

Enrolled
House Bill 3536

Sponsored by Representatives PARRISH, TOMEI; Representatives FREDERICK, GILLIAM,
GREENLICK, HARKER, THOMPSON, WEIDNER

CHAPTER

AN ACT

Relating to medical assistance; creating new provisions; amending ORS 411.439; and declaring an emergency.

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

SECTION 1. (1) The Department of Human Services or the Oregon Health Authority shall suspend, instead of terminate, the medical assistance of a person who becomes an inmate of a local correctional facility, as defined in ORS 169.005, and who is expected to remain in the local correctional facility for no more than 12 months.

(2) Upon notification that a person described in subsection (1) of this section is no longer an inmate residing in a local correctional facility, the department or the authority shall reinstate the person’s medical assistance if the person is eligible for medical assistance.

(3) This section does not extend eligibility to an otherwise ineligible person or extend medical assistance to a person if matching federal funds are not available to pay for the medical assistance.

SECTION 2. ORS 411.439 is amended to read:

411.439. (1) As used in this section:

(a) “Person with a serious mental illness” means a person who is diagnosed by a psychiatrist, a licensed clinical psychologist or a certified nonmedical examiner as having dementia, schizophrenia, bipolar disorder, major depression or other affective disorder or psychotic mental disorder other than a disorder caused primarily by substance abuse.

(b) “Public institution” means:

- (A) A state hospital as defined in ORS 162.135;
- (B) A local correctional facility as defined in ORS 169.005;
- (C) A Department of Corrections institution as defined in ORS 421.005; or
- (D) A youth correction facility as defined in ORS 162.135.

(2) Except as provided in subsections (6) and (7) of this section, the Department of Human Services **or the Oregon Health Authority** shall suspend, **instead of terminate**, the medical assistance of a person with a serious mental illness when:

- (a) The person receives medical assistance because of a serious mental illness; and
- (b) The person becomes an inmate residing in a public institution.

(3) The department **or the authority** shall continue to determine the eligibility of the person as categorically needy as defined in ORS 414.025.

(4) Upon notification that a person described in subsection (2) of this section is no longer an inmate residing in a public institution, the department **or the authority** shall reinstate the person's medical assistance if the person is otherwise eligible for medical assistance.

(5) This section does not extend eligibility to an otherwise ineligible person or extend medical assistance to a person if matching federal funds are not available to pay for medical assistance.

(6) Subsection (2) of this section does not apply to a person with a serious mental illness residing in a state hospital as defined in ORS 162.135 who is under 22 years of age or who is 65 years of age or older.

(7) A person with a serious mental illness may apply for medical assistance between 90 and 120 days prior to the expected date of the person's release from a public institution. If the person is found to be eligible, the effective date of the person's medical assistance shall be the date of the person's release from the institution.

SECTION 3. The Department of Human Services and the Oregon Health Authority shall jointly report to the Legislative Assembly no later than May 31, 2013, on the feasibility of requiring the suspension, instead of the termination, of medical assistance provided to persons who become inmates of local correctional facilities, as defined in ORS 169.005, or Department of Corrections institutions, as defined in ORS 421.005, who are expected to be incarcerated for more than 12 months.

SECTION 4. This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.

Passed by House April 14, 2011

.....
Ramona Kenady Line, Chief Clerk of House

.....
Bruce Hanna, Speaker of House

.....
Arnie Roblan, Speaker of House

Passed by Senate May 17, 2011

.....
Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2011

Approved:

.....M.,....., 2011

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2011

.....
Kate Brown, Secretary of State