



March 24, 2025

To the Honorable Members of the Oregon State Legislature:

I am writing on behalf of Shangri-La corporation to express my strong support for Oregon House Bill 2015, including its recent amendments, which aim to address critical issues surrounding residential behavioral health programs in our state. As a provider of residential behavioral health services in Lane, Benton, Linn and Marion counties who is currently engaged in very real struggles to get two RTH programs up and running, the amendment to this bill reads like a much needed breath of fresh air, tackling a significant handful of the most challenging issues faced by residential providers like Shangri-La. The bill recognizes the significant challenges that licensed residential behavioral health programs face in both development and ongoing operations, and directs the Oregon Health Authority (OHA) to study ways to overcome these administrative and financial obstacles, ensuring that the state can quickly and effectively increase bed capacity to meet the needs of individuals requiring treatment.

I believe this legislation is vital to removing bureaucratic roadblocks for providers, which will improve access to care, ensuring better outcomes for individuals in need of behavioral health services, and will promote the expansion of residential treatment facility beds in Oregon.

### **Key Provisions of HB 2015 Amendments**

The amendments to House Bill 2015 introduce several important measures that will help to overcome barriers facing residential behavioral health facilities in Oregon. Specifically:

1. **Reimbursement Rate Methodology:** The bill calls for a comprehensive assessment of the current reimbursement rate methodology and encourages OHA to explore alternatives that would better reflect the staffing costs and operational challenges faced by facilities. The proposed changes will encourage facilities to remain open and operate at maximum capacity, which will directly benefit patients in need of care. Moreover, the amendment encourages fair compensation for staff and supports the development of larger, safer programs.
2. **Improved Licensing Processes:** The amendment proposes a more flexible and streamlined licensing process for new residential treatment homes and facilities, allowing conditional referrals before licensure is completed. This will reduce delays in care and allow facilities to begin serving residents as quickly as possible, while still adhering to necessary regulatory standards.
3. **Emergency Declaration and Immediate Action:** The bill includes an emergency clause, recognizing that the immediate preservation of public health, safety, and peace requires the urgent passage of this legislation. This ensures that critical changes to Oregon's residential behavioral health system can be enacted without unnecessary delay, directly addressing the current crisis and preventing further strain on our overburdened system.

4. **Improving Nurse Staffing Requirements:** The bill includes provisions that allow for the study of potential alternatives to current nurse staffing requirements in secure residential treatment facilities. This flexibility is essential in addressing workforce shortages while balancing the critical safety needs of both staff and residents.
5. **Promoting a cohesive therapeutic milieu:** OHA has recently issued an emergency rule which removes providers ability to specialize their programs to focus on a specific population, such as PSRB, civil commitment, or aid and assist, and has given providers no ability to target a similar level of care or make placement decisions based on best fit. Being compelled to mix different populations with vastly different treatment needs will lead to reduced positive treatment outcomes, which will ultimately lead to an increase in hospitalizations and/or contact with the legal system. OHA has been tasked with removing the barriers to discharge from OSH, due to a pending lawsuit and the high levels of aid and assist that need OSH beds. They are getting this wrong by placing undue burden on providers who can no longer lean on their professional training and expertise to develop cohesive therapeutic environments. This bill encourages OHA to reconsider and develop alternate strategies that will be less inhospitable to the providers the state so desperately needs.

## Conclusion

I strongly urge members of the Oregon State Legislature to pass House Bill 2015 with the proposed amendments. The bill provides the necessary framework to enhance the development and operation of residential behavioral health facilities, addresses workforce challenges, and improves access to care for Oregonians in need of treatment. By supporting this bill, you will be taking an important step toward building a more robust, efficient, and compassionate behavioral health system in Oregon.

Thank you for your consideration of this important legislation. I appreciate your commitment to improving the lives of individuals facing behavioral health challenges in our state.

Sincerely,

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