Proposed Change to Associate Behavioral Health Provider Medicaid Billing Rule

Informational Hearing
Senate Committee on Early Childhood and Behavioral Health
May 8, 2025

Andi M. Walsh, JD, LLM, MSW
Senior Health Policy Advisor, Children's Institute
Co-Chair, Health Equity Committee of the Oregon Health Policy Board
Member, Behavioral Health Committee of the Oregon Health Policy Board
Member, HB 2235 Public Behavioral Health Workforce Workgroup

What are associate behavioral health providers?

What are associate behavioral health providers?

- Associate behavioral health providers (also known as board-registered associates) are behavioral health providers who:
  - Graduated from a Master's level program
  - Are registered with their state licensing board to provide behavioral health care
  - Are working under the supervision of a board-registered supervisor
  - Are working to complete their clinical hours in order to become fully licensed
- This category includes:
  - clinical social work associates
  - board registered marriage and family therapist associates
  - board registered professional counselor associates

What is the proposed rule change and why is it being proposed?

What is the proposed rule change about?

- Currently, associate providers are allowed to bill for care provided to OHP members no matter the setting (for example, community mental health programs or private practice groups).
- This rule was created in 2016 in order to promote equity and access by:
    - reducing behavioral health workforce shortages in health professional shortage areas
    - promoting parity for associate providers interested in providing services to OHP clients
    - ensuring alignment between administrative rules and licensing boards
    - expanding the available opportunities for associate providers to gain post-graduate experience required for full licensure

Why the proposed rule change?

- In order to address the difficulty of recruiting and retaining mental health professionals to serve high-acuity patients in community mental health settings, OHA has proposed this rule change to funnel associate providers into community mental health programs (CMHPs) or agencies with Certificates of Approval (COAs) to serve this particular patient population

    - OHA heard from community mental health programs that the reason for this shortage is because these associate providers are allowed to work in other settings; **no evidence has been provided to confirm this**

    - **Notably**: this change would only place limits on care settings for OHP members. Associate providers would still be allowed to care for private pay clients in any setting.

- Ensure consistent care quality and standards for OHP members; **no evidence has been provided to show associate providers in other settings provide lower quality of care**

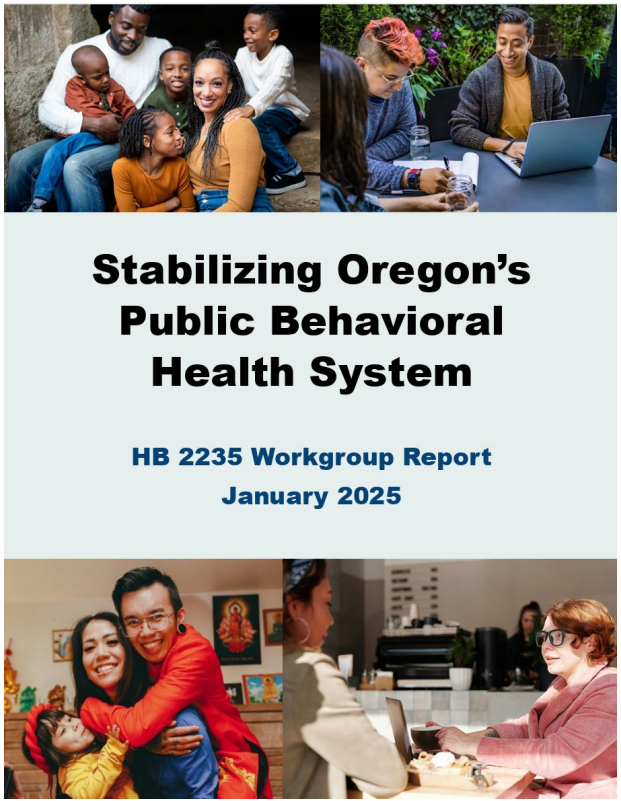
Timeline for this announced change

Timeline for the announced rule change

- **December 5, 2024:** CareOregon sent letter announcing associate providers could no longer bill unless they work with a contracted provider or COA agency and to stop accepting new OHP clients immediately while the billing change will be effective **July 31, 2025**
- **December 10, 2024:** OHA releases the Director's Listening Tour Report announcing their intention to engage in a rulemaking process to "prohibit practice settings" for associate providers serving OHP clients unless they work with a CMHP or COA agency
    - The report states this decision is in response to concerns OHA heard from CMHPs. **No other group, including impacted OHP members, associate providers, or their employers, were consulted regarding this proposed change.**
- **December 12, 2024:** The Health Equity Committee (HEC) received nearly 30 written and spoken testimonials from impacted parties outlining **the real and potential harm of this change, particularly to OHA's priority populations: BIPOC, LBGTQ+, people with disabilities, immigrant communities, rural communities, and children and families.**

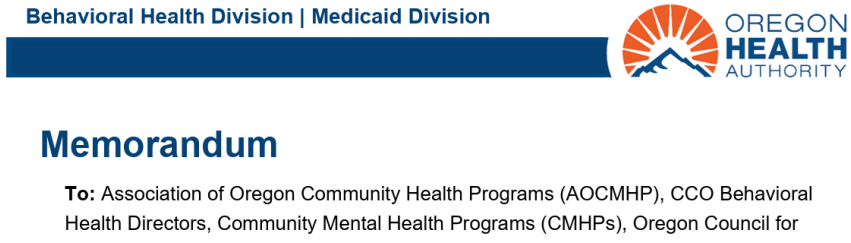
Timeline continued:

- **January 15, 2025:** OHA's HB 2235 Workgroup - convened throughout 2024 at the request of the legislature in order to study and make recommendations to address the very reason OHA identified for this rule change: workforce recruitment and retention in public behavioral health settings. The workgroup submitted their initial 100 page report with extensive recommendations on how to address the full range of systemic issues for this shortage.
    - **Notably:** this workgroup did **not** suggest this rule change as a solution, nor was this workgroup consulted by OHA before announcing this decision.



Timeline continued:

- **January 16, 2025:** OHA released a memo repeating their intention to enter into rulemaking to make this change, which will be effective June 2026.
    - **Notably:** this memo was only sent to the groups that requested this rule change. **Impacted populations, including associate providers, were not included in this communication.**
    - This is also the first time OHA identified the secondary reason around quality.



Behavioral Health Division | Medicaid Division

OREGON HEALTH AUTHORITY

Memorandum

To: Association of Oregon Community Health Programs (AOCMHP), CCO Behavioral Health Directors, Community Mental Health Programs (CMHPs), Oregon Council for Behavioral Health (OCBH), Tribal Mental Health Programs

From: Ebony Clarke, Director of Behavioral Health Division
Emma Sandoe, Director of Medicaid Division

Date: January 16, 2025

Subject: Board Registered Behavioral Health Associates and Mental Health Interns

---

This memo is to inform you that OHA will begin the rule process in Spring of 2025 and will finalize rules by December 31, 2025. The purpose of the rule making process is to require behavioral health providers registered as mental health interns or pre-licensed providers, such as Board Registered Associates per the Mental Health Regulatory

Timeline continued:

- **February 4, 2025:** As follow-up to a letter from the Health Equity Committee, the Oregon Health Policy Board heard testimony (from HEC and members of the public) about significant concerns around the inequitable impact this decision will have on Oregon's most vulnerable populations. Public testimony from representatives of the groups requesting this change was also provided.
- **March 4, 2025 and beyond:** Responding to OHPB's request for more information on this issue, OHA provided initial data (which has changed in subsequent releases) on the number of associate providers, client demographics, diagnoses and services, and payor breakdown
    - OHA states that its intention to pursue rulemaking starting spring 2025 that ***may*** result in the rule change, and will ensure opportunity for community engagement.
    - Additional technical assistance is also being provided for associate providers or private practices to obtain a COA that this rule change would require.

Timeline continued:

- **Meanwhile:** CareOregon is moving forward with this billing change effective **July 31, 2025,** *prior* to the rulemaking process or community engagement has occurred. CareOregon oversees three out of the sixteen CCOs - Jackson Care Connect, Columbia Pacific CCO, and Health Share of Oregon.
- According to data provided by OHA to OHPB on March 4, 2025 on the percentage of OHP claims billed through a CCO by associate providers, **80.6% of those associate provider claims were administered under CareOregon**.
- Therefore, the vast majority of these services will already be impacted, and likely terminated, **before the rulemaking process and community engagement has even begun and before the rule has even been changed**.

Appendix A. Tables

Table 1. Percentage of OHP claims billed through a CCO by Associate Providers

CCO Providers	Percentage
Health Share of Oregon	73.2%
Jackson Care Connect	5.5%
Cascade Health Alliance	4.2%
PacificSource - Marion/Polk	2.7%
Yamhill Community Care	2.3%
Trillium Community Health Plan Tri-County	2.2%
Columbia Pacific	1.9%
PacificSource - Lane	1.8%
PacificSource - Central	1.5%
Eastern Oregon CCO	1.3%
AllCare CCO	1.2%
Intercommunity Health Network	0.7%
Trillium Community Health Plan	0.2%
Umpqua Health Alliance	<0.1%

How might this rule change impact other state priorities and implementation efforts?

Impact on existing priorities and policy implementation efforts

- **OHA 2030 Goal to Eliminate Health Inequities**
- **OHA Strategic Plan:** released August 2024
    - Transforming Behavioral Health (consistent with one of the Governor's top three priorities)
    - Establish a Healing-Centered OHA Community Engagement Framework "that brings community wisdom into the agency through realignment of power and accountability for agency action."
- **HB 2235 Workgroup:** Recommendations on how to stabilize Oregon's Public Behavioral Health System

OHA and OHPB Health Equity Definition

Oregon will have established a health system that creates health equity when all people can reach their full health potential and well-being and are not disadvantaged by their race, ethnicity, language, disability, age, gender, gender identity, sexual orientation, social class, intersections among these communities or identities, or other socially determined circumstances.

Achieving health equity requires the ongoing collaboration of all regions and sectors of the state, including tribal governments to address:

- The equitable distribution or redistribution of resources and power; and
- Recognizing, reconciling and rectifying historical and contemporary injustices.

Impact on existing priorities and policy implementation efforts continued

- **CCO Quality Incentive Metric:** Young Children Receiving Social-Emotional Issue-Focused Intervention/Treatment Services

- **DELC Every Child Belongs*:** new program and network of supports in prep for the statewide prohibition on suspension and expulsion of young children in early care and education programs **effective July 2026, the same time this proposed rule change would go into effect for all CCOs.**
    - This requires access to and expansion of behavioral health providers specifically trained to work with young children and families, most of whom work outside of COAs and CMHPs

- **Washington State:** implementing same policy to allow associate providers across settings to provide and bill for services to Medicaid clients as of July 1, 2024