

Enrolled Senate Bill 296

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CHAPTER

AN ACT

Relating to hospital discharge challenges; and declaring an emergency.

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

SECTION 1. The Department of Human Services and the Oregon Health Authority shall create a dashboard to measure the amount of time it takes the department, the authority and area agencies, as defined in ORS 410.040, to complete eligibility determinations for long term care services and supports provided through the medical assistance program.

SECTION 2. (1) The Department of Human Services and the Oregon Health Authority shall conduct an operational review to streamline eligibility determinations for long term care services and supports provided through the medical assistance program. In conducting the operational review, the department and the authority shall:

(a) Conduct a baseline analysis, using data from the dashboard described in section 1 of this 2025 Act, of average processing times for functional and financial assessments of individuals in acute and post-acute care settings;

(b) Develop, in consultation with providers and stakeholders, benchmarks for improving processing times for functional and financial assessments of individuals in acute and post-acute care settings;

(c) Identify a target date for the department and the authority to meet the benchmarks developed under this subsection;

(d) Explore technologies, including the automation of agency and provider workflows, to meet the benchmarks developed under this subsection;

(e) Explore potential changes to staff assignments and workflows, including the creation of dedicated teams for complex cases, to meet the benchmarks developed under this subsection;

(f) Develop and publish protocols for communication and case management to be utilized when delays occur in conducting a functional or financial assessment of individuals in acute and post-acute care settings;

(g) Develop a decision tree to help hospital staff navigate the processes used by the department and the authority in conducting eligibility determinations; and

(h) Explore payment model options for providing short-term, temporary coverage while an eligibility determination is pending for individuals who are presumptively eligible for long term care services and supports provided through the medical assistance program.

(2) The department and the authority shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to health no later than August 15, 2026.

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

(a) “Enhanced care services” means intensive behavioral and rehabilitative mental health services provided to eligible seniors, persons with physical disabilities or adults with mental illness who reside in a facility.

(b) “Facility” means:

(A) An adult foster home, as defined in ORS 443.705, that serves eligible seniors, persons with physical disabilities or adults with mental illness.

(B) A residential care facility, as defined in ORS 443.400.

(C) A residential treatment facility, as defined in ORS 443.400.

(D) A residential treatment home, as defined in ORS 443.400.

(c) “Specific needs contract” means a contract between the Department of Human Services or the Oregon Health Authority and a facility to reimburse the facility at a higher rate for a resident whose care needs exceed the level of services that the facility would typically provide.

(2) The Department of Human Services and the Oregon Health Authority shall study the regulatory framework for facilities that serve residents who have complex medical or behavioral health conditions. In conducting the study, the department and the authority shall:

(a) Assess the resources needed to expand existing enhanced care services and specific needs contracts statewide, including the public and private sector workforce needed to implement:

(A) Any proposed expansion of enhanced care services or specific needs contracts; or

(B) Other models for supporting facilities that serve residents who have complex medical or behavioral health conditions;

(b) Evaluate the impact on residents who have complex medical or behavioral health conditions of having separate licensing requirements for facilities licensed by:

(A) The division of the department that provides services for seniors and persons with physical disabilities; and

(B) The authority; and

(c) Review the use and impact of civil penalties assessed against facilities.

(3) The department and the authority shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to health and human services no later than August 15, 2026.

SECTION 4. (1) As used in this section, “adult foster home” has the meaning given that term in ORS 443.705.

(2)(a) The Department of Human Services and the Housing and Community Services Department shall study:

(A) Opportunities to offset the cost of creating new adult foster homes and other community-based care settings; and

(B) The impact on adult foster homes and other community-based care settings of building code requirements, including the installation of automatic sprinkler systems.

(b) The departments shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to health and human services no later than August 15, 2026.

SECTION 5. (1) As used in this section:

(a) “Coordinated care organization,” “dually eligible for Medicare and Medicaid” and “medical assistance” have the meanings given those terms in ORS 414.025.

(b) “Home health services” has the meaning given that term in ORS 443.014.

(c) “In-home care services” has the meaning given that term in ORS 443.305.

(d) “Medical respite” means acute and post-acute medical care for individuals experiencing homelessness who are too ill or frail to recover from a physical illness or injury but who do not require hospitalization.

(e) “Medicare Advantage Plan” means a health benefit plan under Part C of subchapter XVIII, chapter 7, Title 42 of the United States Code.

(f) “Traditional health worker” has the meaning given that term in ORS 414.665.

(2) The Department of Human Services and the Oregon Health Authority shall study options to:

(a) Coordinate and expand medical respite programs statewide, including by:

(A) Partnering with coordinated care organizations and homeless services providers to expand medical respite programs through existing initiatives administered by coordinated care organizations;

(B) Coordinating the delivery of medical respite with the provision of housing supports through the Medicaid demonstration project under section 1115 of the Social Security Act (42 U.S.C. 1315);

(C) Providing reimbursement for home health services and in-home care services in shelters; and

(D) Expanding medical assistance to include medical respite and seeking any necessary federal approvals, including approval to allow the state to receive federal financial participation in the costs of providing medical respite.

(b) Partner with coordinated care organizations and insurers that offer Medicare Advantage Plans for individuals who are dually eligible for Medicare and Medicaid to promote timely and appropriate hospital discharges, including by:

(A) Requiring coordinated care organizations and insurers that offer Medicare Advantage Plans for individuals who are dually eligible for Medicare and Medicaid to provide more targeted care coordination and case management for individuals who are being discharged from a hospital;

(B) Strengthening the integration of hospital discharge planning and the health-related social needs services approved for the Medicaid demonstration project under section 1115 of the Social Security Act (42 U.S.C. 1315);

(C) Strengthening coordinated care organization use of traditional health worker networks for care transition support; and

(D) Promoting access to home modification services and supports to enable an individual to discharge from the hospital to the individual’s home.

(3) The department and the authority shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to health no later than August 15, 2026.

SECTION 6. (1) As used in this section:

(a) “Coordinated care organization” and “medical assistance” have the meanings given those terms in ORS 414.025.

(b) “Post-hospital extended care benefit” means short-term medical assistance provided for an individual’s stay in a skilled nursing facility to allow the individual to discharge from a hospital.

(c) “Skilled nursing facility” has the meaning given that term in ORS 442.015.

(2) The Oregon Health Authority shall establish a post-hospital extended care benefit to cover a medical assistance recipient’s stay in a skilled nursing facility for up to 100 days.

(3) The authority shall incorporate the post-hospital extended care benefit under this section into any contract entered into between the authority and a coordinated care organization.

SECTION 7. Sections 2 to 5 of this 2025 Act are repealed on January 2, 2027.

SECTION 8. Section 6 of this 2025 Act applies to contracts between a coordinated care organization and the Oregon Health Authority entered into, amended or renewed on or after the operative date specified in section 10 of this 2025 Act.

SECTION 9. No later than September 1, 2025, the Oregon Health Authority shall request federal approval as necessary to carry out the provisions of section 6 of this 2025 Act.

SECTION 10. (1) Section 6 of this 2025 Act becomes operative on the date that the Centers for Medicare and Medicaid Services approves the request made pursuant to section 9 of this 2025 Act to carry out the provisions of section 6 of this 2025 Act.

(2) The Oregon Health Authority shall immediately notify the Legislative Counsel if the Centers for Medicare and Medicaid Services approves or disapproves, in whole or in part, the request made pursuant to section 9 of this 2025 Act.

SECTION 11. Notwithstanding any other provision of law, the General Fund appropriation made to the Department of Human Services by section 1 (1), chapter __, Oregon Laws 2025 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2025, for central services, is increased by \$2,135,440.

SECTION 12. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (1), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, for Medicaid, is increased by \$1,666,753.

SECTION 13. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (2), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, for behavioral health, is increased by \$75,571.

SECTION 14. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Health Authority by section 1 (3), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, for health policy and analytics, is increased by \$128,128.

SECTION 15. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 3 (1), chapter __, Oregon Laws 2025 (Enrolled Senate Bill 5526), for the biennium beginning July 1, 2025, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter __, Oregon Laws 2025 (Enrolled Senate Bill 5526), collected or received by the Department of Human Services, for central services, is increased by \$2,135,440.

SECTION 16. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 5 (1), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), collected or received by the Oregon Health Authority, for Medicaid, is increased by \$2,376,024.

SECTION 17. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 5 (2), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), collected or received by the Oregon Health Authority, for behavioral health, is increased by \$75,571.

SECTION 18. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 5 (3), chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), for the biennium beginning July 1, 2025, as the maximum limit for payment of expenses from federal funds, excluding federal funds described in section 2, chapter __, Oregon Laws 2025 (Enrolled House Bill 5025), collected or received by the Oregon Health Authority, for health policy and analytics, is increased by \$22,612.

SECTION 19. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

Passed by Senate June 23, 2025

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Obadiah Rutledge, Secretary of Senate

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Rob Wagner, President of Senate

Passed by House June 26, 2025

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Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State