

## Public notice

Request for comment – OHA proposes to amend the Medicaid State Plan to reflect a standardized rate for adult mental health residential settings, effective January 1, 2019

**Date:** January 7, 2019

**Contact:** Jesse Anderson, State Plan manager

**Comments due:** 5 p.m. Friday, January 25, 2019

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The Oregon Health Authority (OHA) intends to submit a State Plan Amendment (SPA) to establish a standardized rate methodology for Medicaid adult residential mental health services.

This rate standardization aims to support recovery by paying for outcomes and skill-building, encourage timely transitions to lower levels of care when individuals become ready, address payment inequities among adult mental health residential providers, maximize use of Medicaid federal financial participation, and reimburse providers based on the assessed need of the individual and corresponding level of services provided.

### Background:

The current rate structure is not equitable or sustainable. Currently, OHA pays individually negotiated provider rates, and funding streams vary across providers.

- All providers bill Medicaid for residential services.
- Some providers also receive payments through General Fund payments or community mental health program pass through payments.
- Some but not all providers are certified to also perform Medicaid mental health rehabilitation services onsite or in an outpatient setting.

The new standardized methodology will apply to all services provided by adult mental health residential providers to Medicaid-eligible residents. It includes:

- A tiered rate structure based on client level of care intensity,
- Geographic variation related to wage and housing cost differences, and
- A medical add-on rate.

### How to comment:

OHA welcomes public review and input. Please send written comments by 5 p.m. Friday, January 25, 2019, to [jesse.anderson@dhsoha.state.or.us](mailto:jesse.anderson@dhsoha.state.or.us) (fax 503-947-1119).

After considering all comments received, OHA will submit the State Plan Amendment to the Centers for Medicare & Medicaid Services (CMS).