

HB 2015 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Stacey Chase, Department of Administrative Services

Reviewed By: MaryMichelle Sosne, Legislative Fiscal Office

**Oregon Health Authority
2025-27**

PRELIMINARY

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 1,287,329	\$ 1,287,329	100.0%
Federal Funds Limited	\$ -	\$ -	\$ 977,888	\$ 977,888	100.0%
Total	\$ -	\$ -	\$ 2,265,217	\$ 2,265,217	100.0%

Position Summary

Authorized Positions	0	0	7	7
Full-time Equivalent (FTE) positions	0.00	0.00	5.25	5.25

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 2015 appropriates \$1,287,329 General Fund, \$977,888 Federal Funds expenditure limitation, and seven limited duration positions (5.25 FTE) to the Oregon Health Authority (OHA) on a one-time basis to facilitate interagency coordination, rulemaking, Medicaid financing adjustments, workforce strategies, and partner engagement.

Summary of Public Safety Subcommittee Action

House Bill 2015 directs OHA to investigate and consider certain flexibilities for administering residential treatment services, including: potential alternatives to nurse staffing requirements, alternative methodologies for reimbursing facilities, alternatives to the Home and Community-Based Services waiver, supporting direct discharge of a resident to other types of housing, options for providing capacity payment to facilities, and appropriate actions to fill the capacity of newly licensed facilities.

House Bill 2015 requires OHA to study the following and report their findings and recommendations to the Legislature by September 15, 2026:

- Alternatives or exceptions to nurse staffing requirements in residential treatment facilities that will address workforce challenges while maintaining safety.
- Assess all methodologies approved by federal law to reimburse residential facilities.
- Determine if behavioral health services for medical assistance recipients can be paid through different federal waivers.

- Evaluate options for providing funding and capacity payments to facilities when a resident is temporarily absent.
- Determine how to fill the capacity of newly licensed facilities.

The Subcommittee recommended a budget of \$1,287,329 General Fund, \$977,888 Federal Funds expenditure limitation, and seven limited duration positions (5.25 FTE). This includes \$800,000 total funds for OHA to contract with a third-party to serve as the subject matter experts for Medicaid financing and service models. The contractor will conduct financial modeling, cost analysis, and evaluate service integration. OHA will require additional staff to work alongside the contractor, establish the rules required of the measure and complete reports. The new positions include:

- One Behavioral Health Policy Manager 1 position to serve as the Young Adult Program Manager and coordinate young adult services statewide and manage the development and implementation of new rules.
- One Operations and Policy Analyst 4 position to serve as the Licensing and Certification Services Policy Analyst. This position will have oversight over policy development and rulemaking for licensing and certification.
- One Operations and Policy Analyst 3 position to serve as the Medicaid Policy and Residential Services Analyst. This position will work with the contractor to develop Medicaid policies and assure recommendations align with current state and federal requirements.
- One Project Manager 3 position to serve as the Implementation and Coordination Lead to manage timelines and deliverables for both internal staff and the contractor.
- One Program Analyst 3 position to serve as the Forensic Secure Residential Treatment Facilities Analyst. This position will be the subject matter expert for individuals requiring a forensic level of care.
- One Operations and Policy Analyst 1 position to serve as the Medicaid residential Services Operations and Data Analyst. This position will track outcomes, evaluate current procedures and policies, and support operational implementation.
- One Operations and Policy Analyst 2 position to serve as the Young Adult Policy Strategist. This position will provide coordination and organization for young adult work and connection to other Child and Family Behavioral Health initiatives.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Health Authority
Stacey Chase -- 503-689-4308

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 030-07 - Medicaid									
Personal Services	\$ 555,838	\$ -	\$ -	\$ -	\$ 260,262	\$ -	\$ 816,100	4	3.00
Services and Supplies	\$ 25,421	\$ -	\$ -	\$ -	\$ 11,556	\$ -	\$ 36,977		
SCR 030-08 - Behavioral Health									
Personal Services	\$ 292,202	\$ -	\$ -	\$ -	\$ 292,202	\$ -	\$ 584,404	3	2.25
Services and Supplies	\$ 413,868	\$ -	\$ -	\$ -	\$ 413,868	\$ -	\$ 827,736		
TOTAL ADJUSTMENTS	\$ 1,287,329	\$ -	\$ -	\$ -	\$ 977,888	\$ -	\$ 2,265,217	7	5.25
SUBCOMMITTEE RECOMMENDATION *	\$ 1,287,329	\$ -	\$ -	\$ -	\$ 977,888	\$ -	\$ 2,265,217	7	5.25

*Excludes Capital Construction Expenditures