

House Bill 4070

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Behavioral Health for Representative Hai Pham)

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 makes changes to laws relating to mental health and SUD treatment. (Flesch Readability Score: 76.5).

Provides that a community mental health program is not responsible for the cost of emergency psychiatric care, custody and treatment when state funds provided to the community mental health program are exhausted.

Requires the Oregon Health Authority and coordinated care organizations to ensure that access to behavioral health treatment in the medical assistance program is no more burdensome than access to medical or surgical treatment.

Prohibits the authority or a contracted external quality review organization from making a negative finding about or imposing a penalty on a coordinated care organization based on documents or templates created by the authority for use by coordinated care organization.

Modifies certain statutes to clarify roles and responsibilities for the delivery of behavioral health services and to update terminology.

A BILL FOR AN ACT

1 Relating to health care; amending ORS 137.300, 414.592, 414.595, 414.780, 426.313, 430.010, 430.021,
2 430.215, 430.265, 430.306, 430.366, 430.370, 430.380, 430.401, 430.560, 430.610, 430.630, 430.640,
3 430.644, 430.646, 430.695, 430.705, 430.709, 430.731, 430.739, 430.743, 430.905 and 471.810; and re-
4 pealing ORS 430.315, 430.345, 430.368, 430.565 and 430.634.

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

6 **SECTION 1.** ORS 426.313 is amended to read:

7 426.313. (1) The cost of emergency psychiatric care, custody and treatment related to or result-
8 ing from such psychiatric condition, provided by a hospital or other facility approved by the Oregon
9 Health Authority and the community mental health program director of the county in which the
10 facility is located, except a state hospital, for a person alleged to have a mental illness and to be
11 in need of treatment who is admitted or detained under ORS 426.070, 426.140, 426.228, 426.232 or
12 426.233, or for a person with mental illness who is admitted or detained under ORS 426.150, 426.223,
13 426.273, 426.275 or 426.292, shall be paid by the community mental health program in the county of
14 which the person is a resident from state funds provided to the community mental health program
15 for this purpose. The community mental health program is **not** responsible for the cost when state
16 funds provided to the community mental health program are exhausted. The hospital or other facility
17 shall charge to and collect from the person, third party payers or other legally or financially re-
18 sponsible individuals or entities the costs of the emergency care, custody and treatment, as it would
19 for any other patient, and any funds received shall be applied as an offset to the cost of the services
20 provided under this section.

21 (2) If any person is admitted to or detained in a state hospital under ORS 426.070, 426.140,
22 426.180 to 426.210, 426.228, 426.232 or 426.233 for emergency care, custody or treatment, the au-
23 thority shall charge to and collect from the person, third party payers or other legally or financially

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 responsible individuals or entities the costs as it would for other patients of the state hospitals un-
2 der the provisions of ORS 179.610 to 179.770.

3 (3) If any person is adjudged to have a mental illness under the provisions of ORS 426.130, or
4 determined to be an extremely dangerous person with mental illness under ORS 426.701 or 426.702,
5 and the person receives care and treatment in a state hospital, the person, third party payers or
6 other legally or financially responsible individuals or entities shall be required to pay for the costs
7 of the hospitalization at the state hospital, as provided by ORS 179.610 to 179.770, if financially able
8 to do so.

9 (4) For purposes of this section and ORS 426.318, "resident" means resident of the county in
10 which the person maintains a current mailing address or, if the person does not maintain a current
11 mailing address within the state, the county in which the person is found, or the county in which
12 a court-committed person has been conditionally released.

13 (5)(a) The authority may deny payment for part or all of the emergency psychiatric services
14 provided by a hospital or nonhospital facility under ORS 426.077, 426.232 or 426.233 when the au-
15 thority finds, upon review, that the condition of the person alleged to have a mental illness did not
16 meet the admission criteria in ORS 426.077 (1)(a), 426.232 (1) or 426.233 (1). The payer responsible
17 under this section shall make a request for denial of payment for emergency psychiatric services
18 provided under ORS 426.077, 426.232 or 426.233 in writing to the authority.

19 (b) The authority may require the following to provide the authority with any information that
20 the authority determines is necessary to review a request for denial of payment made under this
21 subsection or to conduct a review of emergency psychiatric services for the purpose of planning or
22 defining authority rules:

23 (A) A hospital or nonhospital facility approved under ORS 426.077 or 426.228 to 426.235.
24 (B) A physician or a person providing emergency psychiatric services under ORS 426.077 or
25 426.228 to 426.235.

26 (c) The authority shall adopt rules necessary to carry out the purposes of this subsection.

27 **SECTION 2.** ORS 414.780 is amended to read:

28 414.780. (1) As used in this section:

29 (a) "Behavioral health coverage" means mental health treatment and services and substance use
30 disorder treatment or services reimbursed by a coordinated care organization.

31 (b) "Coordinated care organization" has the meaning given that term in ORS 414.025.

32 (c) "Mental health treatment and services" means the treatment of or services provided to ad-
33 dress any condition or disorder that falls under any of the diagnostic categories listed in the mental
34 disorders section of the current edition of the:

35 (A) International Classification of Disease; or
36 (B) Diagnostic and Statistical Manual of Mental Disorders.

37 (d) "Nonquantitative treatment limitation" means a limitation that is not expressed numerically
38 but otherwise limits the scope or duration of behavioral health coverage, such as medical necessity
39 criteria or other utilization review.

40 (e) "Substance use disorder treatment and services" means the treatment of and any services
41 provided to address any condition or disorder that falls under any of the diagnostic categories listed
42 in the substance use section of the current edition of the:

43 (A) International Classification of Disease; or
44 (B) Diagnostic and Statistical Manual of Mental Disorders.

45 (2) **The Oregon Health Authority and coordinated care organizations shall ensure that**

1 **access to mental health treatment and services and substance use disorder treatment and**
2 **services in the medical assistance program is no more burdensome than access to medical**
3 **or surgical treatment and services.**

4 [(2)] (3) No later than March 1 of each calendar year, the Oregon Health Authority shall pre-
5 scribe the form and manner for each coordinated care organization to report to the authority, on
6 or before June 1 of the calendar year, information about the coordinated care organization's com-
7 pliance with mental health parity requirements **under this section and under the Paul Wellstone**
8 **and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110-343) and**
9 **rules adopted thereunder**, including but not limited to the following:

10 (a) The specific plan or coverage terms or other relevant terms regarding the nonquantitative
11 treatment limitations and a description of all mental health or substance use disorder benefits and
12 medical or surgical benefits to which each such term applies in each respective benefits classifica-
13 tion.

14 (b) The factors used to determine that the nonquantitative treatment limitations will apply to
15 mental health or substance use disorder benefits and medical or surgical benefits.

16 (c) The evidentiary standards used for the factors identified in paragraph (b) of this subsection,
17 when applicable, provided that every factor is defined, and any other source or evidence relied upon
18 to design and apply the nonquantitative treatment limitations to mental health or substance use
19 disorder benefits and medical or surgical benefits.

20 (d) The number of denials of coverage of mental health treatment and services, substance use
21 disorder treatment and services and medical and surgical treatment and services, the percentage of
22 denials that were appealed, the percentage of appeals that upheld the denial and the percentage of
23 appeals that overturned the denial.

24 (e) The percentage of claims for behavioral health coverage and for coverage of medical and
25 surgical treatments that were paid to in-network providers and the percentage of such claims that
26 were paid to out-of-network providers.

27 (f) **The documentation standards or requirements used for entry into services for mental**
28 **health treatment and services, substance use disorder treatment and services and medical**
29 **and surgical treatment and services.**

30 [(f)] (g) Other data or information the authority deems necessary to assess a coordinated care
31 organization's compliance with mental health parity requirements.

32 [(3)] (4) Coordinated care organizations must demonstrate in the documentation submitted under
33 subsection [(2)] (3) of this section, that the processes, strategies, evidentiary standards and other
34 factors used to apply nonquantitative treatment limitation to mental health or substance use disor-
35 der treatment, as written and in operation, are comparable to and are applied no more stringently
36 than the processes, strategies, evidentiary standards and other factors used to apply nonquantitative
37 treatment limitations to medical or surgical treatments in the same classification.

38 [(4)] (5) Each calendar year the authority, in collaboration with individuals representing behav-
39 ior health treatment providers, community mental health programs, coordinated care organiza-
40 tions, the Consumer Advisory Council established in ORS 430.073 and consumers of mental health
41 or substance use disorder treatment, shall, based on the information reported under subsection [(2)]
42 (3) of this section, identify and assess:

43 (a) Coordinated care organizations' compliance with the requirements for parity between the
44 behavioral health coverage and the coverage of medical and surgical treatment in the medical as-
45 sistance program; and

1 (b) The authority's compliance with the requirements for parity between the behavioral health
2 coverage and the coverage of medical and surgical treatment in the medical assistance program for
3 individuals who are not enrolled in a coordinated care organization.

4 [(5)] (6) No later than December 31 of each calendar year, the authority shall submit a report
5 to the interim committees of the Legislative Assembly related to mental or behavioral health, in the
6 manner provided in ORS 192.245, that includes:

7 (a) The authority's findings under subsection [(4)] (5) of this section on compliance with rules
8 regarding mental health parity, including a comparison of coverage for members of coordinated care
9 organizations to coverage for medical assistance recipients who are not enrolled in coordinated care
10 organizations as applicable; and

11 (b) An assessment of:

12 (A) The adequacy of the provider network as prescribed by the authority by rule.

13 (B) The timeliness of access to mental health and substance use disorder treatment and services,
14 as prescribed by the authority by rule.

15 (C) The criteria used by each coordinated care organization to determine medical necessity and
16 behavioral health coverage, including each coordinated care organization's payment protocols and
17 procedures.

18 (D) Data on services that are requested but that coordinated care organizations are not required
19 to provide.

20 (E) The consistency of credentialing requirements for behavioral health treatment providers
21 with the credentialing of medical and surgical treatment providers.

22 (F) The utilization review, as defined by the authority by rule, applied to behavioral health
23 coverage compared to coverage of medical and surgical treatments.

24 (G) The specific findings and conclusions reached by the authority with respect to the coverage
25 of mental health and substance use disorder treatment and the authority's analysis that indicates
26 that the coverage is or is not in compliance with this section.

27 (H) The specific findings and conclusions of the authority demonstrating a coordinated care
28 organization's compliance with this section and with the Paul Wellstone and Pete Domenici Mental
29 Health Parity and Addiction Equity Act of 2008 (P.L. 110-343) and rules adopted thereunder.

30 [(6)] (7) Except as provided in subsection [(5)(b)(D)] (6)(b)(D) of this section, this section does
31 not require coordinated care organizations to report data on services that are not funded on the
32 prioritized list of health services compiled by the Health Evidence Review Commission under ORS
33 414.690.

34 SECTION 3. ORS 414.595 is amended to read:

35 414.595. (1) As used in this section:

36 (a) "Coordinated care organization" has the meaning given that term in ORS 414.025.

37 (b) "Subcontractor" means an entity that contracts with a coordinated care organization to
38 provide health care, dental care, behavioral health care or other services to medical assistance re-
39 cipients enrolled in the coordinated care organization.

40 (2) The Oregon Health Authority shall conduct one external quality review of each coordinated
41 care organization annually. The authority may contract with an external quality review organization
42 to conduct the review.

43 (3) The authority shall compile a standard list of documents that the authority or contracted
44 review organization collects from coordinated care organizations and subcontractors. When re-
45 questing information from a coordinated care organization about its subcontractors, the authority

1 or contracted review organization shall inform the coordinated care organization of the documents
 2 on the standard list that have been collected from the coordinated care organization's subcontrac-
 3 tors in the preceding 12-month period.

4 (4) The authority or a contracted review organization may not:

5 (a) Request information from a coordinated care organization that is duplicative of or redundant
 6 with information previously provided by the coordinated care organization or a subcontractor if the
 7 information was provided within the preceding 12-month period and the relevant content of the in-
 8 formation has not changed.

9 (b) **Make a negative finding about or impose a penalty on a coordinated care organization
 10 based on documents or templates that were created by the authority for use by coordinated
 11 care organizations.**

12 (5) The authority shall provide a contracted review organization with all information about a
 13 coordinated care organization in the authority's possession as necessary for the contracted review
 14 organization to conduct the external quality review. A contracted review organization may not seek
 15 information from a coordinated care organization before first requesting the information from the
 16 authority.

17 (6) This section does not apply to documents requested, submitted or collected in connection
 18 with an audit for or an investigation of fraud, waste or abuse and does not:

19 (a) Prohibit a coordinated care organization from requesting from a subcontractor information
 20 required by law or contract;

21 (b) Require the authority or a contracted review organization to disclose to a coordinated care
 22 organization any information described in this section collected from a coordinated care organiza-
 23 tion or a subcontractor; or

24 (c) Permit the authority or a contracted review organization to disclose to a coordinated care
 25 organization confidential or proprietary information reported to the authority or contracted review
 26 organization by another coordinated care organization or a subcontractor.

27 **SECTION 4.** ORS 414.592 is amended to read:

28 414.592. Notwithstanding ORS 414.590:

29 (1) Contracts between the Oregon Health Authority and coordinated care organizations or indi-
 30 vidual providers for the provision of behavioral health services must align with the quality metrics
 31 and incentives developed by the Behavioral Health Committee under ORS 413.017 and contain pro-
 32 visions that ensure that:

33 (a) Individuals have easy access to needed care;

34 (b) Services are responsive to individual and community needs; and

35 (c) Services will [*lead to meaningful improvement in individuals' lives*] **support an individual's
 36 progress towards clinical goals, as defined in the individual's service plan.**

37 (2) The authority must provide at least 90 days' notice of changes needed to contracts that are
 38 necessary to comply with subsection (1) of this section.

39 **SECTION 5.** ORS 430.610 is amended to read:

40 430.610. It is declared to be the policy and intent of the Legislative Assembly that:

41 (1) Subject to the availability of funds **appropriated or otherwise made available by the
 42 Legislative Assembly**, services should be available to all persons with [*mental or emotional dis-
 43 turbances, developmental disabilities, alcoholism or drug dependence, and persons who are alcohol or
 44 drug abusers,*] **mental health or substance use disorders or intellectual or developmental dis-
 45 abilities**, regardless of age, county of residence or ability to pay;

1 (2) The Department of Human Services, the Oregon Health Authority and other state agencies
2 shall conduct their activities in the least costly and most efficient manner so that delivery of ser-
3 vices to persons with *[mental or emotional disturbances, developmental disabilities, alcoholism or drug*
4 *dependence, and persons who are alcohol or drug abusers,]* **mental health or substance use disor-**
5 **ders or intellectual or developmental disabilities** shall be effective and coordinated;

6 (3) To the greatest extent possible, mental health **and substance use disorder treatment** and
7 developmental disabilities services shall be delivered in the community where the person lives in
8 order to achieve maximum coordination of services and minimum disruption in the life of the person;
9 and

10 (4) The State of Oregon shall encourage, aid and financially assist its county governments *[in*
11 *the establishment and development of]* **and the nine federally recognized Indian tribes in this**
12 **state to establish and develop** community mental health programs or community developmental
13 disabilities programs*[, including but not limited to, treatment and rehabilitation services for persons*
14 *with mental or emotional disturbances, developmental disabilities, alcoholism or drug dependence, and*
15 *persons who are alcohol or drug abusers, and prevention of these problems through county adminis-*
16 *tered community mental health programs or community developmental disabilities programs]* **to pro-**
17 **vide services for persons with mental health or substance use disorders or intellectual or**
18 **developmental disabilities.**

19 SECTION 6. ORS 430.646 is amended to read:

20 430.646. In allocating funds for community mental health programs affecting persons with mental
21 *[or emotional disturbances]* **health or substance use disorders**, the Oregon Health Authority shall
22 observe the following priorities:

23 (1) To ensure the establishment and operation of community mental health programs for persons
24 with mental *[or emotional disturbances]* **health or substance use disorders** in every geographic
25 area of the state to provide some services in each category of services described in ORS 430.630 (3)
26 unless a waiver has been granted;

27 (2) To ensure survival of services that address the needs of persons within the priority of ser-
28 vices under ORS 430.644 and that meet authority standards;

29 (3) To develop the interest and capacity of community mental health programs to provide new
30 or expanded services to meet the needs for services under ORS 430.644 and to promote the equal
31 availability of such services throughout the state; and

32 (4) To encourage and assist in the development of model projects to test new **evidence-based**
33 services and innovative methods of service delivery.

34 SECTION 7. ORS 430.731 is amended to read:

35 430.731. (1) The Department of Human Services or a designee of the department shall conduct
36 the investigations and make the findings required by ORS 430.735 to 430.765.

37 (2) The department shall prescribe by rule policies and procedures for the investigations of
38 allegations of abuse of a person with a developmental disability as described in ORS 430.735 (2)(a)
39 to ensure that the investigations are conducted in a uniform, objective *[and]*, thorough **and timely**
40 manner in every county of the state including, but not limited to, policies and procedures that:

41 (a) Limit the duties of *[investigators]* **an investigator** solely to conducting and reporting investi-
42 gations of abuse, **unless the department has entered into a written agreement with the em-**
43 **ployer of the investigator that addresses any potential conflict of interest;**

44 (b) Establish investigator caseloads based upon the most appropriate investigator-to-complaint
45 ratios;

1 (c) Establish minimum qualifications for investigators that include the successful completion of
 2 training in identified competencies; and

3 (d) Establish procedures for the screening and investigation of abuse complaints and establish
 4 uniform standards for reporting the results of the investigation.

5 *[(3) A person employed by or under contract with the department, the designee of the department
 6 or a community developmental disabilities program to provide case management services may not serve
 7 as the lead investigator of an allegation of abuse of a person with a developmental disability.]*

8 *[(4)] (3) The department shall monitor investigations conducted by a designee of the department.*

9 **SECTION 8.** ORS 430.739 is amended to read:

10 430.739. (1) The district attorney in each county shall be responsible for developing county
 11 multidisciplinary teams to consist of but not be limited to personnel from the community mental
 12 health program, the community developmental disabilities program, the Department of Human Ser-
 13 vices or a designee of the department, the Oregon Health Authority or a designee of the authority,
 14 the local area agency on aging, the district attorney's office, law enforcement and an agency that
 15 advocates on behalf of individuals with disabilities, as well as others specially trained in the abuse
 16 of adults. A district attorney may delegate the responsibility to develop a county multidisciplinary
 17 team under this subsection to a designee or administrator who is or will be a member of the team
 18 pursuant to a written agreement.

19 (2) The teams shall develop a written protocol for immediate investigation of and notification
 20 procedures for cases of abuse of adults and for interviewing the victims. Each team also shall de-
 21 velop written agreements signed by member agencies that are represented on the team that specify:

- 22 (a) The role of each member agency;
- 23 (b) Procedures to be followed to assess risks to the adult;
- 24 (c) Guidelines for timely communication between member agencies; and
- 25 (d) Guidelines for completion of responsibilities by member agencies.

26 (3) Each team member shall have access to training in risk assessment, dynamics of abuse of
 27 adults and legally sound interview and investigatory techniques.

28 (4) All investigations of abuse of adults by the department or its designee or the authority or
 29 its designee and by law enforcement shall be carried out in a manner consistent with the protocols
 30 and procedures called for in this section.

31 (5) All information obtained by the team members in the exercise of their duties is confidential.

32 (6) Each team shall develop and implement procedures for evaluating and reporting compliance
 33 of member agencies with the protocols and procedures required under this section.

34 (7) Each team shall report to the *[Department of Justice and the Oregon Criminal Justice Com-*
 35 *mission]* **district attorney**, no later than July 1 of each year, the number of:

- 36 (a) Substantiated allegations of abuse of adults in the county for the preceding calendar year.
- 37 (b) Substantiated allegations of abuse referred to law enforcement because there was reasonable
 38 cause found that a crime had been committed.
- 39 (c) Allegations of abuse that were not investigated by law enforcement.
- 40 (d) Allegations of abuse that led to criminal charges.
- 41 (e) Allegations of abuse that led to prosecution.
- 42 (f) Allegations of abuse that led to conviction.

43 **SECTION 9.** ORS 430.743 is amended to read:

44 430.743. (1) When a report is required under ORS 430.765, an oral **or written** report shall be
 45 made immediately by telephone, **secure electronic means** or otherwise to the Department of Hu-

1 man Services, the designee of the department or a law enforcement agency within the county where
 2 the person making the report is at the time of contact. If known, the report shall include:

- 3 (a) The name, age and present location of the allegedly abused adult;
- 4 (b) The names and addresses of persons responsible for the adult's care;
- 5 (c) The nature and extent of the alleged abuse, including any evidence of previous abuse;
- 6 (d) Any information that led the person making the report to suspect that abuse has occurred
 7 plus any other information that the person believes might be helpful in establishing the cause of the
 8 abuse and the identity of the perpetrator; and
- 9 (e) The date of the incident.

10 (2) When a report is received by the department's designee under this section, the designee shall
 11 immediately determine whether abuse occurred and if the reported victim has sustained any serious
 12 injury. If so, the designee shall immediately notify the department. If there is reason to believe a
 13 crime has been committed, the designee shall immediately notify the law enforcement agency having
 14 jurisdiction within the county where the report was made. If the designee is unable to gain access
 15 to the allegedly abused adult, the designee may contact the law enforcement agency for assistance
 16 and the agency shall provide assistance. When a report is received by a law enforcement agency,
 17 the agency shall immediately notify the law enforcement agency having jurisdiction if the receiving
 18 agency does not. The receiving agency shall also immediately notify the department in cases of se-
 19 rious injury or death.

20 (3) Upon receipt of a report of abuse under this section, the department or its designee shall
 21 notify:

- 22 (a) The agency providing primary case management services to the adult; and
- 23 (b) The guardian or case manager of the adult, unless the notification would undermine the in-
 24 tegrity of the investigation because the guardian or case manager is suspected of committing abuse.

25 **SECTION 10.** ORS 430.010 is amended to read:

26 430.010. As used in this chapter:

27 (1) "Outpatient service" means:

- 28 (a) A program or service providing treatment by appointment and by:
 - 29 (A) Physicians licensed under ORS 677.100 to 677.228;
 - 30 (B) Psychologists licensed by the Oregon Board of Psychology under ORS 675.010 to 675.150;
 - 31 (C) Nurse practitioners licensed by the Oregon State Board of Nursing under ORS 678.010 to
 32 678.415;
 - 33 (D) Regulated social workers authorized to practice regulated social work by the State Board
 34 of Licensed Social Workers under ORS 675.510 to 675.600;
 - 35 (E) Professional counselors or marriage and family therapists licensed by the Oregon Board of
 36 Licensed Professional Counselors and Therapists under ORS 675.715 to 675.835; or
 - 37 (F) Naturopathic physicians licensed by the Oregon Board of Naturopathic Medicine under ORS
 38 chapter 685; or

39 (b) A program or service providing treatment by appointment that is licensed, approved, estab-
 40 lished, maintained, contracted with or operated by the authority under:

- 41 (A) ORS 430.265 to 430.380 and 430.610 to 430.880 for alcoholism;
- 42 (B) ORS 430.265 to 430.380, 430.405 to 430.565 and 430.610 to 430.880 for drug addiction; or
- 43 (C) ORS 430.610 to 430.880 for mental [or emotional disturbances] **health or substance use**
disorders.

45 (2) "Residential facility" means a program or facility [providing] **that provides** an organized

1 full-day or part-day program of treatment[. *Such a program or facility shall be*] **and that is** licensed,
2 approved, established, maintained, contracted with or operated by the authority under:
3 (a) ORS 430.265 to 430.380 and 430.610 to 430.880 for alcoholism;
4 (b) ORS 430.265 to 430.380, 430.405 to 430.565 and 430.610 to 430.880 for drug addiction; or
5 (c) ORS 430.610 to 430.880 for mental [*or emotional disturbances*] **health or substance use dis-**
6 **orders.**

7 **SECTION 11.** ORS 430.021 is amended to read:

8 430.021. Subject to ORS 417.300 and 417.305:

9 (1) The Department of Human Services shall directly or through contracts with private entities,
10 counties under ORS 430.620 or other public entities:

11 (a) Direct, promote, correlate and coordinate all the activities, duties and direct services for
12 persons with developmental disabilities.

13 (b) Promote, correlate and coordinate the developmental disabilities activities of all govern-
14 mental organizations throughout the state in which there is any direct contact with developmental
15 disabilities programs.

16 (c) Establish, coordinate, assist and direct a community developmental disabilities program in
17 cooperation with local government units and integrate such a program with the state developmental
18 disabilities program.

19 (d) Promote public education in this state concerning developmental disabilities and act as the
20 liaison center for work with all interested public and private groups and agencies in the field of
21 developmental disabilities services.

22 (2) The Oregon Health Authority shall directly or by contract with private or public entities:

23 (a) Direct, promote, correlate and coordinate all the activities, duties and direct services for
24 persons with mental [*or emotional disturbances, alcoholism or drug dependence*] **health or substance**
25 **use disorders.**

26 (b) Promote, correlate and coordinate the mental health activities of all governmental organ-
27 izations throughout the state in which there is any direct contact with mental health programs.

28 (c) Establish, coordinate, assist and direct a community mental health program in cooperation
29 with local government units and integrate such a program with the state mental health program.

30 (d) Promote public education in this state concerning mental health and act as the liaison center
31 for work with all interested public and private groups and agencies in the field of mental health
32 services.

33 (3) The department and the authority shall develop cooperative programs with interested private
34 groups throughout the state to effect better community awareness and action in the fields of mental
35 health and developmental disabilities, and encourage and assist in all necessary ways community
36 general hospitals to establish psychiatric services.

37 (4) To the greatest extent possible, the least costly settings for treatment, outpatient services
38 and residential facilities shall be widely available and utilized except when contraindicated because
39 of individual health care needs. State agencies that purchase treatment for mental [*or emotional*
40 *disturbances*] **health or substance use disorders** shall develop criteria consistent with this policy.
41 In reviewing applications for certificates of need, the Director of the Oregon Health Authority shall
42 take this policy into account.

43 (5) The department and the authority shall accept the custody of persons committed to its care
44 by the courts of this state.

45 (6) The authority shall adopt rules to require a facility and a nonhospital facility as those terms

1 are defined in ORS 426.005, and a provider that employs a person described in ORS 426.415, if sub-
 2 ject to authority rules regarding the use of restraint or seclusion during the course of mental health
 3 treatment of a child or adult, to report to the authority each calendar quarter the number of inci-
 4 dents involving the use of restraint or seclusion. The aggregate data shall be made available to the
 5 public.

6 **SECTION 12.** ORS 430.215 is amended to read:

7 430.215. (1) The Department of Human Services shall be responsible for planning, policy devel-
 8 opment, administration and delivery of services to children with developmental disabilities and their
 9 families. Services to children with developmental disabilities may include, but are not limited to,
 10 case management, family support, crisis and diversion services, intensive in-home services, and res-
 11 idential and foster care services. The department may deliver the services directly or through con-
 12 tracts with private entities, counties under ORS 430.620 or other public entities.

13 (2) The Oregon Health Authority shall be responsible for psychiatric residential and day treat-
 14 ment services for children with mental [*or emotional disturbances*] **health or substance use condi-**
 15 **tions.**

16 **SECTION 13.** ORS 430.265 is amended to read:

17 430.265. The Oregon Health Authority is authorized to contract with the federal government for
 18 services to [*alcohol and drug-dependent*] persons **with a substance use disorder** who are either
 19 residents or nonresidents of the State of Oregon.

20 **SECTION 14.** ORS 430.630 is amended to read:

21 430.630. (1) In addition to any other requirements that may be established by rule by the Oregon
 22 Health Authority, each community mental health program, subject to the availability of funds **ap-**
 23 **propriated or otherwise made available by the Legislative Assembly**, [*shall provide guidance and*
 24 *assistance to local Behavioral Health Resource Networks for the joint development of programs and*
 25 *activities to increase access to treatment and shall provide the following basic services to persons with*
 26 *alcoholism or drug dependence, and persons who are alcohol or drug abusers*] **shall provide or en-**
 27 **sure the provision of the following basic services for persons with or at risk of developing**
 28 **mental health or substance use disorders:**

29 (a) Outpatient services;

30 (b) Aftercare for persons released from hospitals;

31 (c) Training, case and program consultation and education for community agencies, related
 32 professions and the public;

33 (d) Guidance and assistance to other human service agencies for joint development of prevention
 34 programs and activities to reduce factors causing alcohol abuse, alcoholism, drug abuse and drug
 35 dependence; and

36 (e) Age-appropriate treatment options for older adults.

37 (2) As alternatives to state hospitalization, it is the responsibility of the community mental
 38 health program to ensure that, subject to the availability of funds, the following services for persons
 39 with alcoholism or drug dependence, and persons who are alcohol or drug abusers, are available
 40 when needed and approved by the Oregon Health Authority:

41 (a) Emergency services on a 24-hour basis, such as telephone consultation, crisis intervention
 42 and prehospital screening examination;

43 (b) Care and treatment for a portion of the day or night, which may include day treatment
 44 centers, work activity centers and after-school programs;

45 (c) Residential care and treatment in facilities such as halfway houses, detoxification centers

1 and other community living facilities;

2 (d) Continuity of care, such as that provided by service coordinators, community case develop-

3 ment specialists and core staff of federally assisted community mental health centers;

4 (e) Inpatient treatment in community hospitals; and

5 (f) Other alternative services to state hospitalization as defined by the Oregon Health Authority.

6 (3) In addition to any other requirements that may be established by rule of the Oregon Health

7 Authority, each community mental health program, subject to the availability of funds, shall provide

8 or ensure the provision of the following services to persons with mental [or *emotional disturbances*]

9 **health or substance use disorders:**

10 (a) Screening and evaluation to determine the client's service needs;

11 (b) Crisis stabilization to meet the needs of persons with acute mental [or *emotional*

12 *disturbances*] **health or substance use disorders**, including the costs of investigations and pre-

13 hearing detention in community hospitals or other facilities approved by the authority for persons

14 involved in involuntary commitment procedures;

15 (c) Vocational and social services that are appropriate for the client's age, designed to improve

16 the client's vocational, social, educational and recreational functioning;

17 (d) Continuity of care to link the client to housing and appropriate and available health and

18 social service needs;

19 (e) Psychiatric care in state and community hospitals, subject to the provisions of subsection (4)

20 of this section;

21 (f) Residential services;

22 (g) Medication monitoring;

23 (h) Individual, family and group counseling and therapy;

24 (i) Public education and information;

25 (j) Prevention of mental [or *emotional disturbances*] **health or substance use disorders** and

26 promotion of mental health;

27 (k) Consultation with other community agencies;

28 (L) Preventive mental health services for children and adolescents, including primary prevention

29 efforts, early identification and early intervention services. Preventive services should be patterned

30 after service models that have demonstrated effectiveness in reducing the incidence of emotional,

31 behavioral and cognitive disorders in children. As used in this paragraph:

32 (A) "Early identification" means detecting emotional disturbance in its initial developmental

33 stage;

34 (B) "Early intervention services" for children at risk of later development of emotional disturbances means programs and activities for children and their families that promote conditions, opportunities and experiences that encourage and develop emotional stability, self-sufficiency and increased personal competence; and

35 (C) "Primary prevention efforts" means efforts that prevent emotional problems from occurring

36 by addressing issues early so that disturbances do not have an opportunity to develop; and

37 (m) Preventive mental health services for older adults, including primary prevention efforts,

38 early identification and early intervention services. Preventive services should be patterned after

39 service models that have demonstrated effectiveness in reducing the incidence of emotional and be-

40 havioral disorders and suicide attempts in older adults. As used in this paragraph:

41 (A) "Early identification" means detecting emotional disturbance in its initial developmental

42 stage;

1 (B) "Early intervention services" for older adults at risk of development of emotional disturbances means programs and activities for older adults and their families that promote conditions, 2 opportunities and experiences that encourage and maintain emotional stability, self-sufficiency and 3 increased personal competence and that deter suicide; and

5 (C) "Primary prevention efforts" means efforts that prevent emotional problems from occurring 6 by addressing issues early so that disturbances do not have an opportunity to develop.

7 (4) A community mental health program shall assume responsibility for psychiatric care in state 8 and community hospitals, as provided in subsection (3)(e) of this section, in the following circum- 9 stances:

10 (a) The person receiving care is a resident of the county served by the program. For purposes 11 of this paragraph, "resident" means the resident of a county in which the person maintains a current 12 mailing address or, if the person does not maintain a current mailing address within the state, the 13 county in which the person is found, or the county in which a court-committed person with a mental 14 illness has been conditionally released.

15 (b) The person has been hospitalized involuntarily or voluntarily, pursuant to ORS 426.130 or 16 426.220, or has been hospitalized as the result of a revocation of conditional release.

17 (c) Payment is made for the first 60 consecutive days of hospitalization.

18 (d) The hospital has collected all available patient payments and third-party reimbursements.

19 (e) In the case of a community hospital, the authority has approved the hospital for the care of 20 persons with mental [or emotional disturbances] **health or substance use disorders**, the community 21 mental health program has a contract with the hospital for the psychiatric care of residents and a 22 representative of the program approves voluntary or involuntary admissions to the hospital prior to 23 admission.

24 (5) Subject to the review and approval of the Oregon Health Authority, a community mental 25 health program may initiate additional services after the services defined in this section are pro- 26 vided.

27 (6) Each community mental health program and the state hospital serving the program's geo- 28 graphic area shall enter into a written agreement concerning the policies and procedures to be 29 followed by the program and the hospital when a patient is admitted to, and discharged from, the 30 hospital and during the period of hospitalization.

31 (7) Each community mental health program shall have a mental health advisory committee, ap- 32 pointed by the board of county commissioners or the county court or, if two or more counties have 33 combined to provide mental health services, the boards or courts of the participating counties or, 34 in the case of a Native American reservation, the tribal council.

35 (8) A community mental health program may request and the authority may grant a waiver re- 36 garding provision of one or more of the services described in subsection (3) of this section upon a 37 showing by the county and a determination by the authority that persons with mental [or emotional 38 disturbances] **health or substance use disorders** in that county would be better served and un- 39 necessary institutionalization avoided.

40 (9)(a) As used in this subsection, "local mental health authority" means one of the following 41 entities:

42 (A) The board of county commissioners of one or more counties that establishes or operates a 43 community mental health program;

44 (B) The tribal council, in the case of a federally recognized tribe of Native Americans that elects 45 to enter into an agreement to provide mental health services; or

1 (C) A regional local mental health authority comprising two or more boards of county commis-
2 sioners.

3 (b) Each local mental health authority that provides mental health services shall determine the
4 need for local mental health services and adopt a comprehensive local plan for the delivery of
5 mental health services for children, families, adults and older adults that describes the methods by
6 which the local mental health authority shall provide those services. The purpose of the local plan
7 is to create a blueprint to provide mental health services that are directed by and responsive to the
8 mental health needs of individuals in the community served by the local plan. A local mental health
9 authority shall coordinate its local planning with the development of the community health im-
10 provement plan under ORS 414.575 by the coordinated care organization serving the area. The
11 Oregon Health Authority may require a local mental health authority to review and revise the local
12 plan periodically.

13 (c) The local plan shall identify ways to:

14 (A) Coordinate and ensure accountability for all levels of care described in paragraph (e) of this
15 subsection;

16 (B) Maximize resources for consumers and minimize administrative expenses;

17 (C) Provide supported employment and other vocational opportunities for consumers;

18 (D) Determine the most appropriate service provider among a range of qualified providers;

19 (E) Ensure that appropriate mental health referrals are made;

20 (F) Address local housing needs for persons with mental health disorders;

21 (G) Develop a process for discharge from state and local psychiatric hospitals and transition
22 planning between levels of care or components of the system of care;

23 (H) Provide peer support services, including but not limited to drop-in centers and paid peer
24 support;

25 (I) Provide transportation supports; and

26 (J) Coordinate services among the criminal and juvenile justice systems, adult and juvenile
27 corrections systems and local mental health programs to ensure that persons with mental illness
28 who come into contact with the justice and corrections systems receive needed care and to ensure
29 continuity of services for adults and juveniles leaving the corrections system.

30 (d) When developing a local plan, a local mental health authority shall:

31 (A) Coordinate with the budgetary cycles of state and local governments that provide the local
32 mental health authority with funding for mental health services;

33 (B) Involve consumers, advocates, families, service providers, schools and other interested par-
34 ties in the planning process;

35 (C) Coordinate with the local public safety coordinating council to address the services de-
36 scribed in paragraph (c)(J) of this subsection;

37 (D) Conduct a population based needs assessment to determine the types of services needed lo-
38 cally;

39 (E) Determine the ethnic, age-specific, cultural and diversity needs of the population served by
40 the local plan;

41 (F) Describe the anticipated outcomes of services and the actions to be achieved in the local
42 plan;

43 (G) Ensure that the local plan coordinates planning, funding and services with:

44 (i) The educational needs of children, adults and older adults;

45 (ii) Providers of social supports, including but not limited to housing, employment, transportation

1 and education; and

2 (iii) Providers of physical health and medical services;

3 (H) Describe how funds, other than state resources, may be used to support and implement the
4 local plan;

5 (I) Demonstrate ways to integrate local services and administrative functions in order to support
6 integrated service delivery in the local plan; and

7 (J) Involve the local mental health advisory committees described in subsection (7) of this sec-
8 tion.

9 (e) The local plan must describe how the local mental health authority will ensure the delivery
10 of and be accountable for clinically appropriate services in a continuum of care based on consumer
11 needs. The local plan shall include, but not be limited to, services providing the following levels of
12 care:

13 (A) Twenty-four-hour crisis services;

14 (B) Secure and nonsecure extended psychiatric care;

15 (C) Secure and nonsecure acute psychiatric care;

16 (D) Twenty-four-hour supervised structured treatment;

17 (E) Psychiatric day treatment;

18 (F) Treatments that maximize client independence;

19 (G) Family and peer support and self-help services;

20 (H) Support services;

21 (I) Prevention and early intervention services;

22 (J) Transition assistance between levels of care;

23 (K) Dual diagnosis services;

24 (L) Access to placement in state-funded psychiatric hospital beds;

25 (M) Precommitment and civil commitment in accordance with ORS chapter 426; and

26 (N) Outreach to older adults at locations appropriate for making contact with older adults, in-
27 cluding senior centers, long term care facilities and personal residences.

28 (f) In developing the part of the local plan referred to in paragraph (c)(J) of this subsection, the
29 local mental health authority shall collaborate with the local public safety coordinating council to
30 address the following:

31 (A) Training for all law enforcement officers on ways to recognize and interact with persons
32 with mental illness, for the purpose of diverting them from the criminal and juvenile justice systems;

33 (B) Developing voluntary locked facilities for crisis treatment and follow-up as an alternative
34 to custodial arrests;

35 (C) Developing a plan for sharing a daily jail and juvenile detention center custody roster and
36 the identity of persons of concern and offering mental health services to those in custody;

37 (D) Developing a voluntary diversion program to provide an alternative for persons with mental
38 illness in the criminal and juvenile justice systems; and

39 (E) Developing mental health services, including housing, for persons with mental illness prior
40 to and upon release from custody.

41 (g) Services described in the local plan shall:

42 (A) Address the vision, values and guiding principles described in the Report to the Governor
43 from the Mental Health Alignment Workgroup, January 2001;

44 (B) Be provided to children, older adults and families as close to their homes as possible;

45 (C) Be culturally appropriate and competent;

1 (D) Be, for children, older adults and adults with mental health needs, from providers appropriate
2 to deliver those services;

3 (E) Be delivered in an integrated service delivery system with integrated service sites or processes,
4 and with the use of integrated service teams;

5 (F) Ensure consumer choice among a range of qualified providers in the community;

6 (G) Be distributed geographically;

7 (H) Involve consumers, families, clinicians, children and schools in treatment as appropriate;

8 (I) Maximize early identification and early intervention;

9 (J) Ensure appropriate transition planning between providers and service delivery systems, with
10 an emphasis on transition between children and adult mental health services;

11 (K) Be based on the ability of a client to pay;

12 (L) Be delivered collaboratively;

13 (M) Use age-appropriate, research-based quality indicators;

14 (N) Use best-practice innovations; and

15 (O) Be delivered using a community-based, multisystem approach.

16 (h) A local mental health authority shall submit to the Oregon Health Authority a copy of the
17 local plan and revisions adopted under paragraph (b) of this subsection at time intervals established
18 by the Oregon Health Authority.

19 SECTION 15. ORS 430.640 is amended to read:

20 430.640. (1) The Oregon Health Authority, in carrying out the legislative policy declared in ORS
21 430.610, subject to the availability of funds, shall:

22 (a) Assist Oregon counties and groups of Oregon counties in the establishment and financing
23 of community mental health programs operated or contracted for by one or more counties.

24 (b) If a county declines to operate or contract for a community mental health program, contract
25 with another public agency or private corporation to provide the program. The county must be
26 provided with an opportunity to review and comment.

27 (c) In an emergency situation when no community mental health program is operating within a
28 county or when a county is unable to provide a service essential to public health and safety, operate
29 the program or service on a temporary basis.

30 (d) *[At the request of the tribal council of a federally recognized tribe of Native Americans, contract
31 with the tribal council for the establishment and operation of a community mental health program in
32 the same manner in which the authority contracts with a county court or board of county commissioners.]* **If one of the nine federally recognized tribes in this state decides to establish and operate a community mental health program, assist the tribe in the establishment and financing of a community mental health program in the same manner that the authority assists other community mental health programs.**

37 (e) If a county agrees, contract with a public agency or private corporation for all services
38 within one or more of the following program areas:

39 (A) Mental *[or emotional disturbances]* **health disorders.**

40 (B) *[Drug abuse]* **Substance use disorders.**

41 *[(C) Alcohol abuse and alcoholism.]*

42 (f) Approve or disapprove the local plan and budget information for the establishment and operation
43 of each community mental health program. Subsequent amendments to or modifications of
44 an approved plan or budget information involving more than 10 percent of the state funds provided
45 for services under ORS 430.630 may not be placed in effect without prior approval of the authority.

1 However, an amendment or modification affecting 10 percent or less of state funds for services under
2 ORS 430.630 within the portion of the program for persons with mental [*or emotional disturbances*]
3 **health disorders** or within the portion for persons with [*alcohol or drug dependence*] **substance use**
4 **disorders** may be made without authority approval.

5 (g) Make all necessary and proper rules to govern the establishment and operation of community
6 mental health programs, including adopting rules defining the range and nature of the services
7 which shall or may be provided under ORS 430.630.

8 (h) Collect data and evaluate services in the state hospitals [*in accordance with the same methods*
9 *prescribed for community mental health programs under ORS 430.634*].

10 (i) Develop guidelines that include, for the development of comprehensive local plans in consulta-
11 tion with local mental health authorities:

12 (A) The use of integrated services;
13 (B) The outcomes expected from services and programs provided;
14 (C) Incentives to reduce the use of state hospitals;
15 (D) Mechanisms for local sharing of risk **and savings** for state hospitalization;
16 (E) The provision of clinically appropriate levels of care based on an assessment of the mental
17 health needs of consumers;
18 (F) The transition of consumers between levels of care; and
19 (G) The development, maintenance and continuation of older adult mental health programs with
20 mental health professionals trained in geriatrics.

21 (j) Work with local mental health authorities to provide incentives for community-based care
22 whenever appropriate while simultaneously ensuring adequate statewide capacity.

23 (k) Provide technical assistance and information regarding state and federal requirements to
24 local mental health authorities throughout the local planning process required under ORS 430.630
25 (9).

26 (L) Provide incentives for local mental health authorities to enhance or increase vocational
27 placements for adults with mental health needs.

28 (m) Develop or adopt nationally recognized system-level performance measures, linked to the
29 Oregon Benchmarks, for state-level monitoring and reporting of mental health services for children,
30 adults and older adults, including but not limited to quality and appropriateness of services, out-
31 comes from services, structure and management of local plans, prevention of mental health disorders
32 and integration of mental health services with other needed supports.

33 (n) Develop standardized criteria for each level of care described in ORS 430.630 (9), including
34 protocols for implementation of local plans, strength-based mental health assessment and case plan-
35 ning.

36 (o) Develop a comprehensive long-term plan for providing appropriate and adequate mental
37 health treatment and services to children, adults and older adults that is derived from the needs
38 identified in local plans, is consistent with the vision, values and guiding principles in the Report
39 to the Governor from the Mental Health Alignment Workgroup, January 2001, and addresses the
40 need for and the role of state hospitals.

41 (p) Report biennially to the Governor and the Legislative Assembly on the progress of the local
42 planning process and the implementation of the local plans adopted under ORS 430.630 (9)(b) and the
43 state planning process described in paragraph (o) of this subsection, and on the performance meas-
44 ures and performance data available under paragraph (m) of this subsection.

45 (q) On a periodic basis, not to exceed 10 years, reevaluate the methodology used to estimate

1 prevalence and demand for mental health services using the most current nationally recognized
2 models and data.

3 (r) Encourage the development of regional local mental health authorities comprised of two or
4 more boards of county commissioners that establish or operate a community mental health program.

5 (2) The Oregon Health Authority may provide technical assistance and other incentives to assist
6 in the planning, development and implementation of regional local mental health authorities when-
7 ever the Oregon Health Authority determines that a regional approach will optimize the compre-
8 hensive local plan described under ORS 430.630 (9).

9 (3) The enumeration of duties and functions in subsections (1) and (2) of this section shall not
10 be deemed exclusive nor construed as a limitation on the powers and authority vested in the au-
11 thority by other provisions of law.

12 **SECTION 16.** ORS 430.644 is amended to read:

13 430.644. Within the limits of available funds, community mental health programs shall provide
14 those services as defined in ORS 430.630 (3)(a) to (h) to persons in the following order of priority:

15 (1) Those persons who, in accordance with the assessment of professionals in the field of mental
16 health, are at immediate risk of hospitalization for the treatment of mental [*or emotional disturbances*] **health disorders** or are in need of continuing services to avoid hospitalization or pose a
17 hazard to the health and safety of themselves, including the potential for suicide, or others and those
18 persons under 18 years of age who, in accordance with the assessment of professionals in the field
19 of mental health, are at immediate risk of removal from their homes for treatment of mental [*or emotional disturbances*] **health conditions** or exhibit behavior indicating high risk of developing
20 [*disturbances*] **conditions** of a severe or persistent nature;

21 (2) Those persons who, because of the nature of their mental illness, their geographic location
22 or their family income, are least capable of obtaining assistance from the private sector; and

23 (3) Those persons who, in accordance with the assessment of professionals in the field of mental
24 health, are experiencing mental [*or emotional disturbances*] **health disorders** but will not require
25 hospitalization in the foreseeable future.

26 **SECTION 17.** ORS 430.695 is amended to read:

27 430.695. (1) Any program fees, third-party reimbursements, contributions or funds from any
28 source, except client resources applied toward the cost of care in group homes for persons with
29 developmental disabilities or mental illness and client resources and third-party payments for com-
30 munity psychiatric inpatient care, received by a community mental health program or a community
31 developmental disabilities program are not an offset to the costs of the services and may not be
32 applied to reduce the program's eligibility for state funds, providing the funds are expended for
33 mental health or developmental disabilities services approved by the Oregon Health Authority or the
34 Department of Human Services.

35 (2) Within the limits of available funds, the authority and the department may contract for spe-
36 cialized, statewide and regional services including but not limited to group homes for persons with
37 developmental disabilities or mental [*or emotional disturbances*] **health or substance use**
38 **disorders**, day and residential treatment programs for children and adolescents with mental [*or*
39 *emotional disturbances*] **health or substance use conditions** and community services for clients of
40 the Psychiatric Security Review Board under ORS 161.315 to 161.351.

41 (3) Fees and third-party reimbursements, including all amounts paid pursuant to Title XIX of the
42 Social Security Act by the Department of Human Services or the Oregon Health Authority, for
43 mental health services or developmental disabilities services and interest earned on those fees and

1 reimbursements shall be retained by the community mental health program or community develop-
 2 mental disabilities program and expended for any service that meets the standards of ORS 430.630
 3 or 430.662.

4 **SECTION 18.** ORS 430.705 is amended to read:

5 430.705. Notwithstanding ORS 430.640, the State of Oregon, through the Oregon Health Au-
 6 thority, may establish the necessary facilities and provide comprehensive mental health services for
 7 children throughout the state. These services may include, but need not be limited to:

8 (1) The prevention of [*mental illness, emotional disturbances and drug dependency*] **mental health**
 9 **or substance abuse conditions** in children; and
 10 (2) The treatment of children with mental [*illness, emotional disturbances and drug dependency*]
 11 **health or substance use conditions**.

12 **SECTION 19.** ORS 430.709 is amended to read:

13 430.709. (1) In accordance with ORS 430.357, and consistent with the budget priority policies
 14 adopted by the Alcohol and Drug Policy Commission, the Oregon Health Authority may fund re-
 15 gional centers for the treatment of adolescents with [*drug and alcohol dependencies*] **a substance**
 16 **use condition**.

17 (2) The authority shall define by rule a minimum number of inpatient beds and outpatient slots
 18 necessary for effective treatment and economic operation of any regional center funded by state
 19 funds.

20 (3) The areas to be served by any treatment facility shall be determined by the following:

21 (a) Areas that demonstrate the most need;
 22 (b) Areas with no treatment program or an inadequate program; and
 23 (c) Areas where there is strong, organized community support for youth treatment programs.

24 (4) The area need is determined by the local planning committee for alcohol and drug prevention
 25 and treatment services under ORS 430.342 using the following information:

26 (a) Current area youth admissions to treatment programs;
 27 (b) Per capita consumption of alcohol in the area;
 28 (c) Percentage of area population between 10 and 18 years of age;
 29 (d) Whether the area has effective, specialized outpatient and early intervention services in
 30 place;
 31 (e) Whether the area suffers high unemployment and economic depression; and
 32 (f) Other evidence of need.

33 (5) As used in this section, "regional center" means a community residential treatment facility
 34 including intensive residential and outpatient care for adolescents with [*drug and alcohol depend-
 35 encies*] **a substance use condition**.

36 **SECTION 20.** ORS 430.905 is amended to read:

37 430.905. The Legislative Assembly declares:

38 [(1) *Because the growing numbers of pregnant substance users and drug- and alcohol-affected in-
 39 fants place a heavy financial burden on Oregon's taxpayers and those who pay for health care, it is
 40 the policy of this state to take effective action that will minimize these costs.*]

41 [(2)] (1) Special attention must be focused on preventive programs and services directed at
 42 women at risk of becoming pregnant substance users as well as on pregnant women who use sub-
 43 stances or who are at risk of substance use or abuse.

44 [(3)] (2) It is the policy of this state to achieve desired results such as alcohol- and drug-free
 45 pregnant women and healthy infants through a holistic approach covering the following categories

1 of needs:

- 2 (a) Biological-physical need, including but not limited to detoxification, dietary and obstetrical.
- 3 (b) Psychological need, including but not limited to support, treatment for anxiety, depression
- 4 and low self-esteem.
- 5 (c) Instrumental need, including but not limited to child care, transportation to facilitate the
- 6 receipt of services and housing.
- 7 (d) Informational and educational needs, including but not limited to prenatal and postpartum
- 8 health, substance use and parenting.

9 **SECTION 21.** ORS 430.380 is amended to read:

10 430.380. (1) There is established in the General Fund of the State Treasury an account to be
 11 known as the Mental Health [*Alcoholism and Drug Services*] **and Substance Use** Account. Moneys
 12 deposited in the account are continuously appropriated for the purposes of ORS 430.345 to 430.380
 13 and to provide funding for sobering facilities registered under ORS 430.262. Moneys deposited in the
 14 account may be invested in the manner prescribed in ORS 293.701 to 293.857.

15 (2) Forty percent of the moneys in the Mental Health [*Alcoholism and Drug Services*] **and**
 16 **Substance Use** Account shall be continuously appropriated to the counties on the basis of popu-
 17 lation. The counties must use the moneys for the establishment, operation and maintenance of al-
 18 cohol and drug abuse prevention, early intervention and treatment services and for local matching
 19 funds under ORS 430.345 to 430.380. The counties may use up to 10 percent of the moneys appro-
 20 priated under this subsection to provide funds for sobering facilities registered under ORS 430.262.

21 (3) Forty percent of the moneys shall be continuously appropriated to the Oregon Health Au-
 22 thority to be used for state matching funds to counties for alcohol and drug abuse prevention, early
 23 intervention and treatment services pursuant to ORS 430.345 to 430.380. The authority may use up
 24 to 10 percent of the moneys appropriated under this subsection for matching funds to counties for
 25 sobering facilities registered under ORS 430.262.

26 (4) Twenty percent of the moneys shall be continuously appropriated to the Oregon Health Au-
 27 thority to be used for alcohol and drug abuse prevention, early intervention and treatment services
 28 for adults in custody of correctional and penal institutions and for parolees therefrom and for
 29 probationers as provided pursuant to rules of the authority. However, prior to expenditure of mon-
 30 eys under this subsection, the authority must present its program plans for approval to the appro-
 31 priate legislative body which is either the Joint Ways and Means Committee during a session of the
 32 Legislative Assembly or the Emergency Board during the interim between sessions.

33 (5) Counties and state agencies:

34 (a) May not use moneys appropriated to counties and state agencies under subsections (1) to (4)
 35 of this section for alcohol and drug prevention and treatment services that do not meet or exceed
 36 minimum standards established under ORS 430.357; and

37 (b) Shall include in all grants and contracts with providers of alcohol and drug prevention and
 38 treatment services a contract provision that the grant or contract may be terminated by the county
 39 or state agency if the provider does not meet or exceed the minimum standards adopted by the
 40 Oregon Health Authority pursuant to ORS 430.357. A county or state agency may not be penalized
 41 and is not liable for the termination of a contract under this section.

42 **SECTION 22.** ORS 430.366 is amended to read:

43 430.366. (1) Every proposal for alcohol and drug abuse prevention, early intervention and treat-
 44 ment services received from an applicant shall contain:

45 (a) A clear statement of the goals and objectives of the program for the following fiscal year,

1 including the number of persons to be served and methods of measuring the success of services
2 rendered;

3 (b) A description of services to be funded; and

4 (c) A statement of the minorities to be served, if a minority program.

5 (2) Each grant recipient and provider of alcohol and drug abuse prevention, early intervention
6 and treatment services funded with moneys from the Mental Health *[Alcoholism and Drug*
7 **Services] and Substance Use** Account established by ORS 430.380 shall report to the Alcohol and
8 Drug Policy Commission all data regarding the services in the form and manner prescribed by the
9 commission. This subsection does not apply to sobering facilities that receive moneys under ORS
10 430.380.

11 **SECTION 23.** ORS 471.810 is amended to read:

12 471.810. (1) At the end of each month, the Oregon Liquor and Cannabis Commission shall certify
13 the amount of moneys available for distribution in the Oregon Liquor and Cannabis Commission
14 Account and, after withholding such moneys as it may deem necessary to pay its outstanding obli-
15 gations, shall within 35 days of the month for which a distribution is made direct the State Treas-
16 uryer to pay the amounts due, upon warrants drawn by the Oregon Department of Administrative
17 Services, as follows:

18 (a) Fifty-six percent, or the amount remaining after the distribution under subsection (4) of this
19 section, credited to the General Fund available for general governmental purposes wherein it shall
20 be considered as revenue during the quarter immediately preceding receipt;

21 (b) Twenty percent to the cities of the state in such shares as the population of each city bears
22 to the population of the cities of the state, as determined by Portland State University last preceding
23 such apportionment, under ORS 190.510 to 190.610;

24 (c) Ten percent to counties in such shares as their respective populations bear to the total
25 population of the state, as estimated from time to time by Portland State University; and

26 (d) Fourteen percent to the cities of the state to be distributed as provided in ORS 221.770 and
27 this section.

28 (2) The commission shall direct the Oregon Department of Administrative Services to transfer
29 50 percent of the revenues from the taxes imposed by ORS 473.030 and 473.035 to the Mental Health
30 *[Alcoholism and Drug Services] and Substance Use* Account in the General Fund to be paid
31 monthly as provided in ORS 430.380.

32 (3) If the amount of revenues received from the taxes imposed by ORS 473.030 for the preceding
33 month was reduced as a result of credits claimed under ORS 473.047, the commission shall compute
34 the difference between the amounts paid or transferred as described in subsections (1)(b), (c) and (d)
35 and (2) of this section and the amounts that would have been paid or transferred under subsections
36 (1)(b), (c) and (d) and (2) of this section if no credits had been claimed. The commission shall direct
37 the Oregon Department of Administrative Services to pay or transfer amounts equal to the differ-
38 ences computed for subsections (1)(b), (c) and (d) and (2) of this section from the General Fund to
39 the recipients or accounts described in subsections (1)(b), (c) and (d) and (2) of this section.

40 (4) Notwithstanding subsection (1) of this section, no city or county shall receive for any fiscal
41 year an amount less than the amount distributed to the city or county in accordance with ORS
42 471.350 (1965 Replacement Part), 473.190 and 473.210 (1965 Replacement Part) and this section dur-
43 ing the 1966-1967 fiscal year unless the city or county had a decline in population as shown by its
44 census. If the population declined, the per capita distribution to the city or county shall be not less
45 than the total per capita distribution during the 1966-1967 fiscal year. Any additional funds required

1 to maintain the level of distribution under this subsection shall be paid from funds credited under
2 subsection (1)(a) of this section.

3 (5) Notwithstanding subsection (1) of this section, amounts to be distributed from the Oregon
4 Liquor and Cannabis Commission Account that are attributable to a per bottle surcharge imposed
5 by the Oregon Liquor and Cannabis Commission, shall be credited to the General Fund.

6 **SECTION 24.** ORS 430.560 is amended to read:

7 430.560. (1) The Oregon Health Authority shall adopt rules to establish requirements, in ac-
8 cordance with ORS 430.357, for drug treatment programs that contract with the authority and that
9 involve:

10 (a) [*Detoxification*] **Withdrawal management; and**

11 (b) [*Detoxification*] **Withdrawal management** with acupuncture and counseling[; and]

12 [*(c) The supplying of synthetic opiates to such persons under close supervision and control. How-
ever, the supplying of synthetic opiates shall be used only when detoxification or detoxification with
acupuncture and counseling has proven ineffective or upon a written request of a physician licensed
by the Oregon Medical Board or a naturopathic physician licensed by the Oregon Board of
Naturopathic Medicine showing medical need for synthetic opiates. A copy of the request must be in-
cluded in the client's permanent treatment and releasing authority records.*

18 (2) [*Notwithstanding subsection (1) of this section, synthetic opiates*] **Medication for opioid use**
19 may be made available to a pregnant woman with her informed consent without prior resort to the
20 treatment programs described in subsection (1)[(a) and (b)] of this section.

21 **SECTION 25. ORS 430.315, 430.345, 430.368, 430.565 and 430.634 are repealed.**

22 **SECTION 26.** ORS 430.306 is amended to read:

23 430.306. As used in ORS 430.262, [430.315,] 430.335, 430.342, 430.397, 430.399, 430.401, 430.402,
24 430.420 and 430.630, unless the context requires otherwise:

25 (1) “Alcoholic” means any person who has lost the ability to control the use of alcoholic
26 beverages, or who uses alcoholic beverages to the extent that the health of the person or that of
27 others is substantially impaired or endangered or the social or economic function of the person is
28 substantially disrupted. An alcoholic may be physically dependent, a condition in which the body
29 requires a continuing supply of alcohol to avoid characteristic withdrawal symptoms, or
30 psychologically dependent, a condition characterized by an overwhelming mental desire for contin-
31 ued use of alcoholic beverages.

32 (2) “Detoxification center” means a publicly or privately operated profit or nonprofit facility
33 approved by the Oregon Health Authority that provides emergency care or treatment for alcoholics
34 or drug-dependent persons.

35 (3) “Director of the treatment facility” means the person in charge of treatment and rehabili-
36 tation programs at a treatment facility.

37 (4) “Drug-dependent person” means one who has lost the ability to control the personal use of
38 controlled substances or other substances with abuse potential, or who uses such substances or
39 controlled substances to the extent that the health of the person or that of others is substantially
40 impaired or endangered or the social or economic function of the person is substantially disrupted.
41 A drug-dependent person may be physically dependent, a condition in which the body requires a
42 continuing supply of a drug or controlled substance to avoid characteristic withdrawal symptoms,
43 or psychologically dependent, a condition characterized by an overwhelming mental desire for con-
44 tinued use of a drug or controlled substance.

45 (5) “Halfway house” means a publicly or privately operated profit or nonprofit, residential fa-

1 cility approved by the authority that provides rehabilitative care and treatment for alcoholics or
 2 drug-dependent persons.

3 (6) "Local planning committee" means a local planning committee for alcohol and drug pre-
 4 vention and treatment services appointed or designated by the county governing body under ORS
 5 430.342.

6 (7) "Police officer" means a member of a law enforcement unit who is employed on a part-time
 7 or full-time basis as a peace officer, commissioned by a city, a county or the Department of State
 8 Police and responsible for enforcing the criminal laws of this state and any person formally
 9 deputized by the law enforcement unit to take custody of a person who is intoxicated or under the
 10 influence of controlled substances.

11 (8) "Sobering facility" means a facility that meets all of the following criteria:

12 (a) The facility operates for the purpose of providing to individuals who are acutely intoxicated
 13 a safe, clean and supervised environment until the individuals are no longer acutely intoxicated.

14 (b) The facility contracts with or is affiliated with a treatment program or a provider approved
 15 by the authority to provide addiction treatment, and the contract or affiliation agreement includes,
 16 but is not limited to, case consultation, training and advice and a plan for making referrals to ad-
 17 diction treatment.

18 (c) The facility, in consultation with the addiction treatment program or provider, has adopted
 19 comprehensive written policies and procedures incorporating best practices for the safety of
 20 intoxicated individuals, employees of the facility and volunteers at the facility.

21 (d) The facility is registered with the Oregon Health Authority under ORS 430.262.

22 (9) "Treatment facility" includes outpatient facilities, inpatient facilities and other facilities the
 23 authority determines suitable and that provide services that meet minimum standards established
 24 under ORS 430.357, any of which may provide diagnosis and evaluation, medical care, detoxification,
 25 social services or rehabilitation for alcoholics or drug-dependent persons and which operate in the
 26 form of a general hospital, a state hospital, a foster home, a hostel, a clinic or other suitable form
 27 approved by the authority.

28 **SECTION 27.** ORS 430.401 is amended to read:

29 430.401. A police officer, person acting under the authority of a mobile crisis intervention team
 30 as defined in ORS 430.626, physician, naturopathic physician, physician associate, nurse practitioner,
 31 judge, treatment facility, treatment facility staff member or sobering facility, or the staff of the so-
 32 bering facility, may not be held criminally or civilly liable for actions pursuant to ORS [430.315,]
 33 430.335, 430.397 to 430.401 and 430.402 provided the actions are in good faith, on probable cause and
 34 without malice.

35 **SECTION 28.** ORS 137.300 is amended to read:

36 137.300. (1) The Criminal Fine Account is established in the General Fund. Except as otherwise
 37 provided by law, all amounts collected in state courts as monetary obligations in criminal actions
 38 shall be deposited by the courts in the account. All moneys in the account are continuously appro-
 39 priated to the Department of Revenue to be distributed by the Department of Revenue as provided
 40 in this section. The Department of Revenue shall keep a record of moneys transferred into and out
 41 of the account.

42 (2) The Legislative Assembly shall first allocate moneys from the Criminal Fine Account for the
 43 following purposes, in the following order of priority:

44 (a) Allocations for public safety standards, training and facilities.

45 (b) Allocations for criminal injuries compensation and assistance to victims of crime and chil-

1 dren reasonably suspected of being victims of crime.

2 (c) Allocations for the forensic services provided by the Oregon State Police, including, but not
3 limited to, services of the Chief Medical Examiner.

4 (d) Allocations for the maintenance and operation of the Law Enforcement Data System.

5 (3) After making allocations under subsection (2) of this section, the Legislative Assembly shall
6 allocate moneys from the Criminal Fine Account for the following purposes:

7 (a) Allocations to the Law Enforcement Medical Liability Account established under ORS
8 414.815.

9 (b) Allocations to the State Court Facilities and Security Account established under ORS 1.178.

10 (c) Allocations to the Department of Corrections for the purpose of planning, operating and
11 maintaining county juvenile and adult corrections programs and facilities and drug and alcohol
12 programs.

13 *[(d) Allocations to the Oregon Health Authority for the purpose of grants under ORS 430.345 for
14 the establishment, operation and maintenance of alcohol and drug abuse prevention, early intervention
15 and treatment services provided through a county.]*

16 *[(e)] (d) Allocations to the Oregon State Police for the purpose of the enforcement of the laws
17 relating to driving under the influence of intoxicants.*

18 *[(f)] (e) Allocations to the Arrest and Return Account established under ORS 133.865.*

19 *[(g)] (f) Allocations to the Intoxicated Driver Program Fund established under ORS 813.270.*

20 *[(h)] (g) Allocations to the State Court Technology Fund established under ORS 1.012.*

21 (4) It is the intent of the Legislative Assembly that allocations from the Criminal Fine Account
22 under subsection (3) of this section be consistent with historical funding of the entities, programs
23 and accounts listed in subsection (3) of this section from monetary obligations imposed in criminal
24 proceedings. Amounts that are allocated under subsection (3)(c) of this section shall be distributed
25 to counties based on the amounts that were transferred to counties by circuit courts during the
26 2009-2011 biennium under the provisions of ORS 137.308, as in effect January 1, 2011.

27 (5) Moneys in the Criminal Fine Account may not be allocated for the payment of debt service
28 obligations.

29 (6) The Department of Revenue shall deposit in the General Fund all moneys remaining in the
30 Criminal Fine Account after the distributions listed in subsections (2) and (3) of this section have
31 been made.

32 (7) The Department of Revenue shall establish by rule a process for distributing moneys in the
33 Criminal Fine Account. The department may not distribute more than one-eighth of the total
34 biennial allocation to an entity during a calendar quarter.

35 **SECTION 29.** ORS 430.370 is amended to read:

36 430.370. (1) A county may provide alcohol and drug abuse prevention, early intervention and
37 treatment services by contracting therefor with public or private, profit or nonprofit agencies. A
38 county entering into such a contract shall receive grants under ORS 430.345 to 430.380 only if the
39 contracting agency *[meets the requirements of ORS 430.345 or]* is a sobering facility registered under
40 ORS 430.262.

41 (2) A city and county, or any combination thereof, may enter into a written agreement, as pro-
42 vided in ORS 190.003 to 190.620, jointly to establish, operate and maintain alcohol and drug abuse
43 prevention, early intervention and treatment services.