HB 2015 -3 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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WHAT THE MEASURE DOES:

The measure directs the Oregon Health Authority (OHA) to study certain provisions of the Oregon Revised Statutes (ORS) chapters 414 and 430 for outdated language and to submit findings to the interim committees of the Legislative Assembly related to health by September 15, 2026.

ISSUES DISCUSSED:

- Complicated interaction between state and federal requirements governing residential treatment facilities adds to operational challenges and limits opportunities to increase availability of these facilities.
- Variation in patient acuity within facilities complicates staffing plans and reimbursements.

EFFECT OF AMENDMENT:

-3 **Replaces the measure.** Directs OHA to investigate specified flexibilities for administering residential treatment services. Directs OHA to study potential alternatives or exceptions to current nurse staffing requirements, assess and consider alternative methodologies permitted by federal law for reimbursing facilities, consider alternatives to the Home and Community-Based Services waiver, the feasibly of supporting direct discharge of a resident to other types of housing in some situations, to evaluate options for providing capacity payment to facilities in some situations, to study and take appropriate actions to fill the capacity of newly licensed facilities. Directs OHA to adopt rules to allow new facilities to develop early transition plans for residents and establish a separate licensing process for transition-aged RTHs. Requires OHA to submit reports on provisions of the measure to the Legislative Assembly.

Detailed Summary

- Defines facilities to include residential treatment facilities (RTFs), residential treatment homes (RTHs), secure residential treatment facilities (STRFs), and secure residential treatment homes (SRTHs).
- Directs OHA to investigate specified flexibilities for administering residential treatment services.
 - Directs OHA to study potential alternatives or exceptions to current nurse staffing requirements in SRTFs to address workforce challenges while maintaining provider and client safety.
 - Directs OHA to assess and consider alternative methodologies permitted by federal law for reimbursing facilities that consider staffing costs, incentivizing facilities to hold open a resident's bed when the resident is temporarily removed from the facility, offering professional wages, increasing program capacity, and streamlining the level of care needs within a facility.
 - Directs OHA to determine whether residential behavioral health services may be provided to medical assistance recipients other than through the state Home and Community-Based Services waiver. For alternative models permissible under federal law, directs OHA to analyze alternative models used in other states and to develop recommendations. Specifies what shall be included in recommendations.
 - Directs OHA to determine the feasibly of supporting direct discharge of a resident to other types of housing when medically necessary and prudent and without requiring a third-party referral.
 - Directs OHA to evaluate options for providing capacity payment to facilities when a resident is hospitalized or temporarily absent due to a law enforcement encounter.
 - Directs OHA to study and take appropriate actions to fill the capacity of newly licensed facilities.
 - Requires OHA to submit a report to the Legislative Assembly by September 15, 2026.

- Directs OHA to adopt rules to allow new RTFs, RTHs, SRTFs, SRTHs, and transition-aged youth RTHs to develop early transition plans for residents and establish a separate licensing process for transition-aged RTHs.
 - Directs OHA to submit a progress report to the Legislative Assembly by September 15, 2025 and a final report by September 15, 2026.
- Sunsets the measure on January 2, 2027.
- Declares an emergency, effective on passage.

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

BACKGROUND:

House Bill 4092 (2024) directed the Oregon Health Authority (OHA) to conduct a study with the Oregon Council for Behavioral Health evaluating existing statutes, administrative rules, and contracts related to local behavioral health programs, identify contradictions and/or redundancies in the statutes, and make recommendations to support reducing the administrative burden on local behavioral health programs. A report on preliminary findings was submitted to the Legislative Assembly in December of 2024, which included the recommendation that terms related to funding-dependent treatment services should be streamlined and applied consistently throughout ORS chapters 414 and 430.

House Bill 2015 directs the Oregon Health Authority to study certain provisions of the Oregon Revises Statutes (ORS) chapters 414 and 430 for outdated language and to submit findings to the interim committees of the Legislative Assembly related to health by September 15, 2026.