



OREGON
HEALTH
AUTHORITY

September 30, 2025

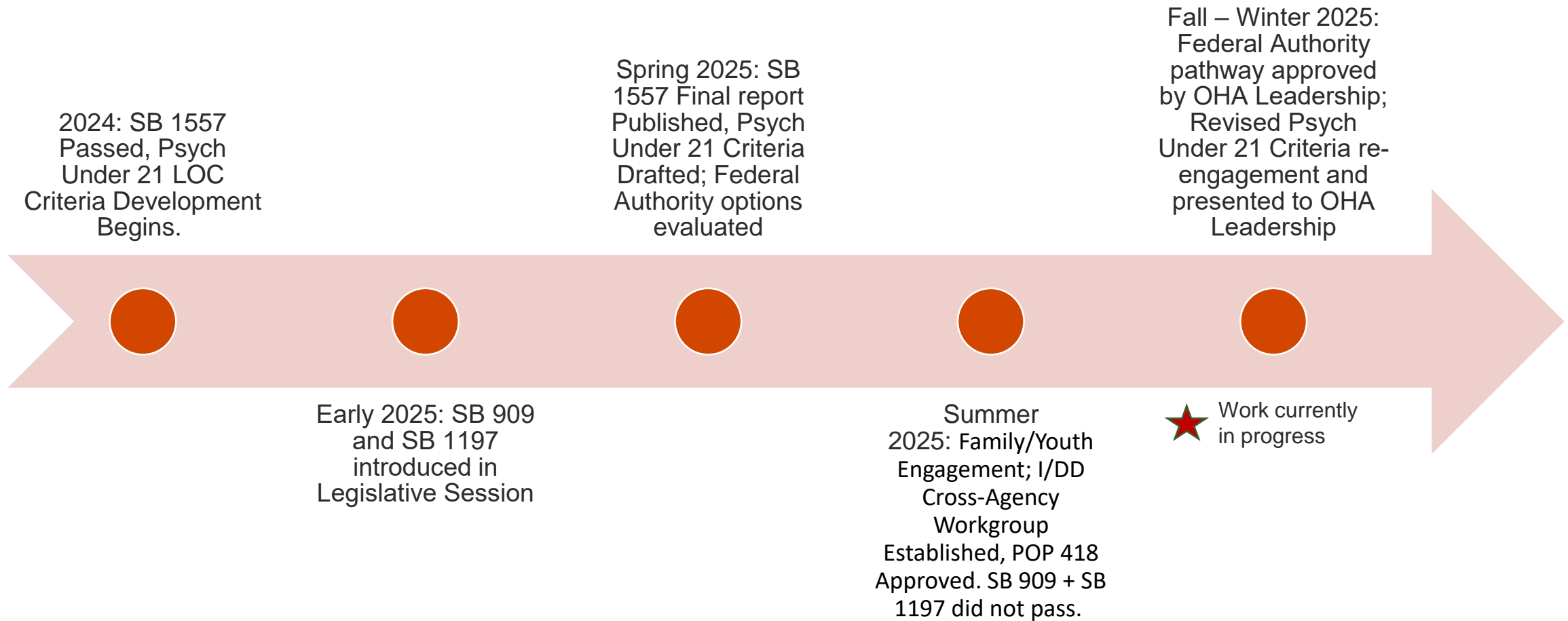
SB 1557 Implementation Updates

Senate Human Services Committee

Holly Heiberg, Medicaid Policy Director

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SB 1557 Timeline Progress



I/DD Antidiscrimination & Access to Care

- OHA published [communication](#) for all CCOs, CMHPs, Mental Health Providers, Licensed Professional Boards, and Oregon Hospitals outlining requirements of SB 1557 and law updates.
 - Ongoing TA is offered to providers to support implementation and compliance to ensure access to care for youth with Intellectual and Developmental Disabilities (I/DD).
 - Cross-Agency I/DD Workgroup established to foster collaboration and address barriers across the system and address requirements of both SB 1557 (2004) and SB 729 (2025).

Expectations for Children's Home and Community Based Services (HCBS) Expansion

- **Progress to date** – final report, LOC criteria, rulemaking
- **Agency Partner engagement** – Cross-agency collaboration and system alignment
- **Youth and family voices** – centering lived experience in design
- **Federal authority options** – evaluation of pathways and CMS technical assistance
- **Implementation Roadmap** – Rulemaking timeline and next steps

HCBS for Children: Progress

2024

- The [SB 1557 Preliminary Report](#) delivered to the legislature (October)
- Operations and Policy Analyst 3 hired (September)
- Engaged contractor to develop LOC criteria
- Began Youth and Family engagement

Spring 2025

- The [SB 1557 Final Report](#) delivered to the Legislature (March 2025)
- Psych Under 21 level of care (LOC) criteria drafted; engagement and feedback begins
- Federal pathway evaluation completed.

Summer 2025:

- Finalization of Psych Under 21 LOC; begin rulemaking
- I/DD Cross-Agency Workgroup assembled

Fall/Winter 2025:

- Federal pathway recommendation presented to OHA leadership
- CMS Technical Assistance request submitted
- Draft 1915(i) amendment and 1915(c) application begin

System and Cross-Agency Engagement

- Partnering with Oregon Family Support Network (OFSN) to ensure youth and family engagement throughout planning and implementation
- Collaborating with internal partners at the Oregon Department of Human Services, Oregon Department of Education, Child Welfare to align system planning
- Preparing for rulemaking with broad partner input
- Engagement ensures system-level alignment and readiness across child-serving agencies

Youth and Family Voices

- Youth and families are driving implementation design through structured engagement with Oregon Family Support Network (OFSN)
- Activities include monthly collaborative meetings, family engagement sessions, and statewide quarterly reports detailing themes from youth and family interviews
- Feedback highlights the need for services that adapt to individual needs and respect lived experience

"Overall, youth envision a system that values relationship, accessibility, respect, and responsiveness, with services designed to meet them where they are, not where the system dictates they should be. "

-Youth from Jackston Street Youth Services

Centering Children, Youth, and Families

| Focus Area | Desired Outcome |
|-----------------|--|
| Equity & Access | Expand eligibility through parental income disregard and serve underserved groups. |
| Flexibility | Cover both low-acuity and high-acuity needs, including episodic care. |
| Family Support | Include respite and allow parents as paid caregivers. |
| Continuity | Align with adult 1915(i) for seamless transitions. |
| Sustainability | Leverage federal match, align with existing infrastructure, and allow phased roll-out. |
| Coordination | Strengthen cross-agency systems for multi-system youth. |

Evaluation of Federal Authority Options

| Authority Option | Income ¹ | Low LOC ² | Episodic ³ | Respite ⁴ | Parent Pay ⁵ | Scalable ⁶ |
|-------------------|---------------------|----------------------|-----------------------|----------------------|-------------------------|-----------------------|
| 1915(i) + 1915(c) | ✓ | ✓ | ✓ | ✓ | ✓ | ⚠ |
| 1915(c) Only | ✓ | ✗ | ⚠ | ✓ | ✓ | ✓ |
| 1115 Waiver | ✓ | ✓ | ✓ | ✓ | ✓ | ⚠ |
| 1915(k) | ✓ | ✗ | ✗ | ⚠ | ✗ | ✗ |
| 1915(c) + GF | ✓ | ✗ | ✓ | ✓ | ✓ | ⚠ |

- ✓ Fully meets
- ⚠ Partially meets/conditional
- ✗ Does not meet

- ¹ = Financial eligibility up to 300% SSI
- ² = Allows access below institutional level of care
- ³ = Supports episodic and tiered needs
- ⁴ = Includes caregiver respite
- ⁵ = Allows parents as paid caregivers
- ⁶ = Scalable via phased roll-out, workforce alignment, or existing infrastructure

HCBS for Children Rulemaking and Timeline

Early 2026: Begin federal negotiations, Program development and infrastructure build-out initiated, Identify and procure LOC assessment tool, Case management system planning begins

2027: Phase in Children's HCBS services as federal approvals are secured, Continue Medicaid billing and system buildout, Implement eligibility, approval and oversight processes. Expand provider engagement and training statewide

Mid-Late 2026: Complete rulemaking for Psych Under 21 LOC criteria, Begin configuration of Medicaid systems for new benefits, Develop contract for Independent and Qualified Agent (IQA), Begin provider onboarding and readiness activities

2028: Full statewide implementation, Deliver ongoing technical assistance and training for providers, Adjust program scope and capacity based on quality evaluations and assessment data

SB 1557 – Next Steps

Early 2026

- Federal negotiations continue
- Program development and infrastructure build-out initiated
- Identify and procure LOC assessment tool
- Case management system planning begins

Mid-Late 2026

- Complete rulemaking for Psych Under 21 LOC criteria
- Begin configuration of Medicaid systems for new benefits
- Develop contract for Independent and Qualified Agent (IQA)
- Begin provider onboarding and readiness activities

2027

- Phase in Children's HCBS services as federal approvals are secured
- Continue Medicaid billing and system buildout
- Implement eligibility, approval and oversight processes
- Expand provider engagement and training statewide

2028

- Full statewide implementation
- Deliver ongoing technical assistance and training for providers
- Adjust program scope and capacity based on quality evaluations and assessment data

Questions