

A-Engrossed House Bill 2024

Ordered by the House April 15
Including House Amendments dated April 15

Sponsored by Representatives NOSSE, ISADORE; Representative HARBICK (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act tells OHA to give grants to some entities to help them hire and keep behavioral health care providers. The Act also tells OHA to pay incentives to some entities to help them pay higher wages. (Flesch Readability Score: 64.5).

[Digest: The Act tells OHA to look at the behavioral health workforce. (Flesch Readability Score: 64.9).]

[Requires the Oregon Health Authority to study the behavioral health workforce. Directs the authority to submit findings to the interim committees of the Legislative Assembly related to health care not later than September 15, 2026.]

Directs the Oregon Health Authority to award grants to eligible entities to foster the recruitment and retention of behavioral health care providers at the entities. Specifies the manners in which an entity may use a grant. Requires an entity that receives a grant to report to the authority.

Directs the authority to develop and implement an incentive payment to eligible entities in order to enable the entities to increase employee wages.

Declares an emergency, effective July 1, 2025.

A BILL FOR AN ACT

Relating to the behavioral health workforce; creating new provisions; amending section 20, chapter 70, Oregon Laws 2024; and declaring an emergency.

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

SECTION 1. (1) As used in this section, “behavioral health care” means services and supports for individuals who have mental health disorders or substance use disorders.

(2) The Oregon Health Authority shall establish a program to award grants to eligible entities. The grants awarded under this section must be used to foster the recruitment and retention of behavioral health care providers at the eligible entity.

(3) Subject to subsection (5) of this section, the following entities are eligible to receive grants under this section, if the entity meets the requirements described in subsection (4) of this section:

(a) Urban Indian health programs operated by an urban Indian organization pursuant to 25 U.S.C. 1651 et seq.;

(b) Recipients of the authority’s tribal mental health program grants;

(c) Qualified medical providers that offer office-based medication-assisted treatment services; and

(d) Other entities that are not hospitals and that:

(A) Have been certified by the authority to provide behavioral health care;

(B) Provide behavioral health care through a program contracting with or administered

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 by the Oregon Youth Authority;

2 (C) Provide behavioral health care rehabilitation services through a program contracting
3 with or administered by the Department of Human Services;

4 (D) Are licensed opioid treatment programs; or

5 (E) Provide withdrawal management services.

6 (4) Subject to subsection (5) of this section, an entity described in subsection (3) of this
7 section is eligible to receive a grant under this section if the entity:

8 (a) Provides behavioral health care to adults or youth, of which at least 50 percent are
9 uninsured or enrolled in the state medical assistance program or Medicare;

10 (b) Operates an outpatient or residential facility;

11 (c) Provides team-based care; and

12 (d) Serves individuals with acute behavioral health needs, as defined by the Oregon
13 Health Authority by rule.

14 (5) The suicide prevention and behavioral health crisis hotline, as described in ORS
15 430.627, is eligible to receive grants under this section.

16 (6) An entity that receives a grant under subsection (2) of this section may use the funds
17 to provide the following to behavioral health care providers, in an effort to increase the
18 recruitment and retention of behavioral health care providers at the entity:

19 (a) Scholarships for undergraduate and graduate students going into the behavioral
20 health care field;

21 (b) Loan forgiveness and repayment incentives;

22 (c) Housing assistance;

23 (d) Sign-on bonuses;

24 (e) Retention bonuses;

25 (e) Wage increases;

26 (f) Professional development;

27 (g) Child care subsidies;

28 (h) Tuition assistance;

29 (i) Bonuses and stipends for supervisors of interns; and

30 (j) Stipends for students enrolled in graduate behavioral health care educational pro-
31 grams.

32 (7) Notwithstanding the definition of “compensation” in ORS 652.210, a sign-on or re-
33 tention bonus or other incentive described in subsection (6) of this section is not a violation
34 of ORS 652.220.

35 (8)(a) An entity that receives a grant under subsection (2) of this section shall report to
36 the Oregon Health Authority, in the form and manner prescribed by the authority, on how
37 the entity spent the grant and how the expenditures impacted the recruitment and retention
38 of behavioral health care providers at the entity. The report must include, as applicable to
39 the entity, the following information:

40 (A) The licensure, certification or position type of each behavioral health care provider
41 who received an incentive listed in subsection (6) of this section;

42 (B) The amount of grant moneys spent per behavioral health care provider; and

43 (C) The entity’s staffing vacancy rate prior to receiving the grant under subsection (2)
44 of this section and after receiving the grant under subsection (2) of this section.

45 (b) In prescribing the form and manner of the report described in this subsection, the

1 authority shall seek to minimize the administrative burden imposed on the entities to the
2 extent practicable.

3 **SECTION 2.** (1) As used in this section:

4 (a) “Coordinated care organization” has the meaning given that term in ORS 414.025.

5 (b) “Eligible entity” means an entity that is eligible to receive grants under section 1 of
6 this 2025 Act.

7 (c) “Medical assistance” has the meaning given that term in ORS 414.025.

8 (2) The Oregon Health Authority shall develop and implement an incentive payment to
9 be paid to eligible entities, regardless of payment methodology, under the state medical as-
10 sistance program. The incentive payment must be designed to:

11 (a) Allow eligible entities to increase employee wages to levels that are more competitive
12 with reimbursement rates for entities that are not eligible to receive grants under section
13 1 of this 2025 Act; and

14 (b) Be additive to existing revenue streams for eligible entities, including but not limited
15 to the revenue streams for community mental health programs established under ORS
16 430.630, certified community behavioral health clinics described in section 14, chapter 70,
17 Oregon Laws 2024, and federally qualified health centers as defined in 42 U.S.C. 254b.

18 (3) A coordinated care organization may reimburse the cost of services provided by an
19 entity that is not eligible to receive grants under section 1 of this 2025 Act to medical as-
20 sistance recipients at rates up to 10 percent below the fee-for-service reimbursement rates
21 paid by the authority.

22 (4) The authority shall seek any necessary approval from the Centers for Medicare and
23 Medicaid Services to secure federal financial participation in the costs of the incentive pay-
24 ments described in subsection (2) of this section.

25 **SECTION 3.** Section 20, chapter 70, Oregon Laws 2024, is amended to read:

26 **Sec. 20.** (1) The United We Heal Medicaid Payment Program is established in the Oregon Health
27 Authority. The goal of the program is to increase the available behavioral health care workforce in
28 this state **through workforce recruitment and retention strategies**. The authority shall provide
29 supplemental medical assistance payments to eligible behavioral health care *[providers]* **entities** to
30 enable the *[providers]* **entities** to access enhanced apprenticeship and training programs and op-
31 portunities, **increased wages, health care benefits and workplace safety standards** by partic-
32 ipating in a labor-management training trust.

33 (2) The authority shall prescribe by rule eligibility criteria for receiving the payments consistent
34 with the goal of the program expressed in subsection (1) of this section.

35 (3) To participate in the program, a behavioral health *[provider must]* **care entity shall** enter
36 into a memorandum of understanding with the authority specifying how the *[payments will be used]*
37 **entity will use the payments received under this section. Allowable uses of payments under**
38 **this section must include enhanced opportunities for apprenticeships and on-the-job training,**
39 **wrap-around services, increased wages, health care benefits and workplace safety standards**
40 **through participation in a labor-management training trust.** The authority shall terminate
41 payments if the *[provider]* **entity** fails to abide by or violates the terms of the memorandum of
42 understanding. *[A provider]* **An entity** may request a contested case proceeding to challenge a ter-
43 mination.

44 **SECTION 4.** There is appropriated to the Oregon Health Authority, for the biennium be-
45 ginning July 1, 2025, out of the General Fund, the amount of \$20,000,000 for the purpose of

1 carrying out the provisions of section 1 of this 2025 Act.

2 **SECTION 5.** There is appropriated to the Oregon Health Authority, for the biennium be-
3 ginning July 1, 2025, out of the General Fund, the amount of \$20,000,000 for the purpose of
4 carrying out the provisions of section 2 of this 2025 Act.

5 **SECTION 6.** There is appropriated to the Oregon Health Authority, for the biennium be-
6 ginning July 1, 2025, out of the General Fund, the amount of \$5,000,000 for the purpose of
7 carrying out section 20, chapter 70, Oregon Laws 2024, as amended by section 3 of this 2025
8 Act.

9 **SECTION 7.** This 2025 Act being necessary for the immediate preservation of the public
10 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
11 July 1, 2025.
12
