

# Senate Bill 140

Sponsored by Senator PATTERSON, Representatives DIEHL, JAVADI, NOSSE (Pre-session filed.)

## 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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells OHA and CCOs to raise the rates at which hospitals are reimbursed for certain psychiatric services. The Act tells OHA to take steps to help coordinate care for civilly committed patients. (Flesch Readability Score: 62.6).

Requires the Oregon Health Authority and coordinated care organizations to increase reimbursement rates for inpatient psychiatric services provided by hospitals to medical assistance recipients. Directs the authority, in partnership with acute care facilities, coordinated care organizations and community mental health programs, to develop care plans for civilly committed patients who are discharging from an acute care facility.

## A BILL FOR AN ACT

1 Relating to behavioral health services.

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

3 **SECTION 1. (1) As used in this section, “coordinated care organization” and “medical**  
4 **assistance” have the meanings given those terms in ORS 414.025.**

5 **(2)(a) For inpatient psychiatric services provided by hospitals to medical assistance re-**  
6 **ipients who are committed to the Oregon Health Authority under ORS 426.130, the authority**  
7 **shall establish fee-for-service reimbursement rates that are no less than the budgeted, per**  
8 **diem rates for inpatient psychiatric rehabilitation provided by the Oregon State Hospital.**

9 **(b) The authority shall adjust the rates established under this subsection to correspond**  
10 **with any increases in the rates paid for individuals receiving inpatient psychiatric rehabili-**  
11 **tation at the Oregon State Hospital.**

12 **(3)(a) For inpatient psychiatric services provided by hospitals to medical assistance re-**  
13 **ipients who are not committed to the authority under ORS 426.130, the authority shall es-**  
14 **tablish actuarially determined reimbursement rates, including an additional payment rate for**  
15 **services that are provided to an individual for more than 30 days when a hospital is unable**  
16 **to discharge the individual due to a lack of bed capacity at the Oregon State Hospital, a se-**  
17 **ecure residential treatment home or facility as described in ORS 443.465, a residential treat-**  
18 **ment facility or residential treatment home as defined in ORS 443.400, an adult foster home**  
19 **as defined in ORS 443.705 or other community-based placement.**

20 **(b) The authority may reimburse a hospital at an additional payment rate that is lower**  
21 **than the rate established under this subsection only if the authority has engaged with the**  
22 **hospital and determined that the hospital has voluntarily chosen not to discharge the pa-**  
23 **tient.**

24 **(c) Every two years, the authority shall conduct an actuarial review of the reimburse-**  
25 **ment rates established under this subsection to ensure that the rates are sufficient to cover**  
26 **the costs to provide care.**  
27

**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 (4) A coordinated care organization shall reimburse hospitals for providing inpatient  
2 psychiatric services at the rates established in subsections (2) and (3) of this section.

3 **SECTION 2.** (1) As used in this section, “coordinated care organization” has the meaning  
4 given that term in ORS 414.025.

5 (2) The Oregon Health Authority shall:

6 (a) Maintain an inventory of the population of individuals in this state who are committed  
7 to the authority under ORS 426.130.

8 (b) Prescribe transparent criteria for placing individuals at, and determining priority  
9 among individuals on the wait lists for, the Oregon State Hospital or a secure residential  
10 treatment home or facility as described in ORS 443.465.

11 (c) Require the Oregon State Hospital and any residential treatment facility or residential  
12 treatment home as defined in ORS 443.400 or adult foster home as defined in ORS 443.705  
13 that serves individuals with mental illness to adopt electronic medical records and eliminate  
14 paper processes.

15 (d) Establish criteria for a universal interview process to be used when placing an indi-  
16 vidual who is discharging from an acute care setting to a community-based care setting, in-  
17 cluding a requirement that all facilities accept the results of the universal interview and do  
18 not conduct a separate interview of the individual.

19 (3) The authority, in collaboration with community mental health programs, shall develop  
20 a comprehensive plan to meet the individualized needs of patients who are committed to the  
21 authority under ORS 426.130 and receiving care from a hospital, including a plan to:

22 (a) Clearly delineate accountability for the patient and a timeline for expected action;

23 (b) Require that trial visits, as described in ORS 426.273, are completed;

24 (c) Begin discharge planning when the patient is admitted and share care plans with  
25 counties and hospitals;

26 (d) Create an escalation process within the authority if a patient is in the hospital for  
27 30 or more days;

28 (e) Coordinate the patient’s care across the behavioral health system;

29 (f) Establish an intensive wraparound services team to help stabilize the patient and es-  
30 tablish wraparound services for patients who are transferred to settings other than the  
31 Oregon State Hospital;

32 (g) Increase the availability of an ombudsman for patients; and

33 (h) Assign a case manager, from a coordinated care organization if the patient is enrolled  
34 in a coordinated care organization or from a community mental health program if the pa-  
35 tient is not enrolled in a coordinated care organization, to coordinate placement for the pa-  
36 tient in the community upon discharge.

37 (4)(a) When a patient committed to the authority under ORS 426.130 is ready to be dis-  
38 charged from a hospital, the authority shall develop a care plan in partnership with the  
39 hospital and:

40 (A) The patient’s coordinated care organization, if the patient is enrolled in a coordinated  
41 care organization; or

42 (B) A community mental health program, if the patient is not enrolled in a coordinated  
43 care organization.

44 (b) The care plan developed under this subsection shall assign the coordinated care or-  
45 ganization or community mental health program, as applicable, to be responsible for:

1       **(A) The patient’s care coordination and transitions between acute care and community-**  
2 **based settings, with consideration given to the patient’s acuity and level of care;**

3       **(B) Coordinating and reimbursing secure transport for the patient between facilities; and**

4       **(C) Ensuring that the discharge planning requirements for the patient are met.**

5       **SECTION 3. Section 1 of this 2025 Act applies to contracts between a coordinated care**  
6 **organization and the Oregon Health Authority entered into, amended or renewed on or after**  
7 **the effective date of this 2025 Act.**

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