

February 3, 2026

The Honorable Senator Sara Gelser Blouin, Chair
The Honorable Senator Diane Linthicum, Vice Chair
Senate Human Services Committee
900 Court Street NE
State Capitol
Salem, OR 97301

SUBJECT: OHA Feedback on Senate Bill 1532

Chair Gelser Blouin, Vice Chair Linthicum and members of the committee,

OHA appreciates the opportunity to provide information on SB 1532 and potential impacts of the bill as currently written.

SB 1532 covers important topics to ensure that children and young adults can access developmentally appropriate and necessary treatment services, including out-of-state, when unavailable in Oregon.

OHA believes the bill could be improved through possible amendments to Sections 2, 8(b) and 9.

Specifically:

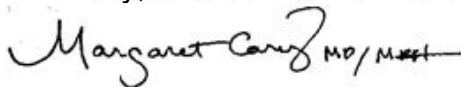
1. Throughout the bill, when referencing residential treatment services, consider using the term treatment instead of placement. This has implications for Medicaid coverability.
2. Section 2: Recommend adding language for clarity that all video or other electronic monitoring must comply with HIPAA and privacy laws, as health care treatment can occur in a client's room, not just at a residential care facility.
3. Section 8(b): Revise the language to "The placement is operated or funded by the Indian Health Service, a Tribe or Tribal Organization, or an Urban Indian Health Program, or an organization licensed, approved, or certified through a process established by the child's Tribe; and"
4. Section 9: Revise the language to access to "out-of-state inpatient or residential treatment facility."
 - Creating a separate classification for residential eating disorder programs would result in significant fiscal impact, require a state plan change, and potentially limit access to required care.
 - Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Medicaid policy allows *and* requires any medically necessary and medically appropriate service, as determined by a licensed practitioner, to be covered even if the service is not in the state plan and/or available out of state.
 - Oregon's State Medicaid Plan, the Oregon Health Plan, does cover psychiatric residential treatment facilities (PRTF). This includes residential treatment facilities

that exclusively specialize in eating disorder treatment and that also meet all PRTF state and federal rules and regulations, which includes accreditation by a recognized organization.

- Oregon's State Medicaid Plan does not cover residential eating disorder treatment programs that are that are designated as distinct treatment programs and do not meet PRTF regulations.
- While this bill seems to intend to extend specialty residential services to youth currently unable to access them, by limiting access of out-of-state residential treatment programs to only eating disorder programs and removing the flexibility of all PRTF level of care, this actually creates a barrier to highly specialized care. Revising the language to allow youth to access an "out-of-state inpatient or residential treatment facility" would include programs that treat youth with eating disorders **and** other co-occurring mental health conditions or substance use disorders. Without this change, there could be significant Medicaid coverage gaps and bureaucratic complexities. In addition, creating a new eating disorder treatment only service type would require significant investment and complications for our current in-state system.
- There is significant benefit for requiring that all residential treatment programs be PRTFs, regardless of whether they specialize in certain treatments or mental health conditions. This sets a universal expectation that these programs are accredited by an external organization and are licensed in Oregon.

Thank you for the opportunity to share this feedback.

Sincerely,

A handwritten signature in black ink that reads "Margaret Cary MD, MPH". The signature is fluid and cursive.

Margaret Cary, MD, MPH
Behavioral Health Medical Director
Medicaid Division
Oregon Health Authority