HB 4070-9
(LC 202)
2/11/26 (RH/ps)

Requested by HOUSE COMMITTEE ON BEHAVIORAL HEALTH (at the request of Representative Hai Pham)

PROPOSED AMENDMENTS TO

HOUSE BILL 4070

On page 1 of the printed bill, line 2, after "care;" delete the rest of the line and delete lines 3 through 5 and insert "amending ORS 137.227, 137.228, 414.595, 414.780, 430.010, 430.021, 430.215, 430.256, 430.265, 430.306, 430.342, 430.345, 430.350, 430.359, 430.362, 430.364, 430.366, 430.380, 430.381, 430.401, 430.560, 430.610, 430.627, 430.630, 430.640, 430.644, 430.646, 430.695, 430.705, 430.709, 430.905, 471.810 and 675.523; and repealing ORS 430.315, 430.368, 430.565 and 430.634.".

Delete lines 7 through 24 and delete pages 2 through 23 and insert:

"SECTION 1. ORS 414.780 is amended to read:

"414.780. (1) As used in this section:

"(a) 'Behavioral health coverage' means mental health treatment and services and substance use disorder treatment or services reimbursed by a coordinated care organization.

"(b) 'Coordinated care organization' has the meaning given that term in ORS 414.025.

"(c) 'Mental health treatment and services' means the treatment of or services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the mental disorders section of the current edition of the:

"(A) International Classification of Disease; or

"(B) Diagnostic and Statistical Manual of Mental Disorders.

"(d) 'Nonquantitative treatment limitation' means a limitation that is not expressed numerically but otherwise limits the scope or duration of behavioral health coverage, such as medical necessity criteria or other utilization review.

"(e) 'Substance use disorder treatment and services' means the treatment of and any services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the substance use section of the current edition of the:

"(A) International Classification of Disease; or

"(B) Diagnostic and Statistical Manual of Mental Disorders.

"**(2) The Oregon Health Authority and coordinated care organizations shall ensure that:**

"(a) Access to mental health treatment and services and substance use disorder treatment and services is comparable to access to medical and surgical treatment and services; and

"(b) Limitations are applied to mental health treatment and services and substance use disorder treatment and services no more stringently than to medical and surgical treatment and services.

"[*(2)*] **(3)** No later than March 1 of each calendar year, the Oregon Health Authority shall prescribe the form and manner for each coordinated care organization to report to the authority, on or before June 1 of the calendar year, information about the coordinated care organization's compliance with mental health parity requirements **under this section and 42 C.F.R. part 438, subpart K**, including but not limited to the following:

"(a) The specific plan or coverage terms or other relevant terms regarding the nonquantitative treatment limitations and a description of all mental health or substance use disorder benefits and medical or surgical benefits to which each such term applies in each respective benefits classification.

"(b) The factors used to determine that the nonquantitative treatment limitations will apply to mental health or substance use disorder benefits and

medical or surgical benefits.

"(c) The evidentiary standards used for the factors identified in paragraph (b) of this subsection, when applicable, provided that every factor is defined, and any other source or evidence relied upon to design and apply the nonquantitative treatment limitations to mental health or substance use disorder benefits and medical or surgical benefits.

"(d) The number of denials of coverage of mental health treatment and services, substance use disorder treatment and services and medical and surgical treatment and services, the percentage of denials that were appealed, the percentage of appeals that upheld the denial and the percentage of appeals that overturned the denial.

"(e) The percentage of claims for behavioral health coverage and for coverage of medical and surgical treatments that were paid to in-network providers and the percentage of such claims that were paid to out-of-network providers.

"**(f) The limitations imposed for entry into services for mental health treatment and services, substance use disorder treatment and services and medical and surgical treatment and services.**

"[*(f)*] **(g)** Other data or information the authority deems necessary to assess a coordinated care organization's compliance with mental health parity requirements.

"[*(3)*] **(4)** Coordinated care organizations must demonstrate in the documentation submitted under subsection [*(2)*] **(3)** of this section, that the processes, strategies, evidentiary standards and other factors used to apply nonquantitative treatment limitation to mental health or substance use disorder treatment, as written and in operation, are comparable to and are applied no more stringently that the processes, strategies, evidentiary standards and other factors used to apply nonquantitative treatment limitations to medical or surgical treatments in the same classification.

"[*(4)*] **(5)** Each calendar year the authority, in collaboration with indi-

viduals representing behavioral health treatment providers, community mental health programs, coordinated care organizations, the Consumer Advisory Council established in ORS 430.073 and consumers of mental health or substance use disorder treatment, shall, based on the information reported under subsection [*(2)*] **(3)** of this section, identify and assess:

"(a) Coordinated care organizations' compliance with the requirements for parity between the behavioral health coverage and the coverage of medical and surgical treatment in the medical assistance program; and

"(b) The authority's compliance with the requirements for parity between the behavioral health coverage and the coverage of medical and surgical treatment in the medical assistance program for individuals who are not enrolled in a coordinated care organization.

"[*(5)*] **(6)** No later than December 31 of each calendar year, the authority shall submit a report to the interim committees of the Legislative Assembly related to mental or behavioral health, in the manner provided in ORS 192.245, that includes:

"(a) The authority's findings under subsection [*(4)*] **(5)** of this section on compliance with rules regarding mental health parity, including a comparison of coverage for members of coordinated care organizations to coverage for medical assistance recipients who are not enrolled in coordinated care organizations as applicable; and

"(b) An assessment of:

"(A) The adequacy of the provider network as prescribed by the authority by rule.

"(B) The timeliness of access to mental health and substance use disorder treatment and services, as prescribed by the authority by rule.

"(C) The criteria used by each coordinated care organization to determine medical necessity and behavioral health coverage, including each coordinated care organization's payment protocols and procedures.

"(D) Data on services that are requested but that coordinated care or-

ganizations are not required to provide.

"(E) The consistency of credentialing requirements for behavioral health treatment providers with the credentialing of medical and surgical treatment providers.

"(F) The utilization review, as defined by the authority by rule, applied to behavioral health coverage compared to coverage of medical and surgical treatments.

"(G) The specific findings and conclusions reached by the authority with respect to the coverage of mental health and substance use disorder treatment and the authority's analysis that indicates that the coverage is or is not in compliance with this section.

"(H) The specific findings and conclusions of the authority demonstrating a coordinated care organization's compliance with this section and with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110-343) and rules adopted thereunder.

"[*(6)*] **(7)** Except as provided in subsection [*(5)(b)(D)*] **(6)(b)(D)** of this section, this section does not require coordinated care organizations to report data on services that are not funded on the prioritized list of health services compiled by the Health Evidence Review Commission under ORS 414.690.

"SECTION 2. ORS 414.595 is amended to read:

"414.595. (1) As used in this section:

"(a) 'Coordinated care organization' has the meaning given that term in ORS 414.025.

"(b) 'Subcontractor' means an entity that contracts with a coordinated care organization to provide health care, dental care, behavioral health care or other services to medical assistance recipients enrolled in the coordinated care organization.

"(2) The Oregon Health Authority shall conduct one external quality review of each coordinated care organization annually. The authority may

contract with an external quality review organization to conduct the review.

"(3) The authority shall compile a standard list of documents that the authority or contracted review organization collects from coordinated care organizations and subcontractors. When requesting information from a coordinated care organization about its subcontractors, the authority or contracted review organization shall inform the coordinated care organization of the documents on the standard list that have been collected from the coordinated care organization's subcontractors in the preceding 12-month period.

"(4) The authority or a contracted review organization may not**:**

"(a) Request information from a coordinated care organization that is duplicative of or redundant with information previously provided by the coordinated care organization or a subcontractor if the information was provided within the preceding 12-month period and the relevant content of the information has not changed.

"**(b) Make a negative finding about or impose a penalty on a coordinated care organization based on documents or templates that were created by the authority for use by coordinated care organizations unless the coordinated care organization has entered information into the document or template that materially deviates from the compliance standard.**

"(5) The authority shall provide a contracted review organization with all information about a coordinated care organization in the authority's possession as necessary for the contracted review organization to conduct the external quality review. A contracted review organization may not seek information from a coordinated care organization before first requesting the information from the authority.

"(6) This section does not apply to documents requested, submitted or collected in connection with an audit for or an investigation of fraud, waste or abuse and does not:

"(a) Prohibit a coordinated care organization from requesting from a subcontractor information required by law or contract;

"(b) Require the authority or a contracted review organization to disclose to a coordinated care organization any information described in this section collected from a coordinated care organization or a subcontractor; or

"(c) Permit the authority or a contracted review organization to disclose to a coordinated care organization confidential or proprietary information reported to the authority or contracted review organization by another coordinated care organization or a subcontractor.

"SECTION 3. ORS 430.610 is amended to read:

"430.610. It is declared to be the policy and intent of the Legislative Assembly that:

"(1) Subject to the availability of funds **appropriated or otherwise made available by the Legislative Assembly**, services should be available to all persons with [*mental or emotional disturbances, developmental disabilities, alcoholism or drug dependence, and persons who are alcohol or drug abusers,*] **mental health or substance use disorders or intellectual or developmental disabilities,** regardless of age, county of residence or ability to pay;

"(2) The Department of Human Services, the Oregon Health Authority and other state agencies shall conduct their activities in the least costly and most efficient manner so that delivery of services to persons with [*mental or emotional disturbances, developmental disabilities, alcoholism or drug dependence, and persons who are alcohol or drug abusers,*] **mental health or substance use disorders or intellectual or developmental disabilities** shall be effective and coordinated;

"(3) To the greatest extent possible, mental health **and substance use disorder treatment** and developmental disabilities services shall be delivered in the community where the person lives in order to achieve maximum coordination of services and minimum disruption in the life of the person;

and

"(4) The State of Oregon shall [*encourage*] **collaborate with**, aid and financially assist [*its*] **tribal and** county governments [*in the establishment and development of*] **to establish and develop** community mental health programs or community developmental disabilities programs[*, including but not limited to, treatment and rehabilitation services for persons with mental or emotional disturbances, developmental disabilities, alcoholism or drug dependence, and persons who are alcohol or drug abusers, and prevention of these problems through county administered community mental health programs or community developmental disabilities programs*] **to provide services for persons with mental health or substance use disorders or intellectual or developmental disabilities**. **The collaboration required under this section shall include outreach to each of the federally recognized Indian tribes in Oregon.**

"SECTION 4. ORS 430.646 is amended to read:

"430.646. In allocating funds for community mental health programs affecting persons with mental [*or emotional disturbances*] **health or substance use disorders**, the Oregon Health Authority shall observe the following priorities:

"(1) To ensure the establishment and operation of community mental health programs for persons with mental [*or emotional disturbances*] **health or substance use disorders** in every geographic area of the state to provide some services in each category of services described in ORS 430.630 (3) unless a waiver has been granted;

"(2) To ensure survival of services that address the needs of persons within the priority of services under ORS 430.644 and that meet authority standards;

"(3) To develop the interest and capacity of community mental health programs to provide new or expanded services to meet the needs for services under ORS 430.644 and to promote the equal availability of such services

throughout the state; and

"(4) To encourage and assist in the development of model projects to test new **evidence-based** services and innovative methods of service delivery.

"SECTION 5. ORS 430.010 is amended to read:

"430.010. As used in this chapter:

"(1) 'Outpatient service' means:

"(a) A program or service providing treatment by appointment and by:

"(A) Physicians licensed under ORS 677.100 to 677.228;

"(B) Psychologists licensed by the Oregon Board of Psychology under ORS 675.010 to 675.150;

"(C) Nurse practitioners licensed by the Oregon State Board of Nursing under ORS 678.010 to 678.415;

"(D) Regulated social workers authorized to practice regulated social work by the State Board of Licensed Social Workers under ORS 675.510 to 675.600;

"(E) Professional counselors or marriage and family therapists licensed by the Oregon Board of Licensed Professional Counselors and Therapists under ORS 675.715 to 675.835; or

"(F) Naturopathic physicians licensed by the Oregon Board of Naturopathic Medicine under ORS chapter 685; or

"(b) A program or service providing treatment by appointment that is licensed, approved, established, maintained, contracted with or operated by the authority under:

"(A) ORS 430.265 to 430.380 and 430.610 to 430.880 for alcoholism;

"(B) ORS 430.265 to 430.380, 430.405 to 430.565 and 430.610 to 430.880 for drug addiction; or

"(C) ORS 430.610 to 430.880 for mental [*or emotional disturbances*] **health or substance use disorders**.

"(2) 'Residential facility' means a program or facility [*providing*] **that provides** an organized full-day or part-day program of treatment[. *Such a*

program or facility shall be] **and that is** licensed, approved, established, maintained, contracted with or operated by the authority under:

"(a) ORS 430.265 to 430.380 and 430.610 to 430.880 for [*alcoholism*] **alcohol use disorder**;

"(b) ORS 430.265 to 430.380, 430.405 to 430.565 and 430.610 to 430.880 for [*drug addiction*] **substance use disorder**; or

"(c) ORS 430.610 to 430.880 for mental [*or emotional disturbances*] **health or substance use disorders**.

"SECTION 6. ORS 430.021 is amended to read:

"430.021. Subject to ORS 417.300 and 417.305:

"(1) The Department of Human Services shall directly or through contracts with private entities, counties under ORS 430.620 or other public entities:

"(a) Direct, promote, correlate and coordinate all the activities, duties and direct services for persons with developmental disabilities.

"(b) Promote, correlate and coordinate the developmental disabilities activities of all governmental organizations throughout the state in which there is any direct contact with developmental disabilities programs.

"(c) Establish, coordinate, assist and direct a community developmental disabilities program in cooperation with local government units and integrate such a program with the state developmental disabilities program.

"(d) Promote public education in this state concerning developmental disabilities and act as the liaison center for work with all interested public and private groups and agencies in the field of developmental disabilities services.

"(2) The Oregon Health Authority shall directly or by contract with private or public entities:

"(a) Direct, promote, correlate and coordinate all the activities, duties and direct services for persons with mental [*or emotional disturbances, alcoholism or drug dependence*] **health or substance use disorders**.

"(b) Promote, correlate and coordinate the mental health **and substance use disorder** activities of all governmental organizations throughout the state in which there is any direct contact with mental health **or substance use disorder** programs.

"(c) Establish, coordinate, assist and direct a community mental health program in cooperation with local government units and integrate such a program with the state mental health program.

"(d) Promote public education in this state concerning mental health **and substance use disorders** and act as the liaison center for work with all interested public and private groups and agencies in the field of mental health **and substance use disorder** services.

"(3) The department and the authority shall develop cooperative programs with interested private groups throughout the state to effect better community awareness and action in the fields of mental health**, substance use disorders** and developmental disabilities, and encourage and assist in all necessary ways community general hospitals to establish psychiatric services.

"(4) To the greatest extent possible, the least costly settings for treatment, outpatient services and residential facilities shall be widely available and utilized except when contraindicated because of individual health care needs. State agencies that purchase treatment for mental [*or emotional disturbances*] **health or substance use disorders** shall develop criteria consistent with this policy. In reviewing applications for certificates of need, the Director of the Oregon Health Authority shall take this policy into account.

"(5) The department and the authority shall accept the custody of persons committed to its care by the courts of this state.

"(6) The authority shall adopt rules to require a facility and a nonhospital facility as those terms are defined in ORS 426.005, and a provider that employs a person described in ORS 426.415, if subject to authority rules regarding the use of restraint or seclusion during the course of mental health

treatment of a child or adult, to report to the authority each calendar quarter the number of incidents involving the use of restraint or seclusion. The aggregate data shall be made available to the public.

"SECTION 7. ORS 430.215 is amended to read:

"430.215. (1) The Department of Human Services shall be responsible for planning, policy development, administration and delivery of services to children with developmental disabilities and their families. Services to children with developmental disabilities may include, but are not limited to, case management, family support, crisis and diversion services, intensive in-home services, and residential and foster care services. The department may deliver the services directly or through contracts with private entities, counties under ORS 430.620 or other public entities.

"(2) The Oregon Health Authority shall be responsible for psychiatric residential and day treatment services for children with mental [*or emotional disturbances*] **health or substance use conditions**.

"SECTION 8. ORS 430.265 is amended to read:

"430.265. The Oregon Health Authority is authorized to contract with the federal government for services to [*alcohol and drug-dependent*] persons **with a substance use disorder** who are either residents or nonresidents of the State of Oregon.

"SECTION 9. ORS 430.627 is amended to read:

"430.627. (1) The purposes of ORS 430.626 to 430.628 are to build upon and improve the statewide coordinated crisis system in this state and to:

"(a) Remove barriers to accessing quality behavioral health crisis services;

"(b) Improve equity in behavioral health treatment and ensure culturally, linguistically and developmentally appropriate responses to individuals experiencing behavioral health crises, in recognition that, historically, crisis response services placed marginalized communities at disproportionate risk of poor outcomes and criminal justice involvement;

"(c) Ensure that all residents of this state receive a consistent and effective level of behavioral health crisis services no matter where they live, work or travel in the state; and

"(d) Provide increased access to quality community behavioral health services to prevent interactions with the criminal justice system and prevent hospitalizations.

"(2) Moneys from the 9-8-8 Trust Fund established in ORS 430.624 shall be used as follows:

"(a) Revenues from the 9-8-8 coordinated crisis services tax that are deposited into the fund shall be used only for:

"(A) The crisis call center system and crisis hotline center described in subsections (4) and (5) of this section; and

"(B) To the extent that the crisis call center system and crisis hotline center are fully funded, the expansion and ongoing funding of mobile crisis intervention teams.

"(b) Moneys other than revenues from the 9-8-8 coordinated crisis services tax that are deposited into the fund shall be used for:

"(A) A wide array of crisis stabilization services, including services provided by:

"(i) Crisis stabilization centers;

"(ii) Facilities offering short-term respite services;

"(iii) Peer respite centers; and

"(iv) Behavioral health urgent care walk-in centers; and

"(B) Community mental health program provision of crisis stabilization services or funding to cities to establish or maintain one or more mobile crisis intervention teams under ORS 430.628.

"(3) The Oregon Health Authority shall adopt by rule requirements for crisis stabilization centers that, at a minimum, require a center to:

"(a) Be designed to prevent or ameliorate a behavioral health crisis or reduce acute symptoms of mental illness or substance use disorder, for indi-

viduals who do not require inpatient treatment, by providing continuous 24-hour observation and supervision;

"(b) Be staffed 24 hours per day, seven days per week, 365 days per year by a multidisciplinary team capable of meeting the needs of individuals in the community experiencing all levels of crisis, that may include, but is not limited to:

"(A) Psychiatrists or psychiatric nurse practitioners;

"(B) Nurses;

"(C) Licensed or credentialed clinicians in the region where the crisis stabilization center is located who are capable of completing assessments; and

"(D) Peers with lived experiences similar to the experiences of the individuals served by the center;

"(c) Have a policy prohibiting rejecting patients brought in or referred by first responders, and have the capacity, at least 90 percent of the time, to accept all referrals;

"(d) Have services to address substance use crisis issues;

"(e) Have the capacity to [*assess*] **screen** physical health needs and provide needed care and a procedure for transferring an individual, if necessary, to a setting that can meet the individual's physical health needs if the facility is unable to provide the level of care required;

"(f) Offer walk-in and first responder drop-off options;

"(g) Screen for suicide risk and complete comprehensive suicide risk assessments and planning when clinically indicated;

"(h) Screen for violence risk and complete more comprehensive violence risk assessments and planning when clinically indicated; and

"(i) Meet other requirements prescribed by the authority.

"(4) The authority shall:

"(a) Implement, maintain and improve the 9-8-8 suicide prevention and behavioral health crisis hotline and ensure the efficient and effective routing

of calls, including staffing and technological infrastructure enhancements necessary to achieve operational and clinical standards and best practices set forth by the 988 Suicide and Crisis Lifeline and prescribed by the authority; and

"(b) Maintain a crisis hotline center to receive calls, texts and chats from the 9-8-8 suicide prevention and behavioral health crisis hotline and to provide crisis intervention services and crisis care coordination anywhere in this state 24 hours per day, seven days per week. The crisis hotline center shall:

"(A) Have an agreement to participate in the 988 Suicide and Crisis Lifeline network.

"(B) Meet 988 Suicide and Crisis Lifeline requirements and best practices guidelines for operational and clinical standards and any additional clinical and operational standards prescribed by the authority.

"(C) Record data, provide reports and participate in evaluations and related quality improvement activities.

"(D) Establish formal agreements to collaborate with other agencies to ensure safe, integrated care for people in crisis who reach out to the 9-8-8 suicide prevention and behavioral health crisis hotline.

"(E) Contact and coordinate with the local community mental health programs for rapid deployment of a local mobile crisis intervention team and follow-up services as needed.

"(F) Utilize technologies, including chat and text applications, to provide a no-wrong-door approach for individuals seeking help from the crisis hotline and ensure collaboration among crisis and emergency response systems used throughout this state, such as 9-1-1 and 2-1-1, and with other centers in the 988 Suicide and Crisis Lifeline network.

"(G) Establish policies and train staff on serving high-risk and specialized populations, including but not limited to lesbian, gay, bisexual, transgender and queer youth, minorities, veterans and individuals who have served in the

military, firefighters and other first responders, rural residents, individuals with co-occurring disorders and other racially and ethnically diverse communities. Policies and training established under this subparagraph must include:

"(i) Policies and training on transferring calls made to the 9-8-8 suicide prevention and behavioral health crisis hotline to an appropriate specialized center within or external to the 988 Suicide and Crisis Lifeline network; and

"(ii) Training on providing linguistically and culturally competent care and follow-up services to individuals accessing the 9-8-8 suicide prevention and behavioral health crisis hotline consistent with guidance and policies established by the 988 Suicide and Crisis Lifeline.

"(5) The staff of the crisis hotline center described in subsection (4) of this section must include individuals who possess the linguistic and cultural competency to respond to individuals within the demographics of the communities served and shall:

"(a) Have access to the most recently reported information regarding available mental health and behavioral health crisis services.

"(b) Track and maintain data regarding responses to calls, texts and chats to the 9-8-8 suicide prevention and behavioral health crisis hotline.

"(c) Work to resolve crises with the least invasive intervention possible.

"(d) Connect callers whose crisis is de-escalated or otherwise managed by hotline staff with appropriate follow-on services and undertake follow-up contact with the caller when appropriate.

"(6) Crisis stabilization services provided to individuals accessing the 9-8-8 suicide prevention and behavioral health crisis hotline shall be reimbursed by the authority, coordinated care organizations or commercial insurance, depending on the individual's insurance status.

"(7) The authority shall adopt rules to allow appropriate information sharing and communication across all crisis service providers as necessary to carry out the requirements of this section and shall work in concert with

the 988 Suicide and Crisis Lifeline and the Veterans Crisis Line for the purposes of ensuring consistency of public messaging about 9-8-8 suicide prevention and behavioral health crisis hotline services.

"SECTION 10. ORS 430.630 is amended to read:

"430.630. (1) In addition to any other requirements that may be established by rule by the Oregon Health Authority, each community mental health program, subject to the availability of funds **appropriated or otherwise made available by the Legislative Assembly**, [*shall provide guidance and assistance to local Behavioral Health Resource Networks for the joint development of programs and activities to increase access to treatment and shall provide the following basic services to persons with alcoholism or drug dependence, and persons who are alcohol or drug abusers*] **shall provide or ensure the provision of the following basic services for persons with or at risk of developing mental health or substance use disorders**:

"(a) Outpatient services;

"(b) Aftercare for persons released from hospitals;

"(c) Training, case and program consultation and education for community agencies, related professions and the public;

"(d) Guidance and assistance to other human service agencies for joint development of prevention programs and activities to reduce factors causing [*alcohol abuse, alcoholism, drug abuse and drug dependence*] **substance use disorders**; and

"(e) Age-appropriate treatment options for older adults.

"(2) As alternatives to state hospitalization, it is the responsibility of the community mental health program to ensure that, subject to the availability of funds, the following services for [*persons with alcoholism or drug dependence, and persons who are alcohol or drug abusers,*] **alcohol and substance misuse** are available when needed and approved by the Oregon Health Authority:

"(a) Emergency services on a 24-hour basis, such as telephone consulta-

tion, crisis intervention and prehospital screening examination;

"(b) Care and treatment for a portion of the day or night, which may include day treatment centers, work activity centers and after-school programs;

"(c) Residential care and treatment in facilities such as halfway houses, detoxification centers and other community living facilities;

"(d) Continuity of care, such as that provided by service coordinators, community case development specialists and core staff of federally assisted community mental health centers;

"(e) Inpatient treatment in community hospitals; and

"(f) Other alternative services to state hospitalization as defined by the Oregon Health Authority.

"(3) In addition to any other requirements that may be established by rule of the Oregon Health Authority, each community mental health program, subject to the availability of funds, shall provide or ensure the provision of the following services to persons with mental [*or emotional disturbances*] **health or substance use disorders**:

"(a) Screening and evaluation to determine the client's service needs;

"(b) Crisis stabilization to meet the needs of persons with acute mental [*or emotional disturbances*] **health or substance use disorders**, including the costs of investigations and prehearing detention in community hospitals or other facilities approved by the authority for persons involved in involuntary commitment procedures;

"(c) Vocational and social services that are appropriate for the client's age, designed to improve the client's vocational, social, educational and recreational functioning;

"(d) Continuity of care to link the client to housing and appropriate and available health and social service needs;

"(e) Psychiatric care in state and community hospitals, subject to the provisions of subsection (4) of this section;

"(f) Residential services;

"(g) Medication monitoring;

"(h) Individual, family and group counseling and therapy;

"(i) Public education and information;

"(j) Prevention of mental [*or emotional disturbances*] **health or substance use disorders** and promotion of mental health;

"(k) Consultation with other community agencies;

"(L) Preventive mental health services for children and adolescents, including primary prevention efforts, early identification and early intervention services. Preventive services should be patterned after service models that have demonstrated effectiveness in reducing the incidence of emotional, behavioral and cognitive disorders in children. As used in this paragraph:

"(A) 'Early identification' means detecting [*emotional disturbance in its*] **mental health or substance use disorders in their** initial developmental stage;

"(B) 'Early intervention services' for children at risk of later development of [*emotional disturbances*] **mental health or substance use disorders** means programs and activities for children and their families that promote conditions, opportunities and experiences that encourage and develop emotional stability, self-sufficiency and increased personal competence; and

"(C) 'Primary prevention efforts' means efforts that prevent [*emotional problems*] **mental health and substance use disorders** from occurring by addressing issues early so that [*disturbances*] **disorders** do not have an opportunity to develop; and

"(m) Preventive mental health services for older adults, including primary prevention efforts, early identification and early intervention services. Preventive services should be patterned after service models that have demonstrated effectiveness in reducing the incidence of emotional and behavioral disorders and suicide attempts in older adults. As used in this paragraph:

"(A) 'Early identification' means detecting [*emotional disturbance in its*] **mental health or substance use disorders in their** initial developmental

stage;

"(B) 'Early intervention services' for older adults at risk of development of [*emotional disturbances*] **mental health or substance use disorders** means programs and activities for older adults and their families that promote conditions, opportunities and experiences that encourage and maintain emotional stability, self-sufficiency and increased personal competence and that deter suicide; and

"(C) 'Primary prevention efforts' means efforts that prevent [*emotional problems*] **mental health and substance use disorders** from occurring by addressing issues early so that [*disturbances*] **disorders** do not have an opportunity to develop.

"(4) A community mental health program shall assume responsibility for psychiatric care in state and community hospitals, as provided in subsection (3)(e) of this section, in the following circumstances:

"(a) The person receiving care is a resident of the county served by the program. For purposes of this paragraph, 'resident' means the resident of a county in which the person maintains a current mailing address or, if the person does not maintain a current mailing address within the state, the county in which the person is found, or the county in which a court-committed person with a mental illness has been conditionally released.

"(b) The person has been hospitalized involuntarily or voluntarily, pursuant to ORS 426.130 or 426.220, or has been hospitalized as the result of a revocation of conditional release.

"(c) Payment is made for the first 60 consecutive days of hospitalization.

"(d) The hospital has collected all available patient payments and third-party reimbursements.

"(e) In the case of a community hospital, the authority has approved the hospital for the care of persons with mental [*or emotional disturbances*] **health or substance use disorders**, the community mental health program has a contract with the hospital for the psychiatric care of residents and a

representative of the program approves voluntary or involuntary admissions to the hospital prior to admission.

"(5) Subject to the review and approval of the Oregon Health Authority, a community mental health program may initiate additional services after the services defined in this section are provided.

"(6) Each community mental health program and the state hospital serving the program's geographic area shall enter into a written agreement concerning the policies and procedures to be followed by the program and the hospital when a patient is admitted to, and discharged from, the hospital and during the period of hospitalization.

"(7)**(a)** Each community mental health program shall have a mental health advisory committee, appointed by the board of county commissioners or the county court or, if two or more counties have combined to provide mental health services, the boards or courts of the participating counties [*or, in the case of a Native American reservation, the tribal council*].

"**(b) Each tribal community mental health program shall have a mental health advisory committee, appointed by the tribal council.**

"(8) A community mental health program may request and the authority may grant a waiver regarding provision of one or more of the services described in subsection (3) of this section upon a showing by the county and a determination by the authority that persons with mental [*or emotional disturbances*] **health or substance use disorders** in that county would be better served and unnecessary institutionalization avoided.

"(9)(a) As used in this subsection, 'local mental health authority' means one of the following entities:

"(A) The board of county commissioners of one or more counties that establishes or operates a community mental health program;

"(B) The tribal council, in the case of a federally recognized **Indian** tribe [*of Native Americans*] **in Oregon** that elects to enter into an agreement to provide mental health services; or

"(C) A regional local mental health authority comprising two or more boards of county commissioners.

"(b) Each local mental health authority that provides mental health **and substance use disorder** services shall determine the need for local mental health **and substance use disorder** services and adopt a comprehensive local plan for the delivery of mental health **and substance use disorder** services for children, families, adults and older adults that describes the methods by which the local mental health authority shall provide those services. The purpose of the local plan is to create a blueprint to provide mental health **and substance use disorder** services that are directed by and responsive to the mental health **and substance use disorder** needs of individuals in the community served by the local plan. A local mental health authority shall coordinate its local planning with the development of the community health improvement plan under ORS 414.575 by the coordinated care organization serving the area. The Oregon Health Authority may require a local mental health authority to review and revise the local plan periodically.

"(c) The local plan shall identify ways to:

"(A) Coordinate and ensure accountability for all levels of care described in paragraph (e) of this subsection;

"(B) Maximize resources for consumers and minimize administrative expenses;

"(C) Provide supported employment and other vocational opportunities for consumers;

"(D) Determine the most appropriate service provider among a range of qualified providers;

"(E) Ensure that appropriate mental health **and substance use disorder** referrals are made;

"(F) Address local housing needs for persons with mental health **or substance use** disorders;

"(G) Develop a process for discharge from state and local psychiatric hospitals and transition planning between levels of care or components of the system of care;

"(H) Provide peer support services, including but not limited to drop-in centers and paid peer support;

"(I) Provide transportation supports; and

"(J) Coordinate services among the criminal and juvenile justice systems, adult and juvenile corrections systems and local mental health programs to ensure that persons with mental [*illness*] **health or substance use disorders** who come into contact with the justice and corrections systems receive needed care and to ensure continuity of services for adults and juveniles leaving the corrections system.

"(d) When developing a local plan, a local mental health authority shall:

"(A) Coordinate with the budgetary cycles of state and local governments that provide the local mental health authority with funding for mental health **and substance use disorder** services;

"(B) Involve consumers, advocates, families, service providers, schools and other interested parties in the planning process;

"(C) Coordinate with the local public safety coordinating council to address the services described in paragraph (c)(J) of this subsection;

"(D) Conduct a population based needs assessment to determine the types of services needed locally;

"(E) Determine the ethnic, age-specific, cultural and diversity needs of the population served by the local plan;

"(F) Describe the anticipated outcomes of services and the actions to be achieved in the local plan;

"(G) Ensure that the local plan coordinates planning, funding and services with:

"(i) The educational needs of children, adults and older adults;

"(ii) Providers of social supports, including but not limited to housing,

employment, transportation and education; and

"(iii) Providers of physical health and medical services;

"(H) Describe how funds, other than state resources, may be used to support and implement the local plan;

"(I) Demonstrate ways to integrate local services and administrative functions in order to support integrated service delivery in the local plan; and

"(J) Involve the local mental health advisory committees described in subsection (7) of this section.

"(e) The local plan must describe how the local mental health authority will ensure the delivery of and be accountable for clinically appropriate services in a continuum of care based on consumer needs. The local plan shall include, but not be limited to, services providing the following levels of care:

"(A) Twenty-four-hour crisis services;

"(B) Secure and nonsecure extended psychiatric care;

"(C) Secure and nonsecure acute psychiatric care;

"(D) Twenty-four-hour supervised structured treatment;

"(E) Psychiatric day treatment;

"(F) Treatments that maximize client independence;

"(G) Family and peer support and self-help services;

"(H) Support services;

"(I) Prevention and early intervention services;

"(J) Transition assistance between levels of care;

"(K) Dual diagnosis services;

"(L) Access to placement in state-funded psychiatric hospital beds;

"(M) Precommitment and civil commitment in accordance with ORS chapter 426; and

"(N) Outreach to older adults at locations appropriate for making contact with older adults, including senior centers, long term care facilities and

personal residences.

"(f) In developing the part of the local plan referred to in paragraph (c)(J) of this subsection, the local mental health authority shall collaborate with the local public safety coordinating council to address the following:

"(A) Training for all law enforcement officers on ways to recognize and interact with persons with mental [*illness*] **health or substance use disorders**, for the purpose of diverting them from the criminal and juvenile justice systems;

"(B) Developing voluntary locked facilities for crisis treatment and follow-up as an alternative to custodial arrests;

"(C) Developing a plan for sharing a daily jail and juvenile detention center custody roster and the identity of persons of concern and offering mental health **and substance use disorder** services to those in custody;

"(D) Developing a voluntary diversion program to provide an alternative for persons with mental [*illness*] **health or substance use disorders** in the criminal and juvenile justice systems; and

"(E) Developing mental health **and substance use disorder** services, including housing, for persons with mental [*illness*] **health or substance use disorders** prior to and upon release from custody.

"(g) Services described in the local plan shall:

"(A) Address the vision, values and guiding principles described in the Report to the Governor from the Mental Health Alignment Workgroup, January 2001;

"(B) Be provided to children, older adults and families as close to their homes as possible;

"(C) Be culturally appropriate and competent;

"(D) Be, for children, older adults and adults with mental health **or substance use disorder** needs, from providers appropriate to deliver those services;

"(E) Be delivered in an integrated service delivery system with integrated

service sites or processes, and with the use of integrated service teams;

"(F) Ensure consumer choice among a range of qualified providers in the community;

"(G) Be distributed geographically;

"(H) Involve consumers, families, clinicians, children and schools in treatment as appropriate;

"(I) Maximize early identification and early intervention;

"(J) Ensure appropriate transition planning between providers and service delivery systems, with an emphasis on transition between children and adult mental health services;

"(K) Be based on the ability of a client to pay;

"(L) Be delivered collaboratively;

"(M) Use age-appropriate, research-based quality indicators;

"(N) Use best-practice innovations; and

"(O) Be delivered using a community-based, multisystem approach.

"(h) A local mental health authority shall submit to the Oregon Health Authority a copy of the local plan and revisions adopted under paragraph (b) of this subsection at time intervals established by the Oregon Health Authority.

"SECTION 11. ORS 430.640 is amended to read:

"430.640. (1) The Oregon Health Authority, in carrying out the legislative policy declared in ORS 430.610, subject to the availability of funds, shall:

"(a) Assist Oregon counties and groups of Oregon counties in the establishment and financing of community mental health programs operated or contracted for by one or more counties.

"(b) If a county declines to operate or contract for a community mental health program, contract with another public agency or private corporation to provide the program. The county must be provided with an opportunity to review and comment.

"(c) In an emergency situation when no community mental health pro-

gram is operating within a county or when a county is unable to provide a service essential to public health and safety, operate the program or service on a temporary basis.

"(d) [*At the request of the tribal council of a federally recognized tribe of Native Americans, contract with the tribal council for the establishment and operation of a community mental health program in the same manner in which the authority contracts with a county court or board of county commissioners.*] **If one of the nine federally recognized tribes in this state decides to establish and operate a community mental health program, assist the tribe in the establishment and financing of a community mental health program in the same manner that the authority assists other community mental health programs.**

"(e) If a county agrees, contract with a public agency or private corporation for all services within one or [*more*] **both** of the following program areas:

"(A) Mental [*or emotional disturbances*] **health disorders**.

"(B) [*Drug abuse*] **Substance use disorders**.

"[*(C) Alcohol abuse and alcoholism.*]

"(f) Approve or disapprove the local plan and budget information for the establishment and operation of each community mental health program. Subsequent amendments to or modifications of an approved plan or budget information involving more than 10 percent of the state funds provided for services under ORS 430.630 may not be placed in effect without prior approval of the authority. However, an amendment or modification affecting 10 percent or less of state funds for services under ORS 430.630 within the portion of the program for persons with mental [*or emotional disturbances*] **health disorders** or within the portion for persons with [*alcohol or drug dependence*] **substance use disorders** may be made without authority approval.

"(g) Make all necessary and proper rules to govern the establishment and

operation of community mental health programs, including adopting rules defining the range and nature of the services which shall or may be provided under ORS 430.630.

"(h) Collect data and evaluate services in the state hospitals [*in accordance with the same methods prescribed for community mental health programs under ORS 430.634*].

"(i) Develop guidelines that include, for the development of comprehensive local plans in consultation with local mental health authorities:

"(A) The use of integrated services;

"(B) The outcomes expected from services and programs provided;

"(C) Incentives to reduce the use of state hospitals;

"(D) Mechanisms for local sharing of risk **and savings** for state hospitalization;

"(E) The provision of clinically appropriate levels of care based on an assessment of the mental health **and substance use disorder** needs of consumers;

"(F) The transition of consumers between levels of care; and

"(G) The development, maintenance and continuation of older adult mental health **and substance use disorder** programs with mental health **and substance use disorder** professionals trained in geriatrics.

"(j) Work with local mental health authorities to provide incentives for community-based care whenever appropriate while simultaneously ensuring adequate statewide capacity.

"(k) Provide technical assistance and information regarding state and federal requirements to local mental health authorities throughout the local planning process required under ORS 430.630 (9).

"(L) Provide incentives for local mental health authorities to enhance or increase vocational placements for adults with mental health **or substance use disorder** needs.

"(m) Develop or adopt nationally recognized system-level performance

measures[*, linked to the Oregon Benchmarks,*] for state-level monitoring and reporting of mental health services for children, adults and older adults, including but not limited to quality and appropriateness of services, outcomes from services, structure and management of local plans, prevention of mental health disorders and integration of mental health services with other needed supports.

"(n) Develop standardized criteria for each level of care described in ORS 430.630 (9), including protocols for implementation of local plans, strength-based mental health assessment and case planning.

"(o) Develop a comprehensive long-term plan for providing appropriate and adequate mental health treatment and services to children, adults and older adults that is derived from the needs identified in local plans, is consistent with the vision, values and guiding principles in the Report to the Governor from the Mental Health Alignment Workgroup, January 2001, and addresses the need for and the role of state hospitals.

"(p) Report biennially to the Governor and the Legislative Assembly on the progress of the local planning process and the implementation of the local plans adopted under ORS 430.630 (9)(b) and the state planning process described in paragraph (o) of this subsection, and on the performance measures and performance data available under paragraph (m) of this subsection.

"(q) On a periodic basis, not to exceed 10 years, reevaluate the methodology used to estimate prevalence and demand for mental health services using the most current nationally recognized models and data.

"(r) Encourage the development of regional local mental health authorities comprised of two or more boards of county commissioners that establish or operate a community mental health program.

"(2) The Oregon Health Authority may provide technical assistance and other incentives to assist in the planning, development and implementation of regional local mental health authorities whenever the Oregon Health Authority determines that a regional approach will optimize the comprehen-

sive local plan described under ORS 430.630 (9).

"(3) The enumeration of duties and functions in subsections (1) and (2) of this section shall not be deemed exclusive nor construed as a limitation on the powers and authority vested in the authority by other provisions of law.

"SECTION 12. ORS 430.644 is amended to read:

"430.644. Within the limits of available funds, community mental health programs shall provide those services as defined in ORS 430.630 (3)(a) to (h) to persons in the following order of priority:

"(1) Those persons who, in accordance with the assessment of professionals in the field of mental health, are at immediate risk of hospitalization for the treatment of mental [*or emotional disturbances*] **health disorders** or are in need of continuing services to avoid hospitalization or pose a hazard to the health and safety of themselves, including the potential for suicide, or others and those persons under 18 years of age who, in accordance with the assessment of professionals in the field of mental health, are at immediate risk of removal from their homes for treatment of mental [*or emotional disturbances*] **health conditions** or exhibit behavior indicating high risk of developing [*disturbances*] **conditions** of a severe or persistent nature;

"(2) Those persons who, because of the nature of their mental illness, their geographic location or their family income, are least capable of obtaining assistance from the private sector; and

"(3) Those persons who, in accordance with the assessment of professionals in the field of mental health, are experiencing mental [*or emotional disturbances*] **health disorders** but will not require hospitalization in the foreseeable future.

"SECTION 13. ORS 430.695 is amended to read:

"430.695. (1) Any program fees, third-party reimbursements, contributions or funds from any source, except client resources applied toward the cost of care in group homes for persons with developmental disabilities or mental

illness and client resources and third-party payments for community psychiatric inpatient care, received by a community mental health program or a community developmental disabilities program are not an offset to the costs of the services and may not be applied to reduce the program's eligibility for state funds, providing the funds are expended for mental health or developmental disabilities services approved by the Oregon Health Authority or the Department of Human Services.

"(2) Within the limits of available funds, the authority and the department may contract for specialized, statewide and regional services including but not limited to group homes for persons with **intellectual or** developmental disabilities or mental [*or emotional disturbances*] **health or substance use disorders**, day and residential treatment programs for children and adolescents with mental [*or emotional disturbances*] **health or substance use conditions** and community services for clients of the Psychiatric Security Review Board under ORS 161.315 to 161.351.

"(3) Fees and third-party reimbursements, including all amounts paid pursuant to Title XIX of the Social Security Act by the Department of Human Services or the Oregon Health Authority, for mental health services or developmental disabilities services and interest earned on those fees and reimbursements shall be retained by the community mental health program or community developmental disabilities program and expended for any service that meets the standards of ORS 430.630 or 430.662.

"SECTION 14. ORS 430.705 is amended to read:

"430.705. Notwithstanding ORS 430.640, the State of Oregon, through the Oregon Health Authority, may establish the necessary facilities and provide comprehensive mental health services for children throughout the state. These services may include, but need not be limited to:

"(1) The prevention of [*mental illness, emotional disturbances and drug dependency*] **mental health or substance use conditions** in children; and

"(2) The treatment of children with mental [*illness, emotional disturbances*

and drug dependency] **health or substance use conditions**.

"SECTION 15. ORS 430.709 is amended to read:

"430.709. (1) In accordance with ORS 430.357, and consistent with the budget priority policies adopted by the Alcohol and Drug Policy Commission, the Oregon Health Authority may fund regional centers for the treatment of adolescents with [*drug and alcohol dependencies*] **a substance use condition**.

"(2) The authority shall define by rule a minimum number of inpatient beds and outpatient slots necessary for effective treatment and economic operation of any regional center funded by state funds.

"(3) The areas to be served by any treatment facility shall be determined by the following:

"(a) Areas that demonstrate the most need;

"(b) Areas with no treatment program or an inadequate program; and

"(c) Areas where there is strong, organized community support for youth treatment programs.

"(4) The area need is determined by the local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services under ORS 430.342 using the following information:

"(a) Current area youth admissions to treatment programs;

"(b) Per capita consumption of alcohol in the area;

"(c) Percentage of area population between 10 and 18 years of age;

"(d) Whether the area has effective, specialized outpatient and early intervention services in place;

"(e) Whether the area suffers high unemployment and economic depression; and

"(f) Other evidence of need.

"(5) As used in this section, 'regional center' means a community residential treatment facility including intensive residential and outpatient care for adolescents with [*drug and alcohol dependencies*] **a substance use con-**

dition.

"SECTION 16. ORS 430.905 is amended to read:

"430.905. The Legislative Assembly declares:

"[*(1) Because the growing numbers of pregnant substance users and drug- and alcohol-affected infants place a heavy financial burden on Oregon's taxpayers and those who pay for health care, it is the policy of this state to take effective action that will minimize these costs.*]

"[*(2)*] **(1)** Special attention must be focused on preventive programs and services directed at women at risk of becoming pregnant [*substance users*] **individuals with substance use disorders** as well as on pregnant women who use substances or who are at risk of substance use [*or abuse*] **disorders**.

"[*(3)*] **(2)** It is the policy of this state to achieve desired results such as alcohol- and drug-free pregnant women and healthy infants through a holistic approach covering the following categories of needs:

"(a) Biological-physical need, including but not limited to [*detoxification*] **withdrawal management**, dietary and obstetrical.

"(b) Psychological need, including but not limited to support[,] **and** treatment for [*anxiety, depression and low self-esteem*] **mental health conditions**.

"(c) Instrumental need, including but not limited to child care, transportation to facilitate the receipt of services and housing.

"(d) Informational and educational needs, including but not limited to prenatal and postpartum health, substance use and parenting.

"SECTION 17. ORS 430.380 is amended to read:

"430.380. (1) There is established in the General Fund of the State Treasury an account to be known as the Mental Health [*Alcoholism and Drug Services*] **and Substance Use** Account. Moneys deposited in the account are continuously appropriated for the purposes of ORS 430.345 to 430.380 and to provide funding for sobering facilities registered under ORS 430.262. Moneys

deposited in the account may be invested in the manner prescribed in ORS 293.701 to 293.857.

"(2) Forty percent of the moneys in the Mental Health [*Alcoholism and Drug Services*] **and Substance Use** Account shall be continuously appropriated to the counties on the basis of population. The counties must use the moneys for the establishment, operation and maintenance of [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services and for local matching funds under ORS 430.345 to 430.380. The counties may use up to 10 percent of the moneys appropriated under this subsection to provide funds for sobering facilities registered under ORS 430.262.

"(3) Forty percent of the moneys shall be continuously appropriated to the Oregon Health Authority to be used for state matching funds to counties for [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services pursuant to ORS 430.345 to 430.380. The authority may use up to 10 percent of the moneys appropriated under this subsection for matching funds to counties for sobering facilities registered under ORS 430.262.

"(4) Twenty percent of the moneys shall be continuously appropriated to the Oregon Health Authority to be used for [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services for adults in custody of correctional and penal institutions and for parolees therefrom and for probationers as provided pursuant to rules of the authority. However, prior to expenditure of moneys under this subsection, the authority must present its program plans for approval to the appropriate legislative body which is either the Joint Ways and Means Committee during a session of the Legislative Assembly or the Emergency Board during the interim between sessions.

"(5) Counties and state agencies:

"(a) May not use moneys appropriated to counties and state agencies un-

der subsections (1) to (4) of this section for [*alcohol and drug*] **substance use** prevention and treatment services that do not meet or exceed minimum standards established under ORS 430.357; and

"(b) Shall include in all grants and contracts with providers of [*alcohol and drug*] **substance use** prevention and treatment services a contract provision that the grant or contract may be terminated by the county or state agency if the provider does not meet or exceed the minimum standards adopted by the Oregon Health Authority pursuant to ORS 430.357. A county or state agency may not be penalized and is not liable for the termination of a contract under this section.

"SECTION 18. ORS 430.366 is amended to read:

"430.366. (1) Every proposal for [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services received from an applicant shall contain:

"(a) A clear statement of the goals and objectives of the program for the following fiscal year, including the number of persons to be served and methods of measuring the success of services rendered;

"(b) A description of services to be funded; and

"(c) A statement of the minorities to be served, if a minority program.

"(2) Each grant recipient and provider of [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services funded with moneys from the Mental Health [*Alcoholism and Drug Services*] **and Substance Use** Account established by ORS 430.380 shall report to the Alcohol and Drug Policy Commission all data regarding the services in the form and manner prescribed by the commission. This subsection does not apply to sobering facilities that receive moneys under ORS 430.380.

"SECTION 19. ORS 471.810 is amended to read:

"471.810. (1) At the end of each month, the Oregon Liquor and Cannabis Commission shall certify the amount of moneys available for distribution in the Oregon Liquor and Cannabis Commission Account and, after withholding

such moneys as it may deem necessary to pay its outstanding obligations, shall within 35 days of the month for which a distribution is made direct the State Treasurer to pay the amounts due, upon warrants drawn by the Oregon Department of Administrative Services, as follows:

"(a) Fifty-six percent, or the amount remaining after the distribution under subsection (4) of this section, credited to the General Fund available for general governmental purposes wherein it shall be considered as revenue during the quarter immediately preceding receipt;

"(b) Twenty percent to the cities of the state in such shares as the population of each city bears to the population of the cities of the state, as determined by Portland State University last preceding such apportionment, under ORS 190.510 to 190.610;

"(c) Ten percent to counties in such shares as their respective populations bear to the total population of the state, as estimated from time to time by Portland State University; and

"(d) Fourteen percent to the cities of the state to be distributed as provided in ORS 221.770 and this section.

"(2) The commission shall direct the Oregon Department of Administrative Services to transfer 50 percent of the revenues from the taxes imposed by ORS 473.030 and 473.035 to the Mental Health [*Alcoholism and Drug Services*] **and Substance Use** Account in the General Fund to be paid monthly as provided in ORS 430.380.

"(3) If the amount of revenues received from the taxes imposed by ORS 473.030 for the preceding month was reduced as a result of credits claimed under ORS 473.047, the commission shall compute the difference between the amounts paid or transferred as described in subsections (1)(b), (c) and (d) and (2) of this section and the amounts that would have been paid or transferred under subsections (1)(b), (c) and (d) and (2) of this section if no credits had been claimed. The commission shall direct the Oregon Department of Administrative Services to pay or transfer amounts equal to the differences

computed for subsections (1)(b), (c) and (d) and (2) of this section from the General Fund to the recipients or accounts described in subsections (1)(b), (c) and (d) and (2) of this section.

"(4) Notwithstanding subsection (1) of this section, no city or county shall receive for any fiscal year an amount less than the amount distributed to the city or county in accordance with ORS 471.350 (1965 Replacement Part), 473.190 and 473.210 (1965 Replacement Part) and this section during the 1966-1967 fiscal year unless the city or county had a decline in population as shown by its census. If the population declined, the per capita distribution to the city or county shall be not less than the total per capita distribution during the 1966-1967 fiscal year. Any additional funds required to maintain the level of distribution under this subsection shall be paid from funds credited under subsection (1)(a) of this section.

"(5) Notwithstanding subsection (1) of this section, amounts to be distributed from the Oregon Liquor and Cannabis Commission Account that are attributable to a per bottle surcharge imposed by the Oregon Liquor and Cannabis Commission, shall be credited to the General Fund.

"SECTION 20. ORS 430.560 is amended to read:

"430.560. (1) The Oregon Health Authority shall adopt rules to establish requirements, in accordance with ORS 430.357, for drug treatment programs that contract with the authority and that involve:

"(a) [*Detoxification*] **Withdrawal management**; **and**

"(b) [*Detoxification*] **Withdrawal management** with acupuncture and counseling[*; and*]

"[*(c) The supplying of synthetic opiates to such persons under close supervision and control. However, the supplying of synthetic opiates shall be used only when detoxification or detoxification with acupuncture and counseling has proven ineffective or upon a written request of a physician licensed by the Oregon Medical Board or a naturopathic physician licensed by the Oregon Board of Naturopathic Medicine showing medical need for synthetic opiates.*

A copy of the request must be included in the client's permanent treatment and releasing authority records].

"(2) [*Notwithstanding subsection (1) of this section, synthetic opiates*] **Medication for opioid use** may be made available to a pregnant woman with her informed consent without prior resort to the treatment programs described in subsection (1)[*(a) and (b)*] of this section.

"SECTION 21. ORS 430.342 is amended to read:

"430.342. (1) The governing body of each county or combination of counties in a mental health administrative area, as designated by the Alcohol and Drug Policy Commission, shall:

"(a) Appoint a local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services; or

"(b) Designate an already existing body to act as the local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services.

"(2) The committee shall coordinate with local Behavioral Health Resource Networks, described in ORS 430.389, to identify needs and establish priorities for [*alcohol and drug*] **substance use** prevention and treatment services that best suit the needs and values of the community and shall report its findings to the Oregon Health Authority, the governing bodies of the counties served by the committee and the budget advisory committee of the commission.

"(3) Members of the local planning committee shall be representative of the geographic area and shall be persons with interest or experience in developing [*alcohol and drug*] **substance use** prevention and treatment services. The membership of the committee shall include a number of minority members which reasonably reflects the proportion of the need for prevention, treatment and rehabilitation services of minorities in the community.

"SECTION 22. ORS 430.345 is amended to read:

"430.345. Upon application therefor, the Oregon Health Authority may

make grants from funds specifically appropriated for the purposes of carrying out ORS 430.338 to 430.380 to any applicant for the establishment, operation and maintenance of alcohol and drug abuse prevention, early intervention and treatment services. When necessary, a portion of the appropriated funds may be designated by the authority for training and technical assistance, or additional funds may be appropriated for this purpose. Alcohol and drug abuse prevention, early intervention and treatment services shall be approved if the applicant establishes to the satisfaction of the authority:

"(1)(a) The adequacy of the services to accomplish the goals of the applicant and the needs and priorities established under ORS 430.338 to 430.380; or

"(b) The community need for the services as determined by the local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services under ORS 430.342;

"(2) That an appropriate operating agreement exists, or will exist with other community facilities able to assist in providing alcohol and drug abuse prevention, early intervention and treatment services, including nearby detoxification centers and halfway houses; and

"(3) That the services comply with the rules adopted by the authority pursuant to ORS 430.357.

"SECTION 23. ORS 430.350 is amended to read:

"430.350. (1) Every applicant for a grant made under ORS 430.345 to 430.380 shall be assisted in the preparation and development of [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services by the local planning committee operating in the area to which the application relates. Every application shall establish to the satisfaction of the Oregon Health Authority that the committee was actively involved in the development and preparation of such program.

"(2) The authority shall require of every applicant for a grant made under ORS 430.345 to 430.380 the recommendation of the local planning committee

in the area to which the application relates. The authority shall take such recommendation into consideration before making or refusing grants under ORS 430.345 to 430.380.

"SECTION 24. ORS 430.359 is amended to read:

"430.359. (1) Upon approval of an application, the Oregon Health Authority shall enter into a matching fund relationship with the applicant. In all cases the amount granted by the authority under the matching formula shall not exceed 50 percent of the total estimated costs, as approved by the authority, of the alcohol and drug abuse prevention, early intervention and treatment services.

"(2) The authority shall distribute funds to applicants consistent with the budget priority policies adopted by the Alcohol and Drug Policy Commission, the community needs as determined by local planning committees for [*alcohol and drug*] **substance use** prevention and treatment services under ORS 430.342 and the particular needs of minority groups with a significant population of affected persons. The funds granted shall be distributed monthly.

"(3) Federal funds at the disposal of an applicant for use in providing alcohol and drug abuse prevention, early intervention and treatment services may be counted toward the percentage contribution of an applicant.

"(4) An applicant that is, at the time of a grant made under this section, expending funds appropriated by its governing body for the alcohol and drug abuse prevention, early intervention and treatment services shall, as a condition to the receipt of funds under this section, maintain its financial contribution to these programs at an amount not less than the preceding year. However, the financial contribution requirement may be waived in its entirety or in part in any year by the authority because of:

"(a) The severe financial hardship that would be imposed to maintain the contribution in full or in part;

"(b) The application of any special funds for the alcohol and drug abuse prevention, early intervention and treatment services in the prior year when

such funds are not available in the current year;

"(c) The application of federal funds, including but not limited to general revenue sharing, distributions from the Oregon and California land grant fund and block grant funds to the alcohol and drug abuse prevention, early intervention and treatment services in the prior year when such funds are not available for such application in the current year; or

"(d) The application of fund balances resulting from fees, donations or underexpenditures in a given year of the funds appropriated to counties pursuant to ORS 430.380 to the alcohol and drug abuse prevention, early intervention and treatment services in the prior year when such funds are not available for such application in the current year.

"(5) Any moneys received by an applicant from fees, contributions or other sources for alcohol and drug abuse prevention, early intervention and treatment services for service purposes, including federal funds, shall be considered a portion of an applicant's contribution for the purpose of determining the matching fund formula relationship. All moneys so received shall only be used for the purposes of carrying out ORS 430.345 to 430.380.

"(6) Grants made pursuant to ORS 430.345 to 430.380 shall be paid from funds specifically appropriated therefor and shall be paid in the same manner as other claims against the state are paid.

"SECTION 25. ORS 430.362 is amended to read:

"430.362. (1) To receive priority consideration under ORS 430.359 (2), an applicant shall clearly set forth in its application:

"(a) The number of minorities within the county with significant populations of affected persons and an estimate of the nature and extent of the need within each minority population for [*alcohol and drug abuse*] **substance use** prevention, early intervention and treatment services; and

"(b) The manner in which the need within each minority population is to be addressed, including support for minority programs under the application.

"(2) Minority program funding proposals included within an application

must be clearly identified as minority programs and must include distinct or severable budget statements.

"(3) Nothing in this section is intended to preclude any minority program from being funded by a city or county or to preclude any other program from serving the needs of minorities.

"SECTION 26. ORS 430.364 is amended to read:

"430.364. Within the limits of available funds, in giving priority consideration under ORS 430.359 (2), the Oregon Health Authority shall:

"(1) Identify all applications containing funding proposals for minority programs and assess the extent to which such funding proposals address the needs of minorities as stated in ORS 430.362, adjusting such amounts as it deems justified on the basis of the facts presented for its consideration and such additional information as may be necessary to determine an appropriate level of funding for such programs, and award such funds to those applicants for the purposes stated in the application; and

"(2) After making a determination of the appropriate level of funding minority programs under subsection (1) of this section, assess the remaining portions of all applications containing minority program funding proposals together with applications which do not contain funding proposals for minority programs on the basis of the remaining community need determined by the local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services under ORS 430.342, adjusting such amounts as it deems justified on the basis of the facts presented for its consideration and such additional information as may be necessary to determine an appropriate level of funding such programs, and award such funds to those applicants.

"SECTION 27. ORS 430.381 is amended to read:

"430.381. Nothing in ORS 430.347, 430.359, 430.380, 471.805, 471.810, 473.030 or this section shall be construed as justification for a reduction in General Fund support of local [*alcohol and drug abuse*] **substance use** prevention,

early intervention and treatment services.

"SECTION 28. ORS 430.256 is amended to read:

"430.256. (1) The Director of the Oregon Health Authority shall administer [*alcohol and drug abuse*] **substance use** programs, including but not limited to programs or components of programs described in ORS 430.397 to 430.401 and 475.225 and ORS chapters 430 and [*801 to 822*] **813**.

"(2) Subject to ORS 417.300 and 417.305, the director shall:

"(a) Report to the Alcohol and Drug Policy Commission on accomplishments and issues occurring during each biennium, and report on a new biennial plan describing resources, needs and priorities for all [*alcohol and drug abuse*] **substance use** programs.

"(b) Develop within the Oregon Health Authority priorities for [*alcohol and drug abuse*] **substance use** programs and activities.

"(c) Conduct statewide and special planning processes that provide for participation from state and local agencies, groups and individuals.

"(d) Identify the needs of special populations including minorities, elderly, youth, women and individuals with disabilities.

"(e) Subject to ORS chapter 183, adopt such rules as are necessary for the performance of the duties and functions specified by this section.

"(3) The director may apply for, receive and administer funds, including federal funds and grants, from sources other than the state. Subject to expenditure limitation set by the Legislative Assembly, funds received under this subsection may be expended by the director:

"(a) For the study, prevention or treatment of [*alcohol and drug abuse and dependence*] **substance use disorders** in this state.

"(b) To provide training, both within this state and in other states, in the prevention and treatment of [*alcohol and drug abuse and dependence*] **substance use disorders**.

"(4) The director shall, in consultation with state agencies and counties, establish guidelines to coordinate program review and audit activities by

state agencies and counties that provide funds to [*alcohol and drug*] **substance use** prevention and treatment programs. The purpose of the guidelines is to minimize duplication of auditing and program review requirements imposed by state agencies and counties on [*alcohol and drug*] **substance use** prevention and treatment programs that receive state funds, including programs that receive beer and wine tax revenues under ORS 430.380 and 471.810.

"SECTION 29. ORS 675.523 is amended to read:

"675.523. A person may not practice clinical social work unless the person is a clinical social worker licensed under ORS 675.530 or a clinical social work associate certified under ORS 675.537, except if the person is:

"(1) Licensed or certified by the State of Oregon to provide mental health services, provided that the person is acting within the lawful scope of practice for the person's license or certification and does not represent that the person is a regulated social worker;

"(2) Certified to provide [*alcohol and drug abuse*] **substance use disorder** prevention services, intervention services and treatment in compliance with rules adopted under ORS 430.256 and 430.357, provided that the person is acting within the lawful scope of practice for the person's certification and does not represent that the person is a regulated social worker;

"(3) Employed by or contracting with an entity that is certified or licensed by the State of Oregon under ORS 430.610 to 430.695 to provide mental health treatment or addiction services, provided that the person is practicing within the lawful scope of the person's employment or contract;

"(4) A recognized member of the clergy, provided that the person is acting in the person's ministerial capacity and does not represent that the person is a regulated social worker; or

"(5) A student in a social work graduate degree program that meets the requirements established by the State Board of Licensed Social Workers by rule.

"SECTION 30. ORS 430.315, 430.368, 430.565 and 430.634 are repealed.

"SECTION 31. ORS 430.306 is amended to read:

"430.306. As used in ORS 430.262, [*430.315,*] 430.335, 430.342, 430.397, 430.399, 430.401, 430.402, 430.420 and 430.630, unless the context requires otherwise:

"[*(1) 'Alcoholic' means any person who has lost the ability to control the use of alcoholic beverages, or who uses alcoholic beverages to the extent that the health of the person or that of others is substantially impaired or endangered or the social or economic function of the person is substantially disrupted. An alcoholic may be physically dependent, a condition in which the body requires a continuing supply of alcohol to avoid characteristic withdrawal symptoms, or psychologically dependent, a condition characterized by an overwhelming mental desire for continued use of alcoholic beverages.*]

"**(1) 'Alcohol use disorder' means a chronic condition, varying from mild to severe, in which a person:**

"(a) Has an impaired ability to stop or control the drinking of alcohol despite negative social, health or occupational impacts; and

"(b) May experience cravings, withdrawal or continued alcohol use despite harmful consequences.

"(2) 'Detoxification center' means a publicly or privately operated profit or nonprofit facility approved by the Oregon Health Authority that provides emergency care or treatment for [*alcoholics or drug-dependent persons*] **persons with substance use disorders**.

"(3) 'Director of the treatment facility' means the person in charge of treatment and rehabilitation programs at a treatment facility.

"[*(4) 'Drug-dependent person' means one who has lost the ability to control the personal use of controlled substances or other substances with abuse potential, or who uses such substances or controlled substances to the extent that the health of the person or that of others is substantially impaired or endangered or the social or economic function of the person is substantially dis-*

rupted. A drug-dependent person may be physically dependent, a condition in which the body requires a continuing supply of a drug or controlled substance to avoid characteristic withdrawal symptoms, or psychologically dependent, a condition characterized by an overwhelming mental desire for continued use of a drug or controlled substance.]

"[*(5)*] **(4)** 'Halfway house' means a publicly or privately operated profit or nonprofit, residential facility approved by the authority that provides rehabilitative care and treatment for [*alcoholics or drug-dependent persons*] **persons with substance use disorders**.

"[*(6)*] **(5)** 'Local planning committee' means a local planning committee for [*alcohol and drug*] **substance use** prevention and treatment services appointed or designated by the county governing body under ORS 430.342.

"[*(7)*] **(6)** 'Police officer' means a member of a law enforcement unit who is employed on a part-time or full-time basis as a peace officer, commissioned by a city, a county or the Department of State Police and responsible for enforcing the criminal laws of this state and any person formally deputized by the law enforcement unit to take custody of a person who is intoxicated or under the influence of controlled substances.

"[*(8)*] **(7)** 'Sobering facility' means a facility that meets all of the following criteria:

"(a) The facility operates for the purpose of providing to individuals who are acutely intoxicated a safe, clean and supervised environment until the individuals are no longer acutely intoxicated.

"(b) The facility contracts with or is affiliated with a treatment program or a provider approved by the authority to provide [*addiction*] **substance use disorder** treatment, and the contract or affiliation agreement includes, but is not limited to, case consultation, training and advice and a plan for making referrals to [*addiction*] **substance use disorder** treatment.

"(c) The facility, in consultation with the [*addiction*] **substance use disorder** treatment program or provider, has adopted comprehensive written

policies and procedures incorporating best practices for the safety of intoxicated individuals, employees of the facility and volunteers at the facility.

"(d) The facility is registered with the Oregon Health Authority under ORS 430.262.

"**(8) 'Substance use disorder' means a chronic condition in which:**

"(a) Drug or alcohol use leads to significant impairment;

"(b) Drug or alcohol use continues despite harmful consequences; and

"(c) A person may experience intense cravings, an inability to reduce use of a substance or physical withdrawal and may spend significant time obtaining a substance or neglecting important activities.

"(9) 'Treatment facility' includes outpatient facilities, inpatient facilities and other facilities the authority determines suitable and that provide services that meet minimum standards established under ORS 430.357, any of which may provide diagnosis and evaluation, medical care, [*detoxification*] **withdrawal management**, social services or [*rehabilitation for alcoholics or drug-dependent persons*] **treatment for persons with substance use disorders,** and which operate in the form of a general hospital, a state hospital, a foster home, a hostel, a clinic or other suitable form approved by the authority.

"SECTION 32. ORS 430.401 is amended to read:

"430.401. A police officer, person acting under the authority of a mobile crisis intervention team as defined in ORS 430.626, physician, naturopathic physician, physician associate, nurse practitioner, judge, treatment facility, treatment facility staff member or sobering facility, or the staff of the sobering facility, may not be held criminally or civilly liable for actions pursuant to ORS [*430.315,*] 430.335, 430.397 to 430.401 and 430.402 provided the actions are in good faith, on probable cause and without malice.

"SECTION 33. ORS 137.227 is amended to read:

"137.227. (1) After a defendant has been convicted of a crime, the court may cause the defendant to be evaluated to determine if the defendant is [*an alcoholic or a drug-dependent person*] **a person with an alcohol use disorder or substance use disorder**, as those terms are defined in ORS 430.306. The evaluation shall be conducted by an agency or organization designated under subsection (2) of this section.

"(2) The court shall designate agencies or organizations to perform the evaluations required under subsection (1) of this section. The designated agencies or organizations must meet the standards set by the Oregon Health Authority to perform the evaluations for [*drug dependency*] **substance use disorders** and must be approved by the authority. Wherever possible, a court shall designate agencies or organizations to perform the evaluations that are separate from those that may be designated to carry out a program of treatment for [*alcohol or drug dependency*] **alcohol use disorder or substance use disorder**.

"SECTION 34. ORS 137.228 is amended to read:

"137.228. (1) When a defendant is sentenced for a crime, the court may enter a finding that the defendant is [*an alcoholic or a drug-dependent person*] **a person with an alcohol use disorder or substance use disorder**, as those terms are defined in ORS 430.306. The finding may be based upon any evidence before the court, including, but not limited to, the facts of the case, stipulations of the parties and the results of any evaluation conducted under ORS 137.227.

"(2) When the court finds that the defendant is [*an alcoholic or a drug-dependent person*] **a person with an alcohol use disorder or substance use disorder**, the court, when it sentences the defendant to a term of imprisonment, shall direct the Department of Corrections to place the defendant in an appropriate alcohol or drug treatment program, to the extent that resources are available. The alcohol or drug treatment program shall meet the standards promulgated by the Oregon Health Authority pursuant

to ORS 430.357.”.