

Tina Kotek, Governor

January 14, 2026

Senator Winsvey Campos  
Representative Andrea Valderrama  
Co-chairs  
Joint Interim Committee on Ways and Means Subcommittee on Human Services  
900 Court St NE  
Salem, OR 97301

**Subject:** Follow up information – Jan. 13, 2026 hearing

Dear Co-Chairs Campos and Valderrama:

Thank you for the opportunity to testify in the Human Services Subcommittee on Jan. 13, 2026, regarding OHA's rebalance request. Below you will find follow up information on several items relating to concerns Senator Gelsler Blouin shared regarding OHA's prioritizing of funding for Behavior Rehabilitation Services (BRS). You will also find the reasons OHA continues to seek this funding along with the background and current state of the BRS program in Oregon.

### **Behavior Rehabilitation Services in Oregon**

BRS helps children and youth experiencing behavioral symptoms acquire essential coping skills. It can be provided in a variety of settings. Currently, BRS is offered in either a proctor foster setting or a residential setting and provides the following set of services (OAR 410-170-0080): milieu therapy, crisis counseling, individual and group counseling, parent training, skills training, placement-related activities, and aftercare services.

BRS is not a behavioral health treatment program. It is meant to remediate behaviors expressed by the individual through skill-building and other evidence-based approaches. The State Plan has been updated to reflect this, and administrative rules are currently being amended to remove language that confuses BRS with behavioral health treatment. BRS providers offering shelter, community step-down and independent living programs are required to provide a total of six (6) hours of services (excluding milieu and aftercare) each week. BRS providers offering all other types of BRS programs are required to provide a total of eleven (11) hours of services (excluding milieu and aftercare) each week.

Currently, BRS programs serve Oregon Youth Authority (OYA) and Oregon Department of Human Services (ODHS) Child Welfare population. OHA, as the State Medicaid Agency, receives and passes through the federal funds for BRS to OYA and ODHS. The state match and room and board are paid by OYA, ODHS, and six county juvenile justice programs.

In addition, OHA is developing Home and Community-Based Services for Children and Youth with behavioral health needs. HCBS and BRS are needed, and distinct with complementary purposes.

### **Compliance Risk**

BRS is a Medicaid entitlement program, which means it is federally required to be accessible to all eligible Medicaid members, i.e., all children (up to age 21) on Medicaid who meet criteria. Currently, the program is limited to Child Welfare and OYA population.

CMS requires all BRS providers serving Medicaid members to be enrolled as a Medicaid provider and to bill through MMIS. Services must receive prior authorization and must be determined to be medically necessary by a licensed health practitioner.

Once services are available to the full eligible population as federally mandated, OHA will be responsible for the state share and placement-related activities, including room and board for individuals not in the care or custody of OYA and ODHS.

### **Continued Risks Due to Lack of Funding**

The capacity to ensure BRS services are available to the full eligible population as federally mandated will continue to be a risk for Oregon without the general funds for the direct services and the FTE to develop and maintain statewide policies, operations, provider supports, quality assurance and oversight to bring the program into compliance.

Thank you again for the opportunity to testify on our rebalance request.

Sincerely,



Dave Baden  
Deputy Director for Policy and Programs