

HB 2024 -3 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/25, 4/8

WHAT THE MEASURE DOES:

The measure requires the Oregon Health Authority to study the behavioral health workforce and to submit a report to the Legislative Assembly by September 15, 2026.

ISSUES DISCUSSED:

- Low wages in certain behavioral health settings impact employee recruitment and retention which can make it challenging for employers to compete with the private sector

EFFECT OF AMENDMENT:

-3 Replaces the measure.

Detailed Summary:

- **Grants.** Directs OHA to establish a grant program to support recruitment and retention of behavioral health workers at eligible entities. Specifies eligible entities, including urban American Indian health programs, tribal mental health program grant recipients, qualified providers offering office-based medication-assisted treatment services, the suicide prevention and behavioral health crisis hotline, and other entities that are not hospitals and meet certain criteria. Specifies that eligible entities must provide behavioral health services to youth or adults where at least half of clients are uninsured or enrolled in Medicare or the state medical assistance program, operates an outpatient or residential facility, provides team-based care, and serves individuals with acute behavioral health needs.
- Specifies activities that grant funds may be used for. Specifies that a sign-on or retention bonus does not violate statute regarding compensation and wage payment discrimination.
- Directs grant recipients to report to OHA how grant funds were spent and how expenditures impacted recruitment and retention. Specifies what must be included in the report. Directs OHA to minimize administrative burden when prescribing reporting requirements.
- **Incentive Payments.** Directs OHA to develop and implement an incentive payment to be paid to all entities eligible for the grant program. Specifies that incentive payments must allow entities to increase employee wages commensurate with wages at non-eligible entities and be additive to existing revenue streams, including but not limited to those for community mental health programs, certified community behavioral health clinics, and federally qualified health centers. Specifies that OHA shall seek approval from the Centers for Medicare and Medicaid Services as necessary.
- Permits coordinated care organizations (CCOs) to reimburse services provided by non-eligible entities up to 10 percent less than the OHA fee-for-service rate.
- **Workforce recruitment and retention.** Clarifies language around the United We Heal Medicaid Payment Program; adds workforce recruitment and retention strategies as a mechanism for achieving program goals and adds increased wages, benefits, and safety standards as reasons for supplemental payments from OHA. Specifies allowable uses of funds received through the program.
- Appropriates \$45,000,000 from the General Fund to OHA for the 2025-2027 biennium to carry out measure provisions - \$20,000,000 each for grants and incentive payments and \$5,000,000 for recruitment and retention efforts.
- Declares an emergency, effective on July 1, 2025.

Fiscal impact: Fiscal impact issued

Revenue impact: No revenue impact

BACKGROUND:

In June 2024 a [report](#) was published on behalf of the Oregon Health Authority (OHA) offering a point-in-time assessment of Oregon's behavioral health facilities. The Residential Plus study included assessment of the availability and need for inpatient psychiatric, residential mental health, substance use disorder, and crisis facilities. The report also utilized Oregon's trauma system areas to contextualize statewide facilities and need. There are seven trauma system areas covering Portland and the north coast, the mid-Willamette valley and north central coast, the south Willamette valley and the south coast, the Columbia Gorge, central Oregon, and eastern Oregon. The Residential Plus study included recommendations to address workforce issues to increase capacity and increase the number of residential treatment and crisis center facilities available.

House Bill 2024 requires the Oregon Health Authority to study the behavioral health workforce and to submit a report to the Legislative Assembly by September 15, 2026.