth, regardless of the type or severity of**  
21 **diagnoses or the disability they experience, must be supported to live,**

1 work, play and attend school in integrated community settings and  
2 must be supported to safely and successfully remain in their family  
3 homes and local schools to the maximum extent possible;

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

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

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

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

18 “(8) State agencies that serve children, youth and their families  
19 must prioritize collaboration and information-sharing to support chil-  
20 dren and youth receiving multi-system supports through culturally  
21 and linguistically appropriate, disability-affirming and family-focused  
22 supports to remain in the community and avoid physical or mental  
23 health crises, hospitalizations or out-of-home placements;

24 “(9) State agencies that serve children, youth and their families and  
25 community partners of the state agencies must collaborate to provide  
26 wraparound, child and youth-centered and trauma-responsive supports  
27 to children, youth and their families, including foster families, as  
28 children and youth transfer between placement settings across the  
29 continuum of services; and

30 “(10) The state must access, to the maximum extent possible, all

1 federal funds available to support children and youth with complex  
2 needs, at home, in substitute care, in the community and at school.

3  
4 **“ENTITLEMENT UNDER THE K PLAN**

5  
6 **“SECTION 2. Consistent with any assurances made by the Oregon**  
7 **Health Authority to the Centers for Medicare and Medicaid Services**  
8 **under the provisions of the state plan for medical assistance relating**  
9 **to the Community First Choice Option under 42 U.S.C. 1396n(k), the**  
10 **authority shall ensure that all children and youth who are eligible for**  
11 **medical assistance, including children who are in the custody of the**  
12 **Department of Human Services, who meet the criteria for an institu-**  
13 **tional level of care have access to the home and community-based**  
14 **services to which they are entitled under the state plan for medical**  
15 **assistance.**

16  
17 **“COORDINATION AND CROSS-AGENCY COLLABORATION**

18  
19 **“SECTION 3. (1) As used in this section:**

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

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

29 **“(c) ‘Multi-system involved child or youth’ means a child or youth**  
30 **who is concurrently involved in two or more of the child welfare,**

1 **mental health, juvenile justice, special education or developmental**  
2 **disability services systems.**

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

5 **“(A) Is of sufficient duration to be diagnosed by a qualified licensed**  
6 **health provider utilizing the diagnostic criteria specified in the fifth**  
7 **edition of the Diagnostic and Statistical Manual of Mental Disorders**  
8 **published by the American Psychiatric Association; and**

9 **“(B) Has resulted in a functional impairment that substantially in-**  
10 **terferes with or limits the individual’s role or functioning in family,**  
11 **school or community activities.**

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

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

18 **“(2) In consultation with the Medicaid/CHIP Operations Coordi-**  
19 **nation Steering Committee, the Department of Human Services and**  
20 **the Oregon Health Authority shall adopt rules necessary to facilitate**  
21 **cross-agency coordination that supports each multi-system involved**  
22 **child or youth who is eligible for services and supports funded through**  
23 **the Community First Choice Option under 42 U.S.C. 1396n(k) or the**  
24 **state plan for medical assistance to have all of the assessed needs of**  
25 **the child or youth fully met while avoiding the duplication of services.**

26 **At a minimum, the rules must:**

27 **“(a) Clarify the roles of wraparound teams, community develop-**  
28 **mental disabilities programs, children’s intensive in-home services**  
29 **providers, schools, child welfare programs and other relevant entities**  
30 **in the determination of a multi-system involved child or youth’s level**

1 of care needs and an assessment of the functional and service coordi-  
2 nation needs of each child or youth;

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

7 “(c) Ensure that each child or youth who experiences intellectual  
8 or developmental disabilities in addition to mental illness or a sub-  
9 stance use disorder is provided simultaneous access to services and  
10 support offered by each agency serving the child or youth without de-  
11 lay;

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

17 “(e) Ensure coordination between the Department of Education, the  
18 Oregon Youth Authority, the Oregon Council on Developmental Disa-  
19 bilities, the Youth Development Council and other organizations that  
20 serve multi-system involved children or youth:

21 “(A) To support each multi-system involved child or youth to enable  
22 the child or youth to remain in the community and avoid health cri-  
23 ses, hospitalizations or out-of-home placements;

24 “(B) With a focus of the coordination being on prevention, recovery  
25 and support, recognizing the unique strengths and potential of each  
26 multi-system involved child or youth; and

27 “(f) Support children or youth and their families to access the ap-  
28 propriate comprehensive and wraparound home and community-based  
29 services and supports that prevent crises from happening or reoccur-  
30 ring and that provide support and stabilization in the event of a crisis.

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

5  
6                               **“INVESTIGATION AND REPORT ON K PLAN**  
7                               **SERVICES AND SUPPORTS**  
8

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

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

11       **“(b) ‘Mental health resource home’ means a foster home specifically**  
12 **designed for children with mental illness who have been removed from**  
13 **their families not due to abuse or neglect but to provide specialized**  
14 **foster care to meet their needs.**

15       **“(c) ‘Multi-system involved children or youth’ means children or**  
16 **youth who are concurrently involved in two or more of the child wel-**  
17 **fare, mental health, juvenile justice, special education or develop-**  
18 **mental disability services systems.**

19       **“(d) ‘Serious emotional disturbance’ has the meaning given that**  
20 **term in section 3 of this 2024 Act;**

21       **“(e) ‘Treatment foster care’ means a foster care setting providing**  
22 **enhanced services as an alternative to institutional or residential care**  
23 **and group home placements for children and youth with serious emo-**  
24 **tional disturbances or severe behavioral disorders.**

25       **“(f) ‘Wraparound team’ means a group of people chosen by a child**  
26 **or youth and connected to the child or youth through natural, com-**  
27 **munity and formal support systems who develop and implement the**  
28 **child or youth and the family’s plan to address unmet needs and work**  
29 **toward the child or youth and family’s vision and team mission.**

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

1       **“(2) The Oregon Health Authority, in collaboration with the De-**  
2 **partment of Human Services and with families and youth with lived**  
3 **experience, shall investigate the services and supports provided to in-**  
4 **dividuals under the age of 21 years and funded through the Community**  
5 **First Choice Option under 42 U.S.C. 1396n(k) that are provided to avoid**  
6 **a placement of a child or youth in each of the following types of in-**  
7 **stitutions:**

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

9       **“(b) A nursing home;**

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

13       **“(d) An inpatient facility providing psychiatric treatment to indi-**  
14 **viduals under the age of 21 years.**

15       **“(3) No later than October 1, 2024, the authority shall provide a**  
16 **preliminary report of the authority’s findings in its investigation un-**  
17 **der subsection (2) of this section to the interim committees of the**  
18 **Legislative Assembly related to health care and to human services.**  
19 **The report must include, at a minimum:**

20       **“(a) The following information disaggregated by the each type of**  
21 **institutional care listed in subsection (2) of this section that are**  
22 **avoided by providing the services and supports described in subsection**  
23 **(2) of this section:**

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

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

29       **“(i) Individuals who are eligible for the services and supports and**  
30 **their parents, guardians or caretakers;**

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

3       “(iii) Pediatricians;

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

5       “(v) Wraparound teams;

6       “(vi) Schools; and

7       “(vii) Hospitals;

8       “(C) The types of home and community-based settings in which the  
9 individuals receive the services and supports;

10       “(D) The number of individuals who received relief or respite care  
11 utilizing funding available through the Community First Choice Op-  
12 tion;

13       “(E) The number of individuals receiving services and supports who  
14 are served by child welfare programs within the department;

15       “(F) The total amount of federal funds generated to serve individ-  
16 uals under the age of 21 years through the Community First Choice  
17 Option in each of the prior three fiscal years;

18       “(G) An estimate of the total amount of unmatched General Fund  
19 expenditures that could receive federal matching funds through the  
20 Community First Choice Option and that were spent to meet the needs  
21 of individuals under the age of 21 years who are in the child welfare  
22 system; and

23       “(H) An estimate of the number of children disrupted from their  
24 family homes each year due to the children’s unmet disability or  
25 mental health related needs; and

26       “(b) Recommendations:

27       “(A) About opportunities to use the Community First Choice Option  
28 to expand and enhance the services that will support individuals under  
29 the age of 21 years who experience serious emotional disturbances or  
30 mental illness to live successfully in their family homes and avoid



1 **crises;**

2 **“(B) About opportunities to maximize federal matching funds to**  
3 **support services for individuals under the age of 21 years who experi-**  
4 **ence substance use disorders;**

5 **“(C) For how federal matching funds provided through the Com-**  
6 **munity First Choice Option can be used to expand and enhance fund-**  
7 **ing for and access to supports to foster parents serving children with**  
8 **serious emotional disturbances, mental illness or substance use disor-**  
9 **ders, including but not limited to respite, training and in-home at-**  
10 **tendant care services;**

11 **“(D) About whether and how provisions of Medicaid and Medicaid**  
12 **funding streams may be utilized to create mental health resource**  
13 **homes, specialized homes for up to two children with behavioral health**  
14 **needs or treatment foster care that is accessible to the children served**  
15 **by child welfare programs in the Department of Human Services and**  
16 **to children, youth and young adults without requiring the children,**  
17 **youth or young adults to first access the child welfare system or the**  
18 **juvenile justice system;**

19 **“(E) About how federal matching funds through the Community**  
20 **First Choice Option can be used to support children and youth with**  
21 **serious emotional disturbances, mental illness or substance use disor-**  
22 **ders and to provide services necessary for a successful transition from**  
23 **institutional placement or other restrictive placement to a family**  
24 **home, a foster home or another less restrictive environment;**

25 **“(F) For how multi-system involved children or youth who are eli-**  
26 **gible for services and supports under the Community First Choice**  
27 **Option or the state plan for medical assistance have their assessed**  
28 **needs fully met while avoiding duplication of services and supports,**  
29 **including by using available natural and community supports;**

30 **“(G) For any statutory changes or changes to the authority’s**

1 **legislatively adopted budget that are necessary to implement recom-**  
2 **mendations that will maximize available funds through the Commu-**  
3 **nity First Choice Option and support children and youth to avoid**  
4 **crises and remain in the least restrictive environment; and**

5 **“(H) About implementing a policy to disregard parental income**  
6 **when determining medical assistance eligibility for children and youth**  
7 **with serious emotional disturbances, including the following informa-**  
8 **tion about the effects of the policy:**

9 **“(i) The estimated size of the population that is not currently eli-**  
10 **gible for medical assistance but that would be eligible for medical as-**  
11 **sistance due to such a policy;**

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

13 **“(iii) Whether the number of children with serious emotional dis-**  
14 **turbances who are eligible to have their parents’ income disregarded**  
15 **should be capped, and if so, at what number;**

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

18 **“(v) What impact the disregard of parental income may have on**  
19 **preventing the temporary lodging of children in the custody of the**  
20 **Department of Human Services, accessing Medicaid funding for**  
21 **school-based care for students with high needs and boarding children**  
22 **in emergency rooms due to the lack of available placements.**

23 **“(4)(a) No later than January 1, 2025, the authority shall provide to**  
24 **the interim committees of the Legislative Assembly related to health**  
25 **care and to human services a report with updated information and**  
26 **recommendations described in subsection (3) of this section.**

27 **“(b) Annually, beginning on March 1, 2025, the department shall**  
28 **compile and publish on its website a report that includes the infor-**  
29 **mation described in subsection (3)(a) of this section and recommen-**  
30 **dations for more effectively leveraging the maximum amount of**

1 federal matching funds available to prevent the institutional place-  
2 ment of individuals under 21 years of age.

3 “(5) The department or the authority shall implement without delay  
4 any recommendations that can be implemented without legislative  
5 action or budgetary authority or that are otherwise mandated under  
6 state or federal law.

7

8 “ACCESS TO HEALTH CARE

9

10 “SECTION 5. (1) The Oregon Health Authority, a community men-  
11 tal health program, a licensed medical provider or other certified or  
12 licensed practitioner, an education provider or a coordinated care or-  
13 ganization may not deny any individual under the age of 21 years ac-  
14 cess to mental health assessment, treatment or services on the basis  
15 that the individual also has an intellectual or developmental disability.

16 “(2) The authority, the Department of Human Services, the De-  
17 partment of Education, the Oregon Medical Board and other health  
18 licensing agencies that license or certify mental or behavioral health  
19 providers shall adopt rules to carry out the provisions of this section.

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

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

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

23 “(C) An educational program under the Youth Corrections Educa-  
24 tion Program;

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

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

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

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

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

1       **“(A) The Oregon Youth Authority;**

2       **“(B) The Department of Corrections; or**

3       **“(C) The Department of Education, except when functioning as an**  
4 **education provider on behalf of the Oregon School for the Deaf.**

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

7       **“SECTION 7. (1) The Oregon Health Authority shall review, and**  
8 **amend as needed, current administrative rules and contracts to ensure**  
9 **that individuals receiving medical assistance who are under 21 years**  
10 **of age have timely access to the services described in subsection (2)**  
11 **of this section without any requirement:**

12       **“(a) For prior authorization; or**

13       **“(b) That, for members of coordinated care organizations, the ser-**  
14 **vice be provided only by a provider who is in a coordinated care**  
15 **organization’s network of providers.**

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

18       **“(a) The medically necessary or medically appropriate medical as-**  
19 **sistance services necessary to:**

20       **“(A) Prevent an individual who is under 21 years of age from need-**  
21 **ing an out-of-home placement, prevent the disruption of a current**  
22 **placement or prevent the need for the individual to move to a place-**  
23 **ment providing a higher level of care;**

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

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

1       **“(b) Assessments or evaluations necessary to establish eligibility for**  
2 **services and supports provided in the medical assistance program or**  
3 **by the Department of Education;**

4       **“(c) Diabetic supplies; and**

5       **“(d) Counseling, therapy or mental health treatment with a pro-**  
6 **vider with whom a child or youth has an established relationship.**

7  
8               **“FEDERAL FUNDS FOR SCHOOL-BASED SERVICES”.**

9  
10       In line 4, delete “4” and insert “8”.

11       In line 26, delete “high school”.

12       After line 29, insert:

13  
14               **“DETERMINATION OF YOUTH’S FITNESS TO PROCEED”.**

15  
16       In line 30, delete “5” and insert “9”.

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

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

19       On page 7, line 33, delete “8” and insert “12”.

20       On page 8, delete lines 5 through 14 and insert:

21  
22               **“REPEALS**

23  
24       **“SECTION 13. Section 4 of this 2024 Act is repealed on July 2, 2026.**

25       **“SECTION 14. Section 8 of this 2024 Act is repealed on January 2,**  
26 **2025.**

27  
28               **“CAPTIONS**

29  
30       **“SECTION 15. The unit captions used in this 2024 Act are provided**

1 **only for the convenience of the reader and do not become part of the**  
2 **statutory law of this state or express any legislative intent in the**  
3 **enactment of this 2024 Act.**

4

5

**“EMERGENCY CLAUSE”.**

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7 In line 15, delete “12” and insert “16”.

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