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Rate Improvements to Give More Oregonians Access to Mental and Behavioral Health Services

Providers who care for Medicaid/Oregon Health Plan patients can expect to see a 30% increase in rates and pay codes as early as January, helping to address the workforce shortage, improve worker wages, and increase access to care

SALEM, Ore. - As Oregon grapples with a mental and behavioral health workforce shortage, too many Oregonians have struggled to receive the critical services they need. But with the implementation of [House Bill 5202](#) (2022), more low-income Oregonians will have access to care, as behavioral health providers and staff who care for Medicaid/Oregon Health Plan (OHP) patients receive a 30% increase in rates and pay codes as early as January. Recently approved by the federal government, the rate increase will help address workforce shortages by maintaining provider networks and retaining and attracting workers.

“I’m so excited that the federal government approved this rate increase. This will allow us to build a behavioral health system where every Oregonian receives the care they need, especially our most vulnerable communities,” said [Representative Rob Nosse](#) (D-Portland), who chairs the House Interim Committee on Behavioral Health. “The rate increase is a major step in our state doing a better job with behavioral health access for patients. It will help behavioral health providers pay wages that practitioners who see Medicaid/OHP clients deserve.”

Medicaid practitioners are compensated by a Coordinated Care Organization (CCO) or on a fee for service basis. Fee for service behavioral health claims will see a 30% increase in rates starting in January with retro payments back to July 2022. CCO rate increases are still being worked out but are likely to take place in early 2023.

Currently, Oregon ranks at the bottom for mental and behavioral health access outcomes. With 1.3 million Oregonians on Medicaid, the rate improvement will help the state start to turn a corner as more people are able to access care.

“The mental and behavioral health crisis is affecting every community in Oregon. If we haven’t been personally impacted, we all know someone who has,” said [Representative Tawna Sanchez](#) (D-North and Northeast Portland), Co-Chair of the Joint Ways & Means Committee. “Paying providers what they deserve is a major step in the right direction and I look forward to ensuring we continue these efforts to expand access to care.”

The rate increase builds off of the work accomplished through House Bill 4004 (2022) that provided \$130 million statewide to temporarily improve benefits and give providers funds to use for wage increases, retention bonuses, and improvements to working conditions. While House Bill 4004 was one time funding for the 2021-23 biennium, House Bill 5202 ensures ongoing funding.

In recent sessions, legislators have invested \$1.3 billion to help support Oregon’s mental and behavioral health system.

The House Interim Committee on Behavioral Health received an update on the rate increase last Thursday during an informational hearing. A full recording of the hearing can be found [here](#).

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