

Public notice

Notice of intent – OHA will amend the Medicaid State Plan to increase Post Hospital Extended Care (PHEC) benefit from 20 days to 100 days

Date: Sept. 19, 2025

Contact: Jesse Anderson, State Plan manager

Comments due: 5 p.m. Friday, Oct. 10, 2025

Oregon Health Authority (OHA) intends to submit a State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services. The amendment will increase the number of PHEC benefit days from 20 to 100. PHEC covers a short-term stay in a skilled nursing facility to transition from hospital discharge to home care.

OHA estimates the annual fee-for-service Federal Fund cost to be \$470,456.

Background

This change supports Section 6 of [Senate Bill 296](#) (2025), which requires OHA to establish a post-hospital extended care benefit that covers up to 100 days in a skilled nursing facility.

Obtaining SPA language

Pages 3 and 4 show edits to existing State Plan language in the proposed SPA. You can also view the full State Plan, approved SPAs and proposed SPAs on [the OHA website](#).

How to comment:

OHA welcomes public review and input. Please send written comments by 5 p.m. Friday, Oct. 10, 2025, to jesse.anderson@oha.oregon.gov.



LIMITATIONS ON SERVICESI. Inpatient Hospital Services

Selected non-emergency surgical and medical services provided in an inpatient setting require pre-admission screening for medical necessity. Such screening shall be accomplished by a professional medical review organization, or by OMAP. A notice of prior authorization of payment must be issued. Non-emergency inpatient services, excluding maternity and newborn admissions, provided to enrollees in a Managed Care Organization require authorization by the Plan. Transfers or admissions for the purpose of providing rehabilitative services must be prior authorized by the professional medical review organization or by a contracted Managed Care Organization. A notice of prior authorization of payment must be issued - The professional medical review organization may require a second opinion before granting prior authorization.

Services identified by the Division as not covered or services deemed not to be medically necessary are not reimbursed by the Division.

Post Hospital Extended care:

[Short-term Medicaid coverage provided to an individual in order to allow discharge from a hospital setting when the individual needs a higher level of care than discharge to home provides. The benefit is up to 100 day stay in a nursing facility. The individual must be Medicaid eligible but does not have Medicare coverage. Reimbursement to the nursing facility is subject to Attachment 4.19-D, part 1 of this state plan.](#)

2.a Outpatient Hospital Services

Outpatient services do not require prior authorization with the exception of services identified below:

- a. Non-emergency outpatient services provided to clients enrolled in a Physician Care Organization or Health Maintenance Organization require prior authorization from the PCO or HMO.
- b. Most physical therapy, occupational therapy, speech-language therapy, audiological services, prosthetic and orthotic supplies, oxygen, specific vision services, specific drugs, durable medical equipment, selected surgical procedures, and non-emergency dental services require prior authorization when delivered in an outpatient setting.

Reimbursement for outpatient non-emergency hospital services in non-contiguous out-of-state hospitals must be prior authorized. Non-contiguous out-of-state hospitals are defined as those hospitals located more than 75 miles from Oregon. Emergency services are those determined by a licensed health care professional to be essential to prevent death, relieve service pain, and/or treat acute illness or injury.

TN #07-05

Date Approved: 1/9/08

Effective Date: 4/1/07

Supercedes TN #06-04

DRAFT