

A-Engrossed House Bill 2206

Ordered by the House April 15
Including House Amendments dated April 15

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Behavioral Health and Health Care for Representative Rob Nosse)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells OHA to create a work group related to CCO members who need residential mental health services. (Flesch Readability Score: 62.8).

Requires the Oregon Health Authority to convene a work group to study **adult residential mental health services provided by facilities to medical assistance recipients enrolled in coordinated care organizations** and the feasibility of [*and develop a plan for*] transferring [*responsibility*] **the financial risk and administration of those services** from the authority to coordinated care organizations [*to administer adult residential mental health service benefits and assume the financial risk of administering those benefits*]. **Directs, contingent on the results of the study, the work group to develop a plan for such transfers.** Specifies the duties and membership of the work group. Requires the authority to report final recommendations of the work group to the Legislative Assembly no later than December 15, 2028.

Sunset January 2, 2029.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to adult residential mental health services; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

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

5 (a) **“Adult foster home”** has the meaning given that term in ORS 443.705.

6 (b) **“Coordinated care organization”** has the meaning given that term in ORS 414.025.

7 (c) **“Facility”** means:

8 (A) **An adult foster home that provides residential care to individuals with mental illness;**

9 (B) **A residential treatment facility;**

10 (C) **A residential treatment home;**

11 (D) **A secure residential treatment facility; or**

12 (E) **A secure residential treatment home.**

13 (d) **“Independent qualified agent”** means an entity under contract with the Oregon Health

14 **Authority that:**

15 (A) **Conducts individualized independent evaluation, independent assessment and service**
16 **plan development; and**

17 (B) **Meets the provider qualification requirements described in 42 C.F.R. 441.730.**

18 (e) **“Medical assistance”** has the meaning given that term in ORS 414.025.

19 (f) **“Residential treatment facility”** has the meaning given that term in ORS 443.400.

20 (g) **“Residential treatment home”** has the meaning given that term in ORS 443.400.

21 (h) **“Secure residential treatment facility”** means a facility described in ORS 443.465.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (i) "Secure residential treatment home" means a home described in ORS 443.465.

2 (2) The Oregon Health Authority shall convene, or contract with a third party to con-
3 vene, a work group to study adult residential mental health services provided by facilities to
4 medical assistance recipients enrolled in coordinated care organizations and the feasibility
5 of transferring the financial risk and administration of those services from the authority to
6 coordinated care organizations. The study shall include consideration of lessons learned from
7 how the responsibility for similar services, such as substance use disorder treatment ser-
8 vices and child and adolescent residential treatment services, was previously transferred
9 from the authority to coordinated care organizations. Contingent on the results of the study,
10 the work group shall develop a plan that includes:

11 (a) Objectives for the transfer of responsibility described in this section;

12 (b) Phased implementation timelines for each facility type;

13 (c) Recommendations about capacity building, funding and other resources needed for the
14 implementation and sustainability of the transfer of responsibility described in this section;
15 and

16 (d) Recommendations about statutory, regulatory and contractual changes needed for the
17 implementation and sustainability of the transfer of responsibility described in this section,
18 including:

19 (A) Any needed changes to the Medicaid state plan, waivers or demonstration projects;
20 and

21 (B) Any needed changes to the roles and responsibilities of independent qualified agents.

22 (3) The work group must include:

23 (a) Representatives of:

24 (A) Coordinated care organizations who have expertise in behavioral health;

25 (B) Coordinated care organizations who have expertise in care coordination;

26 (C) Community mental health programs;

27 (D) Entities that provide coordination of care services to individuals with serious and
28 persistent mental illness;

29 (E) Secure residential treatment facilities;

30 (F) Secure residential treatment homes;

31 (G) Residential treatment facilities;

32 (H) Residential treatment homes;

33 (I) Adult foster homes;

34 (J) Labor organizations that represent the behavioral health workforce;

35 (K) Behavioral health advocacy organizations;

36 (L) The nine federally recognized Indian tribes in Oregon;

37 (M) The Medicaid, Behavioral Health and Quality Assurance units of the Health Systems
38 Division of the authority;

39 (N) The Program Integrity Audit Unit of the authority;

40 (O) Acute care hospitals;

41 (P) Supportive housing providers; and

42 (Q) The Oregon State Hospital; and

43 (b) Medical assistance recipients with lived experience.

44 (4) No later than August 15, 2025, the authority, in partnership with two to four members
45 of the work group required under this section, shall hire a consultant to assist the work

1 **group in conducting the study and developing the recommendations described in this section.**

2 **(5) The work group shall first meet no later than October 1, 2025.**

3 **(6) No later than December 15, 2027, the authority shall report to the Legislative As-**
4 **sembly, in the manner provided in ORS 192.245, the preliminary findings and recommen-**
5 **dations of the work group, including recommendations about needed statutory changes and**
6 **funding.**

7 **(7) No later than December 15, 2028, the authority shall report to the Legislative As-**
8 **sembly, in the manner provided in ORS 192.245, the final recommendations of the work**
9 **group, including recommendations for proposed legislative changes.**

10 **SECTION 2. Section 1 of this 2025 Act is repealed on January 2, 2029.**

11 **SECTION 3. This 2025 Act being necessary for the immediate preservation of the public**
12 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**
13 **on its passage.**

14