

HB 2056 -1 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Prepared By: Alexandra Kihn-Stang, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/18

WHAT THE MEASURE DOES:

The measure directs the Oregon Health Authority (OHA) to study the cost of community mental health programs (CMHPs) and to submit a report to the interim committees of the Legislative Assembly related to health by September 15, 2026. Sunsets January 2, 2027.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 **Replaces the measure.** Appropriates \$64,800,000 from the General Fund to OHA for the 2025-2027 biennium for distribution to CMHPs. Specifies what activities funds may be used to carry out, including those related to Aid & Assist, Civil Commitment, crisis services, and other statutory CMHP services. Declares an emergency, effective upon passage.

BACKGROUND:

The Community Mental Health Act of 1963 began a transition away from the institutionalization of individuals with mental illness in state-run hospitals and into a new system of community-based care. In Oregon, community mental health programs (CMHPs) provide community-based care through a system of statutorily required core and safety net services intended to meet the behavioral health and social needs of individuals within the community. CMHPs are operated by or affiliated with local mental health authorities and provide timely services to all regardless of an individual's ability to pay. CMHPs are responsible for local system planning, management, and service coordination; Civil Commitment and forensic services; crisis and stabilization services; outpatient and wraparound services; mental health promotion and prevention; and residential and housing supports. CMHPs are funded through County Financial Assistance Agreements (CFAAs) for services not covered by Medicaid. CFAAs are distributed by the Oregon Health Authority (OHA) and funded through federal funds, legislative appropriations, and other state funds sources.

House Bill 4092 ([2024](#)) directed OHA to conduct a study to determine funding required by CMHPs, the study culminated in a [report](#) published in December of 2024. The report highlighted three service categories, including Aid & Assist, Civil Commitment, and crisis services. A key recommendation included in the report was for CFAAs to provide adequate funding for CMHPs to carry out Aid & Assist and Civil Commitment services which are not otherwise eligible for reimbursement through Medicaid.

House Bill 2056 directs OHA to study the cost of CMHPs and to submit a report to the interim committees of the Legislative Assembly related to health by September 15, 2026.