

(Including Amendments to Resolve Conflicts)

## B-Engrossed Senate Bill 158

Ordered by the House June 26  
Including Senate Amendments dated April 30 and House Amendments  
dated June 26

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Theodore R. Kulongoski for Department of Human Services)

### SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Imposes requirements on ambulatory surgical centers and providers. Changes and modifies license fees for specified health care facilities and home health agencies. Authorizes Department of Human Services to charge hospitals fee for specified investigations and surveys. Authorizes alternative procedure for on-site inspections for health care facilities and home health agencies.

Creates licensing requirements for referral agencies and caregiver registries. Directs department to adopt rules governing referral agencies and caregiver registries. Imposes licensing fees on referral agencies and caregiver registries.

Requires department to establish procedures for filing complaints against home health agencies, in-home care agencies, referral agencies and caregiver registries. Requires home health agency to follow plan of treatment established by and periodically reviewed by physician or nurse practitioner.

Imposes civil penalties for specified violations.

### A BILL FOR AN ACT

1  
2 Relating to health care; creating new provisions; amending ORS 65.800, 127.646, 192.517, 192.660,  
3 409.720, 432.500, 435.254, 441.015, 441.020, 441.022, 441.025, 441.030, 441.055, 441.057, 441.060,  
4 441.062, 441.065, 441.624, 441.990, 442.015, 442.425, 442.430, 442.700, 443.005, 443.015, 443.025,  
5 443.035, 443.045, 443.075, 443.085, 443.090, 443.315, 443.325, 677.290, 677.805, 677.812, 678.730 and  
6 678.780 and section 1, chapter 736, Oregon Laws 2003; repealing ORS 441.017 and 441.085; and  
7 appropriating money.

8 **Be It Enacted by the People of the State of Oregon:**

9 **SECTION 1. Sections 2 and 3 of this 2009 Act are added to and made a part of ORS**  
10 **chapter 441.**

11 **SECTION 2. (1) An ambulatory surgical center shall evaluate all of a patient's risk fac-**  
12 **tors before permitting a surgical procedure to be performed on the patient in the facility.**

13 **(2) An ambulatory surgical center shall post a notice in the facility, in a prominent place**  
14 **and in prominent font size, advising patients of the manner in which patients may express**  
15 **concerns regarding the ambulatory surgical center and services provided at the ambulatory**  
16 **surgical center. The posting must include but need not be limited to the address and tele-**  
17 **phone number for contacting the Department of Human Services to express the concerns.**

18 **(3) The department shall adopt rules classifying ambulatory surgical centers in three**  
19 **categories:**

20 **(a) Certified ambulatory surgical centers, which must comply with federal Centers for**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 Medicare and Medicaid Services rules, 42 C.F.R. 416 and rules adopted by the department;

2 (b) High complexity noncertified ambulatory surgical centers, which must comply with  
3 rules adopted by the department; and

4 (c) Moderate complexity noncertified ambulatory surgical centers, which must comply  
5 with rules adopted by the department and which may use only conscious sedation and  
6 analgesia.

7 **SECTION 3.** (1) As used in this section:

8 (a) "Facility" means a hospital, ambulatory surgical center or freestanding birthing cen-  
9 ter.

10 (b) "Financial interest" means a five percent or greater direct or indirect ownership in-  
11 terest.

12 (c) "Health practitioner" means a physician, podiatric physician and surgeon, dentist,  
13 direct entry midwife or licensed registered nurse who is certified by the Oregon State Board  
14 of Nursing as a nurse midwife nurse practitioner.

15 (d) "Physician" has the meaning given that term in ORS 677.010.

16 (2) If a health practitioner refers a patient for treatment at a facility in which the health  
17 practitioner or an immediate family member has a financial interest, the health practitioner  
18 shall inform the patient orally and in writing of that interest at the time of the referral.

19 (3) In obtaining informed consent for treatment that will take place at a facility, a health  
20 practitioner shall disclose the manner in which care will be provided in the event that com-  
21 plications occur that require health services beyond what the facility has the capability to  
22 provide.

23 **SECTION 4.** ORS 441.020 is amended to read:

24 441.020. [(1) Licenses for health care facilities including long term care facilities, as defined in ORS  
25 442.015, shall be obtained from the Department of Human Services.]

26 (1) A health care facility must obtain a license from the Department of Human Services.

27 (2) Applications shall be upon such forms and shall contain such information as the department  
28 may reasonably require, which may include affirmative evidence of ability to comply with such  
29 reasonable standards and rules as may lawfully be prescribed under ORS [441.055] 441.025.

30 (3) Each application shall be accompanied by the license fee. If the license is denied, the fee  
31 shall be refunded to the applicant. If the license is issued, the fee shall be paid into the State  
32 Treasury to the credit of the Department of Human Services Account for carrying out the functions  
33 under ORS 441.015 to 441.063 and 431.607 to 431.619.

34 (4) Except as otherwise provided in subsection [(5)] (7) of this section, for hospitals with:

35 (a) Fewer than 26 beds, the annual license fee shall be \$750.

36 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.

37 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be \$1,900.

38 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.

39 (e) Two hundred or more beds, the annual license fee shall be \$3,400.

40 (5) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under  
41 its license.

42 (6) The department may charge a reduced hospital fee or hospital satellite fee if the de-  
43 partment determines that charging the standard fee constitutes a significant financial bur-  
44 den to the facility.

45 [(5)] (7) For long term care facilities with:

1 (a) Fewer than 16 beds, the annual license fee shall be up to \$120.

2 (b) Sixteen beds or more but fewer than 50 beds, the annual license fee shall be up to \$175.

3 (c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be up to \$350.

4 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be up to  
5 \$450.

6 (e) Two hundred beds or more, the annual license fee shall be up to \$580.

7 [(6) *For special inpatient care facilities with:*]

8 [(a) *Fewer than 26 beds, the annual license fee shall be \$750.*]

9 [(b) *Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.*]

10 [(c) *Fifty beds or more but fewer than 100 beds, the annual license fee shall be \$1,900.*]

11 [(d) *One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.*]

12 [(e) *Two hundred beds or more, the annual license fee shall be \$3,400.*]

13 [(7)] (8) For ambulatory surgical centers, the annual license fee shall be [\$1,000]:

14 (a) **\$1,750 for certified and high complexity noncertified ambulatory surgical centers with**  
15 **more than two procedure rooms.**

16 (b) **\$1,250 for certified and high complexity noncertified ambulatory surgical centers with**  
17 **no more than two procedure rooms.**

18 (c) **\$1,000 for moderate complexity noncertified ambulatory surgical centers.**

19 [(8)] (9) For birthing centers, the annual license fee shall be [\$250] **\$750.**

20 [(9)] (10) For outpatient renal dialysis facilities, the annual license fee shall be [\$1,500] **\$2,000.**

21 [(10)] (11) During the time the licenses remain in force holders thereof are not required to pay  
22 inspection fees to any county, city or other municipality.

23 [(11)] (12) Any health care facility license may be indorsed to permit operation at more than one  
24 location. In such case the applicable license fee shall be the sum of the license fees which would  
25 be applicable if each location were separately licensed. **The department may include hospital**  
26 **satellites on a hospital's license in accordance with rules adopted by the department.**

27 [(12)] (13) Licenses for health maintenance organizations shall be obtained from the Director of  
28 the Department of Consumer and Business Services pursuant to ORS 731.072.

29 (14) **As used in this section:**

30 (a) **"Hospital satellite" has the meaning prescribed by the Department of Human Services**  
31 **by rule.**

32 (b) **"Procedure room" means a room where surgery or invasive procedures are per-**  
33 **formed.**

34 **SECTION 4a.** ORS 441.020, as amended by section 4 of this 2009 Act, is amended to read:

35 441.020. (1) A health care facility must obtain a license from the Department of Human Services.

36 (2) Applications shall be upon such forms and shall contain such information as the department  
37 may reasonably require, which may include affirmative evidence of ability to comply with such  
38 reasonable standards and rules as may lawfully be prescribed under ORS 441.025.

39 (3) Each application shall be accompanied by the license fee. If the license is denied, the fee  
40 shall be refunded to the applicant. If the license is issued, the fee shall be paid into the State  
41 Treasury to the credit of the Department of Human Services Account for carrying out the functions  
42 under ORS 441.015 to 441.063 and 431.607 to 431.619.

43 (4) Except as otherwise provided in subsection (7) of this section, for hospitals with:

44 (a) Fewer than 26 beds, the annual license fee shall be [\$750] **\$1,250.**

45 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be [\$1,000]

1 **\$1,850.**

2 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be [~~\$1,900~~] **\$3,800.**

3 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be [~~\$2,900~~]  
4 **\$6,525.**

5 (e) Two hundred or more beds, **but fewer than 500 beds**, the annual license fee shall be  
6 [~~\$3,400~~] **\$8,500.**

7 (f) **Five hundred or more beds, the annual license fee shall be \$12,070.**

8 (5) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under its li-  
9 cense.

10 (6) The department may charge a reduced hospital fee or hospital satellite fee if the department  
11 determines that charging the standard fee constitutes a significant financial burden to the facility.

12 (7) For long term care facilities with:

13 (a) Fewer than 16 beds, the annual license fee shall be up to \$120.

14 (b) Sixteen beds or more but fewer than 50 beds, the annual license fee shall be up to \$175.

15 (c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be up to \$350.

16 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be up to  
17 \$450.

18 (e) Two hundred beds or more, the annual license fee shall be up to \$580.

19 (8) For ambulatory surgical centers, the annual license fee shall be:

20 (a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with more  
21 than two procedure rooms.

22 (b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with no  
23 more than two procedure rooms.

24 (c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.

25 (9) For birthing centers, the annual license fee shall be \$750.

26 (10) For outpatient renal dialysis facilities, the annual license fee shall be \$2,000.

27 (11) During the time the licenses remain in force holders thereof are not required to pay in-  
28 spection fees to any county, city or other municipality.

29 (12) Any health care facility license may be indorsed to permit operation at more than one lo-  
30 cation. In such case the applicable license fee shall be the sum of the license fees which would be  
31 applicable if each location were separately licensed. The department may include hospital satellites  
32 on a hospital's license in accordance with rules adopted by the department.

33 (13) Licenses for health maintenance organizations shall be obtained from the Director of the  
34 Department of Consumer and Business Services pursuant to ORS 731.072.

35 (14) As used in this section:

36 (a) "Hospital satellite" has the meaning prescribed by the Department of Human Services by  
37 rule.

38 (b) "Procedure room" means a room where surgery or invasive procedures are performed.

39 **SECTION 4b. (1) In addition to an annual fee, the Department of Human Services may**  
40 **charge a hospital a fee for:**

41 (a) **Complaint investigation, in an amount not to exceed \$850.**

42 (b) **Full compliance survey, in an amount not to exceed \$7,520.**

43 (c) **On-site follow-up survey to verify compliance with a plan of correction, in an amount**  
44 **not to exceed \$225.**

45 (d) **Off-site follow-up survey to verify compliance with a plan of correction, in an amount**

1 **not to exceed \$85.**

2 **(2) During one calendar year, the department may charge to all hospitals a total amount**  
3 **not to exceed:**

4 **(a) \$91,000 for complaint investigations.**

5 **(b) \$15,000 for full compliance surveys.**

6 **(c) \$6,700 for follow-up surveys.**

7 **(3)(a) The department shall apportion the total amount charged under subsection (2) of**  
8 **this section among hospitals at the end of each calendar year based on the number of com-**  
9 **plaint investigations, full compliance surveys and follow-up surveys performed at each hos-**  
10 **pital during the calendar year.**

11 **(b) The department may not include investigations of employee complaints in a hospital's**  
12 **total number of complaint investigations.**

13 **(c) A hospital that was licensed in 2008 may not be charged fees under this subsection**  
14 **for more complaint investigations than the number of complaint investigations that occurred**  
15 **at the hospital in 2008.**

16 **(d) A hospital that was not licensed in 2008 may be charged fees under this subsection**  
17 **for an unlimited number of complaint investigations.**

18 **(4) As used in this section, "full compliance survey" means a survey conducted by the**  
19 **department following a complaint investigation to determine a hospital's compliance with the**  
20 **Centers for Medicare and Medicaid Services Conditions of Participation.**

21 **SECTION 5.** ORS 441.022 is amended to read:

22 441.022. In determining whether to license a health care facility pursuant to ORS 441.025, the  
23 Department of Human Services shall consider only factors relating to the health and safety of indi-  
24 viduals to be cared for therein and **the ability of the operator of the health care facility to**  
25 **safely operate the facility, and** shall not consider whether the health care facility is or will be a  
26 governmental, charitable or other nonprofit institution or whether it is or will be an institution for  
27 profit.

28 **SECTION 6.** ORS 441.025 is amended to read:

29 441.025. (1) Upon receipt of an application and the license fee, the Department of Human Ser-  
30 vices shall **review the application and conduct an on-site inspection of the health care facility.**  
31 **The department shall** issue a license if it finds that the applicant and health care facility comply  
32 with ORS 441.015 to 441.063[, 441.085] and 441.087 and the rules of the department provided that it  
33 does not receive within the time specified a certificate of noncompliance issued by the State Fire  
34 Marshal, deputy, or approved authority pursuant to ORS 479.215.

35 (2) Each license, unless sooner suspended or revoked, shall be renewable annually for the cal-  
36 endar year upon payment of the fee, provided that a certificate of noncompliance has not been is-  
37 sued by the State Fire Marshal, deputy, or approved authority pursuant to ORS 479.215.

38 (3) Each license shall be issued only for the premises and persons or governmental units named  
39 in the application and shall not be transferable or assignable.

40 (4) Licenses shall be posted in a conspicuous place on the licensed premises as prescribed by  
41 rule of the department.

42 (5) No license shall be issued or renewed for any health care facility or health maintenance  
43 organization [*that offers or proposes to develop a new health service unless a certificate of need has*  
44 *first been issued therefor pursuant to ORS 442.340 (1987 Replacement Part) or approval has been*  
45 *granted under ORS 442.315 or section 9, chapter 1034, Oregon Laws 1989.*] **that is required to obtain**

1 **a certificate of need under ORS 442.315 until a certificate of need has been granted. An**  
2 **ambulatory surgical center is not subject to the certificate of need requirements in ORS**  
3 **442.315.**

4 (6) No license shall be issued or renewed for any skilled nursing facility or intermediate care  
5 facility, [*as defined in ORS 442.015,*] unless the applicant has included in the application the name  
6 and such other information as may be necessary to establish the identity and financial interests of  
7 any person who has incidents of ownership in the facility representing an interest of 10 percent or  
8 more thereof. If the person having such interest is a corporation, the name of any stockholder  
9 holding stock representing an interest in the facility of 10 percent or more shall also be included  
10 in the application. If the person having such interest is any other entity, the name of any member  
11 thereof having incidents of ownership representing an interest of 10 percent or more in the facility  
12 shall also be included in the application.

13 (7) A license may be denied to any applicant for a license or renewal thereof or any stockholder  
14 of any such applicant who has incidents of ownership in the facility representing an interest of 10  
15 percent or more thereof, or an interest of 10 percent or more of a lease agreement for the facility,  
16 if during the five years prior to the application the applicant or any stockholder of the applicant  
17 had an interest of 10 percent or more in the facility or of a lease for the facility and has divested  
18 that interest after receiving written notice from the department of intention to suspend or revoke  
19 the license or to decertify the home from eligibility to receive payments for services provided under  
20 this section.

21 (8) No license shall be issued or renewed for any long term care facility, [*as defined in ORS*  
22 *442.015,*] unless the applicant has included in the application the identity of any person who has  
23 incident of ownership in the facility who also has a financial interest in any pharmacy, as defined  
24 in ORS 689.005.

25 **(9) The department shall adopt rules for each type of health care facility to carry out the**  
26 **purposes of ORS 441.015 to 441.087 including, but not limited to:**

27 **(a) Establishing classifications and descriptions for the different types of health care fa-**  
28 **ilities that are licensed under ORS 441.015 to 441.087; and**

29 **(b) Standards for patient care and safety, adequate professional staff organizations,**  
30 **training of staff for whom no other state regulation exists, suitable delineation of profes-**  
31 **sional privileges and adequate staff analyses of clinical records.**

32 (10) The department may not adopt a rule requiring a health care facility to serve a  
33 specific food as long as the necessary nutritional food elements are present in the food that  
34 is served.

35 (11) A health care facility licensed by the department may not:

36 **(a) Offer or provide services beyond the scope of the license classification assigned by the**  
37 **department; or**

38 **(b) Assume a descriptive title or represent itself under a descriptive title other than the**  
39 **classification assigned by the department.**

40 (12) A health care facility must reapply for licensure to change the classification assigned  
41 or the type of license issued by the department.

42 **SECTION 7.** ORS 441.030 is amended to read:

43 441.030. (1) The Department of Human Services **may assess a civil penalty and**, pursuant to  
44 ORS 479.215, shall deny, suspend or revoke a license, in any case where the State Fire Marshal, or  
45 the representative of the State Fire Marshal, certifies that there is a failure to comply with all ap-

1 plicable laws, lawful ordinances and rules relating to safety from fire.

2 (2) The department may **assess a civil penalty or** deny, suspend or revoke a license in any case  
3 where it finds that there has been a substantial failure to comply with ORS 441.015 to 441.063[,  
4 *441.085*] or 441.087 or the rules or minimum standards adopted under ORS 441.015 to 441.063[,  
5 *441.085*] or 441.087.

6 (3) The department may **assess a civil penalty or** suspend or revoke a license issued under ORS  
7 441.025 for failure to comply with a department order arising from a health care facility's substantial  
8 lack of compliance with the provisions of ORS 441.015 to 441.063, 441.084 to 441.087, 441.162 or  
9 441.166 or the rules adopted under ORS 441.015 to 441.063, 441.084 to 441.087, 441.162 or 441.166[,  
10 *or*]. **The department may suspend or revoke a license issued under ORS 441.025** for failure to  
11 pay a civil penalty imposed under ORS 441.170 or 441.710.

12 (4) The department may order a long term care facility licensed under ORS 441.025 to restrict  
13 the admission of patients when the department finds an immediate threat to patient health and  
14 safety arising from failure of the long term care facility to be in compliance with ORS 441.015 to  
15 441.063 or 441.084 to 441.087 and the rules adopted under ORS 441.015 to 441.063 or 441.084 to  
16 441.087.

17 (5) Any long term care facility that has been ordered to restrict the admission of patients pur-  
18 suant to subsection (4) of this section shall post a notice of the restriction, provided by the depart-  
19 ment, on all doors providing ingress to and egress from the facility, for the duration of the  
20 restriction.

21 **SECTION 8.** ORS 441.055 is amended to read:

22 441.055. *[(1) The Department of Human Services shall adopt such rules with respect to the different*  
23 *types of health care facilities as may be designed to further the accomplishment of the purposes of ORS*  
24 *441.015 to 441.087. No rules shall require any specific food so long as the necessary nutritional food*  
25 *elements are present.]*

26 *[(2) Rules describing care given in health care facilities shall include, but not be limited to, stan-*  
27 *dards of patient care or patient safety, adequate professional staff organizations, training of staff for*  
28 *whom no other state regulation exists, suitable delineation of professional privileges and adequate staff*  
29 *analyses of clinical records. The department may in its discretion accept certificates by the Joint Com-*  
30 *mission on Accreditation of Hospitals or the Committee on Hospitals of the American Osteopathic As-*  
31 *sociation as evidence of compliance with acceptable standards.]*

32 *[(3)] (1)* The governing body of each health care facility shall be responsible for the operation  
33 of the facility, the selection of the medical staff and the quality of care rendered in the facility. The  
34 governing body shall:

35 (a) Ensure that all health care personnel for whom state licenses, registrations or certificates  
36 are required are currently licensed, registered or certified;

37 (b) Ensure that physicians admitted to practice in the facility are granted privileges consistent  
38 with their individual training, experience and other qualifications;

39 (c) Ensure that procedures for granting, restricting and terminating privileges exist and that  
40 such procedures are regularly reviewed to assure their conformity to applicable law;

41 (d) Ensure that physicians admitted to practice in the facility are organized into a medical staff  
42 in such a manner as to effectively review the professional practices of the facility for the purposes  
43 of reducing morbidity and mortality and for the improvement of patient care; and

44 (e) Ensure that a physician is not denied medical staff membership or privileges at the facility  
45 solely on the basis that the physician holds medical staff membership or privileges at another health

1 care facility.

2 [(4)] (2) The physicians organized into a medical staff pursuant to subsection [(3)] (1) of this  
3 section shall propose medical staff bylaws to govern the medical staff. The bylaws shall include, but  
4 not be limited to the following:

5 (a) Procedures for physicians admitted to practice in the facility to organize into a medical staff  
6 pursuant to subsection [(3)] (1) of this section;

7 (b) Procedures for ensuring that physicians admitted to practice in the facility are granted  
8 privileges consistent with their individual training, experience and other qualifications;

9 (c) Provisions establishing a framework for the medical staff to nominate, elect, appoint or re-  
10 move officers and other persons to carry out medical staff activities with accountability to the  
11 governing body;

12 (d) Procedures for ensuring that physicians admitted to practice in the facility are currently li-  
13 censed by the Oregon Medical Board;

14 (e) Procedures for ensuring that the facility's procedures for granting, restricting and terminat-  
15 ing privileges are followed and that such procedures are regularly reviewed to assure their con-  
16 formity to applicable law; and

17 (f) Procedures for ensuring that physicians provide services within the scope of the privileges  
18 granted by the governing body.

19 [(5)] (3) Amendments to medical staff bylaws shall be accomplished through a cooperative pro-  
20 cess involving both the medical staff and the governing body. Medical staff bylaws shall be adopted,  
21 repealed or amended when approved by the medical staff and the governing body. Approval shall  
22 not be unreasonably withheld by either. Neither the medical staff nor the governing body shall  
23 withhold approval if such repeal, amendment or adoption is mandated by law, statute or regulation  
24 or is necessary to obtain or maintain accreditation or to comply with fiduciary responsibilities or  
25 if the failure to approve would subvert the stated moral or ethical purposes of the institution.

26 [(6)] (4) The Oregon Medical Board may appoint one or more physicians to conduct peer review  
27 for a health care facility upon request of such review by all of the following:

28 (a) The physician whose practice is being reviewed.

29 (b) The executive committee of the health care facility's medical staff.

30 (c) The governing body of the health care facility.

31 [(7)] (5) The physicians appointed pursuant to subsection [(6)] (4) of this section shall be deemed  
32 agents of the Oregon Medical Board, subject to the provisions of ORS 30.310 to 30.400 and shall  
33 conduct peer review. Peer review shall be conducted pursuant to the bylaws of the requesting health  
34 care facility.

35 [(8)] (6) Any person serving on or communicating information to a peer review committee shall  
36 not be subject to an action for damages for action or communications or statements made in good  
37 faith.

38 [(9)] (7) All findings and conclusions, interviews, reports, studies, communications and state-  
39 ments procured by or furnished to the peer review committee in connection with a peer review are  
40 confidential pursuant to ORS 192.501 to 192.505 and 192.690 and all data is privileged pursuant to  
41 ORS 41.675.

42 [(10)] (8) Notwithstanding subsection [(9)] (7) of this section, a written report of the findings and  
43 conclusions of the peer review shall be provided to the governing body of the health care facility  
44 who shall abide by the privileged and confidential provisions set forth in subsection [(9)] (7) of this  
45 section.



1 [(11)] (9) Procedures for peer review established by subsections [(6) to (10)] (4) to (8) of this  
2 section are exempt from ORS chapter 183.

3 [(12)] (10) The department shall adopt by rule standards for rural hospitals, as defined in ORS  
4 442.470, that specifically address the provision of care to postpartum and newborn patients so long  
5 as patient care is not adversely affected.

6 [(13)] (11) For purposes of this section, “physician” has the meaning given the term in ORS  
7 677.010.

8 **SECTION 9.** ORS 441.057 is amended to read:

9 441.057. (1) Rules adopted by the Department of Human Services pursuant to ORS [441.055]  
10 **441.025** shall include procedures for the filing of complaints as to the standard of care in any health  
11 care facility and provide for the confidentiality of the identity of any complainant.

12 (2) No health care facility, or person acting in the interest of the facility, shall take any disci-  
13 plinary or other adverse action against any employee who in good faith brings evidence of inap-  
14 propriate care or any other violation of law or rules to the attention of the proper authority solely  
15 because of the employee’s action as described in this subsection.

16 (3) Any employee who has knowledge of inappropriate care or any other violation of law or  
17 rules shall utilize established reporting procedures of the health care facility administration before  
18 notifying the department or other state agency of the alleged violation, unless the employee believes  
19 that patient health or safety is in immediate jeopardy or the employee makes the report to the de-  
20 partment under the confidentiality provisions of subsection (1) of this section.

21 (4) The protection of health care facility employees under subsection (2) of this section shall  
22 commence with the reporting of the alleged violation by the employee to the administration of the  
23 health care facility or to the department or other state agency pursuant to subsection (3) of this  
24 section.

25 (5) Any person suffering loss or damage due to any violation of subsection (2) of this section has  
26 a right of action for damages in addition to other appropriate remedy.

27 (6) The provisions of this section do not apply to a nursing staff, as defined in ORS 441.172, who  
28 claims to be aggrieved by a violation of ORS 441.174 committed by a hospital.

29 **(7) Information obtained by the department during an investigation of a complaint or**  
30 **reported violation under this section is confidential and not subject to public disclosure under**  
31 **ORS 192.410 to 192.505. Upon the conclusion of the investigation, the department may publicly**  
32 **release a report of its findings but may not include information in the report that could be**  
33 **used to identify the complainant or any patient at the health care facility. The department**  
34 **may use any information obtained during an investigation in an administrative or judicial**  
35 **proceeding concerning the licensing of a health care facility, and may report information**  
36 **obtained during an investigation to a health professional regulatory board as defined in ORS**  
37 **676.160 as that information pertains to a licensee of the board.**

38 **SECTION 10.** ORS 441.060 is amended to read:

39 441.060. (1) The Department of Human Services shall make or cause to be made [*such inspections*  
40 *as it may deem necessary*] **on-site inspections of licensed health care facilities at least once**  
41 **every three years.**

42 (2) The Department of Human Services may prescribe by rule that any licensee or prospective  
43 applicant desiring to make specified types of alteration or addition to its facilities or to construct  
44 new facilities shall, before commencing such alteration, addition or new construction, either prior  
45 to or after receiving a certificate of need pursuant to ORS [442.340 (1987 Replacement Part)]

1 **442.315**, if required, submit plans and specifications therefor to the department for preliminary in-  
2 spection and approval or recommendations with respect to compliance with the rules authorized by  
3 ORS [441.055] **441.025** and 443.420 and for compliance with National Fire Protection Association  
4 standards when the facility is also to be Medicare or Medicaid certified. The department may re-  
5 quire by rule payment of a fee for project review services at a variable rate, dependent on total  
6 project cost. For health care facilities, the department shall develop a review fee schedule as mini-  
7 mally necessary to support the staffing level and expenses required to administer the program. The  
8 fee for project review of residential care facilities shall equal two-thirds that required of health care  
9 facilities. The department may also conduct an on-site review of projects as a prerequisite to  
10 licensure of new facilities, major renovations and expansions. The department shall, at least annu-  
11 ally, with the advice of facilities covered by this review, present proposed rule changes regarding  
12 facility design and construction to such agencies for their consideration. The department shall also  
13 publish a state submissions guide for health and residential care facility projects and advise project  
14 sponsors of applicable requirements of federal, state and local regulatory agencies.

15 **SECTION 11.** ORS 441.062 is amended to read:

16 441.062. (1) In conducting inspections for the purpose of licensing health care facilities under  
17 ORS 441.020, the Department of Human Services shall avoid unnecessary facility disruption by co-  
18 ordinating inspections performed by the department with inspections performed by other federal,  
19 state and local agencies that have responsibility for health care facility licensure.

20 (2) Whenever possible, the department shall avoid duplication of inspections by accepting in-  
21 spection reports or surveys prepared by other state agencies that have responsibility for health care  
22 facility licensure for purposes of the inspection required for licensure.

23 **(3) In lieu of an on-site inspection as required by ORS 441.025 and 441.060, the department**  
24 **may accept a certification or accreditation from a federal agency or an accrediting body ap-**  
25 **proved by the department that the state licensing standards have been met, if:**

26 **(a) The certification or accreditation is recognized by the department as addressing the**  
27 **standards and condition of participation requirements of the Centers for Medicare and**  
28 **Medicaid Services and other standards set by the department;**

29 **(b) The health care facility notifies the department to participate in any exit interview**  
30 **conducted by the federal agency or accrediting body; and**

31 **(c) The health care facility provides copies of all documentation concerning the certif-**  
32 **ication or accreditation requested by the department.**

33 [(3)] (4) The department shall adopt all rules necessary to implement this section.

34 **SECTION 12.** ORS 441.990, as amended by section 9, chapter 602, Oregon Laws 2007, is  
35 amended to read:

36 441.990. (1) Violation of ORS 441.015 (1) is a violation punishable, upon conviction, by a fine of  
37 not more than \$100 for the first violation and not more than \$500 for each subsequent violation.  
38 Each day of continuing violation after a first conviction shall be considered a subsequent violation.

39 (2) Any person who willfully prevents, interferes with, or attempts to impede in any way the  
40 work of any duly authorized representative of the Department of Human Services in the lawful  
41 carrying out of the provisions of ORS 441.087 (1) is guilty of a Class C misdemeanor.

42 (3) The removal of the notice required by ORS 441.030 (5) by any person other than an official  
43 of the department is a Class C misdemeanor.

44 **(4) In addition to the penalties under this section, the department may assess civil pen-**  
45 **alties against any health care facility or health maintenance organization under ORS 441.030**

1 or for a violation of ORS 441.015 (1). A civil penalty imposed under this section may not ex-  
2 ceed \$5,000.

3 (5) Civil penalties under this section shall be imposed in the manner provided by ORS  
4 183.745.

5 (6) Civil penalties recovered under this section shall be paid into the State Treasury and  
6 credited to the Department of Human Services Account. Moneys credited to the account  
7 under this section are continuously appropriated to the department for the administration  
8 of ORS 441.015 to 441.087.

9 **SECTION 13.** ORS 442.015 is amended to read:

10 442.015. As used in ORS chapter 441 and this chapter, unless the context requires otherwise:

11 (1) "Acquire" or "acquisition" means obtaining equipment, supplies, components or facilities by  
12 any means, including purchase, capital or operating lease, rental or donation, with intention of using  
13 such equipment, supplies, components or facilities to provide health services in Oregon. When  
14 equipment or other materials are obtained outside of this state, acquisition is considered to occur  
15 when the equipment or other materials begin to be used in Oregon for the provision of health ser-  
16 vices or when such services are offered for use in Oregon.

17 [(2) "Adjusted admission" means the sum of all inpatient admissions divided by the ratio of inpa-  
18 tient revenues to total patient revenues.]

19 [(3)] (2) "Affected persons" has the same meaning as given to "party" in ORS 183.310.

20 [(4) "Ambulatory surgical center" means a facility that performs outpatient surgery not routinely  
21 or customarily performed in a physician's or dentist's office, and is able to meet health facility licensure  
22 requirements.]

23 [(5) "Audited actual experience" means data contained within financial statements examined by an  
24 independent, certified public accountant in accordance with generally accepted auditing standards.]

25 (3)(a) "Ambulatory surgical center" means a facility or portion of a facility that operates  
26 exclusively for the purpose of providing surgical services to patients who do not require  
27 hospitalization and for whom the expected duration of services does not exceed 24 hours  
28 following admission.

29 (b) "Ambulatory surgical center" does not mean:

30 (A) Individual or group practice offices of private physicians or dentists that do not  
31 contain a distinct area used for outpatient surgical treatment on a regular and organized  
32 basis, or that only provide surgery routinely provided in a physician's or dentist's office using  
33 local anesthesia or conscious sedation; or

34 (B) A portion of a licensed hospital designated for outpatient surgical treatment.

35 [(6)] (4) "Budget" means the projections by the hospital for a specified future time period of  
36 expenditures and revenues with supporting statistical indicators.

37 [(7) "Case mix" means a calculated index for each hospital, based on financial accounting and case  
38 mix data collection as set forth in ORS 442.425, reflecting the relative costliness of that hospital's mix  
39 of cases compared to a state or national mix of cases.]

40 [(8)] (5) "Commission" means the Oregon Health Policy Commission.

41 [(9) "Department" means the Department of Human Services of the State of Oregon.]

42 [(10)] (6) "Develop" means to undertake those activities that on their completion will result in  
43 the offer of a new institutional health service or the incurring of a financial obligation, as defined  
44 under applicable state law, in relation to the offering of such a health service.

45 [(11) "Director" means the Director of Human Services.]

1        [(12)] (7) “Expenditure” or “capital expenditure” means the actual expenditure, an obligation to  
2 an expenditure, lease or similar arrangement in lieu of an expenditure, and the reasonable value of  
3 a donation or grant in lieu of an expenditure but not including any interest thereon.

4        [(13)] (8) “Freestanding birthing center” means a facility licensed for the primary purpose of  
5 performing low risk deliveries.

6        [(14)] (9) “Governmental unit” means the state, or any county, municipality or other political  
7 subdivision, or any related department, division, board or other agency.

8        [(15)] (10) “Gross revenue” means the sum of daily hospital service charges, ambulatory service  
9 charges, ancillary service charges and other operating revenue. “Gross revenue” does not include  
10 contributions, donations, legacies or bequests made to a hospital without restriction by the donors.

11       [(16)(a)] (11)(a) “Health care facility” means [*a hospital, a long term care facility, an ambulatory*  
12 *surgical center, a freestanding birthing center or an outpatient renal dialysis facility.*]:

13        **(A) A hospital;**

14        **(B) A long term care facility;**

15        **(C) An ambulatory surgical center;**

16        **(D) A freestanding birthing center; or**

17        **(E) An outpatient renal dialysis center.**

18        (b) “Health care facility” does not mean:

19        [(A) *An establishment furnishing residential care or treatment not meeting federal intermediate care*  
20 *standards, not following a primarily medical model of treatment, prohibited from admitting persons*  
21 *requiring 24-hour nursing care and licensed or approved under the rules of the Department of Human*  
22 *Services or the Department of Corrections; or]*

23        **(A) A residential facility licensed by the Department of Human Services under ORS**  
24 **443.415;**

25        **(B) An establishment furnishing primarily domiciliary care[.] as described in ORS 443.205;**

26        **(C) A residential facility licensed or approved under the rules of the Department of Cor-**  
27 **rections;**

28        **(D) Facilities established by ORS 430.335 for treatment of substance abuse disorders; or**

29        **(E) Community mental health and developmental disabilities programs established under**  
30 **ORS 430.620.**

31       [(17)] (12) “Health maintenance organization” or “HMO” means a public organization or a pri-  
32 vate organization organized under the laws of any state that:

33        (a) Is a qualified HMO under section 1310 (d) of the U.S. Public Health Services Act; or

34        (b)(A) Provides or otherwise makes available to enrolled participants health care services, in-  
35 cluding at least the following basic health care services:

36        (i) Usual physician services;

37        (ii) Hospitalization;

38        (iii) Laboratory;

39        (iv) X-ray;

40        (v) Emergency and preventive services; and

41        (vi) Out-of-area coverage;

42        (B) Is compensated, except for copayments, for the provision of the basic health care services  
43 listed in subparagraph (A) of this paragraph to enrolled participants on a predetermined periodic  
44 rate basis; and

45        (C) Provides physicians’ services primarily directly through physicians who are either employees

1 or partners of such organization, or through arrangements with individual physicians or one or more  
2 groups of physicians organized on a group practice or individual practice basis.

3 [(18)] (13) "Health services" means clinically related diagnostic, treatment or rehabilitative  
4 services, and includes alcohol, drug or controlled substance abuse and mental health services that  
5 may be provided either directly or indirectly on an inpatient or ambulatory patient basis.

6 [(19)] (14) "Hospital" means:

7 (a) A facility with an organized medical staff[, with] **and a permanent [facilities] building** that  
8 [*include inpatient beds and with medical services, including physician services and continuous nursing*  
9 *services under the supervision of registered nurses, to provide diagnosis and medical or surgical*  
10 *treatment primarily for but not limited to acutely ill patients and accident victims, to provide treatment*  
11 *for patients with mental illness or to provide treatment in special inpatient care facilities.*] **is capable**  
12 **of providing 24-hour inpatient care to two or more individuals who have an illness or injury**  
13 **and that provides at least the following health services:**

14 (A) **Medical;**

15 (B) **Nursing;**

16 (C) **Laboratory;**

17 (D) **Pharmacy; and**

18 (E) **Dietary; or**

19 (b) **A special inpatient care facility as that term is defined by the Department of Human**  
20 **Services by rule.**

21 [(20)] (15) "Institutional health services" means health services provided in or through health  
22 care facilities and includes the entities in or through which such services are provided.

23 [(21)] (16) "Intermediate care facility" means a facility that provides, on a regular basis,  
24 health-related care and services to individuals who do not require the degree of care and treatment  
25 that a hospital or skilled nursing facility is designed to provide, but who because of their mental  
26 or physical condition require care and services above the level of room and board that can be made  
27 available to them only through institutional facilities.

28 [(22)] (17) "Long term care facility" means a facility with permanent facilities that include in-  
29 patient beds, providing medical services, including nursing services but excluding surgical proce-  
30 dures except as may be permitted by the rules of the director, to provide treatment for two or more  
31 unrelated patients. "Long term care facility" includes skilled nursing facilities and intermediate  
32 care facilities but may not be construed to include facilities licensed and operated pursuant to ORS  
33 443.400 to 443.455.

34 [(23)] "Major medical equipment" means medical equipment that is used to provide medical and  
35 other health services and that costs more than \$1 million. "Major medical equipment" does not include  
36 medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory ser-  
37 vices, if the clinical laboratory is independent of a physician's office and a hospital and has been de-  
38 termined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and  
39 (11) of section 1861(s) of that Act.]

40 [(24)] "Net revenue" means gross revenue minus deductions from revenue.]

41 [(25)] (18) "New hospital" means a facility that did not offer hospital services on a regular basis  
42 within its service area within the prior 12-month period and is initiating or proposing to initiate  
43 such services. "New hospital" also includes any replacement of an existing hospital that involves a  
44 substantial increase or change in the services offered.

45 [(26)] (19) "New skilled nursing or intermediate care service or facility" means a service or fa-

1 cility that did not offer long term care services on a regular basis by or through the facility within  
2 the prior 12-month period and is initiating or proposing to initiate such services. “New skilled  
3 nursing or intermediate care service or facility” also includes the rebuilding of a long term care  
4 facility, the relocation of buildings that are a part of a long term care facility, the relocation of long  
5 term care beds from one facility to another or an increase in the number of beds of more than 10  
6 or 10 percent of the bed capacity, whichever is the lesser, within a two-year period.

7 [(27)] (20) “Offer” means that the health care facility holds itself out as capable of providing,  
8 or as having the means for the provision of, specified health services.

9 [(28) “Operating expenses” means the sum of daily hospital service expenses, ambulatory service  
10 expenses, ancillary expenses and other operating expenses, excluding income taxes.]

11 [(29)] (21) “Outpatient renal dialysis facility” means a facility that provides renal dialysis ser-  
12 vices directly to outpatients.

13 [(30)] (22) “Person” means an individual, a trust or estate, a partnership, a corporation (includ-  
14 ing associations, joint stock companies and insurance companies), a state, or a political subdivision  
15 or instrumentality, including a municipal corporation, of a state.

16 [(31)] (23) “Skilled nursing facility” means a facility or a distinct part of a facility, that is pri-  
17 marily engaged in providing to inpatients skilled nursing care and related services for patients who  
18 require medical or nursing care, or an institution that provides rehabilitation services for the re-  
19 habilitation of individuals who are injured or sick or who have disabilities.

20 [(32) “Special inpatient care facility” means a facility with permanent inpatient beds and other fa-  
21 cilities designed and utilized for special health care purposes, including but not limited to a rehabili-  
22 tation center, a college infirmary, a chiropractic facility, a facility for the treatment of alcoholism or  
23 drug abuse, an inpatient care facility meeting the requirements of ORS 441.065, and any other estab-  
24 lishment falling within a classification established by the Department of Human Services, after deter-  
25 mination of the need for such classification and the level and kind of health care appropriate for such  
26 classification.]

27 [(33) “Total deductions from gross revenue” or “deductions from revenue” means reductions from  
28 gross revenue resulting from inability to collect payment of charges. Such reductions include bad debts,  
29 contractual adjustments, uncompensated care, administrative, courtesy and policy discounts and ad-  
30 justments and other such revenue deductions. The deduction shall be net of the offset of restricted do-  
31 nations and grants for indigent care.]

32 **SECTION 14.** ORS 443.005 is amended to read:

33 443.005. As used in ORS 443.005 to 443.095:

34 (1) **“Caregiver registry” means an agency that prequalifies, establishes and maintains a**  
35 **list of qualified private contractor caregivers that is provided to a client for caregiver ser-**  
36 **VICES WITHIN THE CLIENT’S PLACE OF RESIDENCE.**

37 [(1)] (2) “Department” means the Department of Human Services.

38 [(2)] (3) “Home health agency” means a public or private agency providing coordinated home  
39 health services on a home visiting basis. “Home health agency” does not include:

40 (a) Any visiting nurse service or home health service conducted by and for those who rely upon  
41 spiritual means through prayer alone for healing in accordance with the tenets and practices of a  
42 recognized church or religious denomination.

43 (b) Those home health services offered by county health departments outside, and in addition to,  
44 programs formally designated and funded as home health agencies.

45 [(3)] (4) “Home health services” means items and services furnished to an individual by a home

1 health agency, or by others under arrangements with such agency, on a visiting basis, in a place  
2 of temporary or permanent residence used as the individual's home for the purpose of maintaining  
3 that individual at home.

4 (5) "Referral agency" means an agency that prequalifies, coordinates and arranges for  
5 home health services within a client's place of residence.

6 **SECTION 14a.** Sections 14b and 14c of this 2009 Act are added to and made a part of ORS  
7 443.005 to 443.095.

8 **SECTION 14b.** A person may not establish, conduct or maintain a referral agency or  
9 caregiver registry, or represent to the public that the person is a referral agency or  
10 caregiver registry, without first obtaining a referral agency license or caregiver registry li-  
11 cense from the Department of Human Services.

12 **SECTION 14c.** The Department of Human Services may adopt rules governing referral  
13 agencies and caregiver registries, including but not limited to:

14 (1) The minimum qualifications of individuals whose services are offered through a re-  
15 ferral agency or caregiver registry;

16 (2) Standards for the organization and quality of patient care;

17 (3) Procedures for maintaining records;

18 (4) Requirements for contractual arrangements for professional and ancillary services;

19 (5) Requiring criminal background checks on individuals placed on a caregiver or referral  
20 list by a referral agency or caregiver registry or on individuals placed in a client's place of  
21 residence by a referral agency or caregiver registry;

22 (6) Procedures for complaints against referral agencies and caregiver registries; and

23 (7) Procedures for inspection of referral agencies and caregiver registries.

24 **SECTION 15.** ORS 443.015 is amended to read:

25 443.015. *[No public or private agency or person shall]* A person may not establish, *conduct or*  
26 *maintain* a home health agency or organization providing home health services for compensation,  
27 or *[hold itself out to the public as]* purport to manage or operate a home health agency or organ-  
28 ization, without first obtaining a license *[therefor]* from the Department of Human Services. The li-  
29 cense shall be renewable annually and is not transferable.

30 **SECTION 15a.** ORS 443.025 is amended to read:

31 443.025. *[Any]* A hospital licensed under ORS 441.015 may provide home health services *[without*  
32 *paying a separate licensing fee and]* without maintaining a separate governing body and administra-  
33 tive staff so long as the services provided meet the requirements of ORS 443.005 to 443.095 **and the**  
34 **hospital pays the home health licensing fee under ORS 443.035.**

35 **SECTION 16.** ORS 443.035 is amended to read:

36 443.035. (1) The Department of Human Services may grant a license to a home health agency,  
37 **referral agency or caregiver registry** for a calendar year, may annually renew a license and may  
38 allow for a change of ownership, upon payment of a fee as follows:

39 (a) For a new home health agency:

40 (A) *[\$1,000]* **\$1,600**; and

41 (B) An additional *[\$1,000]* **\$1,600** for each subunit of a parent home health agency.

42 (b) For renewal of a **home health agency** license:

43 (A) *[\$600]* **\$850**; and

44 (B) An additional *[\$600]* **\$850** for each subunit of a parent home health agency.

45 (c) For a change of ownership **of a home health agency** at a time other than the annual re-

1 newal date:

2 (A) \$500; and

3 (B) An additional \$500 for each subunit of a parent home health agency.

4 **(d) For a new referral agency or caregiver registry:**

5 (A) \$1,500; and

6 (B) An additional \$750 for each subunit of a referral agency or caregiver registry.

7 **(e) For renewal of a referral agency or caregiver registry license:**

8 (A) \$750; and

9 (B) An additional \$750 for each subunit of a referral agency or caregiver registry.

10 **(f) For a change of ownership of a referral agency or caregiver registry at a time other**  
11 **than the annual renewal date:**

12 (A) \$350; and

13 (B) An additional \$350 for each subunit of a referral agency or caregiver registry.

14 (2) Notwithstanding subsection (1)(c) or (f) of this section, the fee for a change in ownership  
15 shall be \$100 if a change in ownership does not involve:

16 (a) The majority owner or partner; or

17 (b) The administrator operating the agency or registry.

18 (3) All fees received pursuant to subsection (1) of this section shall be paid over to the State  
19 Treasurer and credited to the Public Health Account. Such moneys are appropriated continuously  
20 to the Department of Human Services for the administration of ORS 443.005 to 443.095.

21 **SECTION 17. Section 18 of this 2009 Act is added to and made a part of ORS 443.005 to**  
22 **443.095.**

23 **SECTION 18. (1) The Department of Human Services shall conduct an on-site inspection**  
24 **of a home health agency, referral agency and caregiver registry prior to licensure and at**  
25 **least once every three years thereafter.**

26 **(2) In lieu of an on-site inspection, the department may accept a certification or accred-**  
27 **itation from a federal agency or an accrediting body approved by the department that the**  
28 **state licensing standards have been met, if:**

29 **(a) The certification or accreditation is recognized by the department as addressing the**  
30 **standards and conditions of participation requirements of the Centers for Medicare and**  
31 **Medicaid Services and any additional standards set by the department;**

32 **(b) The agency or registry notifies the department to participate in any exit interview**  
33 **conducted by the federal agency or accrediting body; and**

34 **(c) The agency or registry provides copies of all documentation concerning the certif-**  
35 **ication or accreditation requested by the department.**

36 **SECTION 19. (1) Rules adopted by the Department of Human Services pursuant to ORS**  
37 **443.085 and 443.340 shall include procedures for the filing of complaints as to the care or**  
38 **services provided by home health agencies, in-home care agencies, referral agencies or**  
39 **caregiver registries that ensure the confidentiality of the identity of the complainant.**

40 **(2) An employee or contract provider with knowledge of a violation of law or rules of the**  
41 **department shall use the reporting procedures established by the home health agency, in-**  
42 **home care agency, referral agency or caregiver registry before notifying the department or**  
43 **other state agency of the inappropriate care or violation, unless the employee or contract**  
44 **provider:**

45 **(a) Believes a patient's health or safety is in immediate jeopardy; or**



1       **(b) Files a complaint in accordance with rules adopted under subsection (1) of this sec-**  
2 **tion.**

3       **(3) Information obtained by the department during an investigation of a complaint or**  
4 **reported violation under this section is confidential and not subject to public disclosure under**  
5 **ORS 192.410 to 192.505. Upon the conclusion of the investigation, the department may publicly**  
6 **release a report of its findings but may not include information in the report that could be**  
7 **used to identify the complainant or any client of the home health agency, in-home care**  
8 **agency, referral agency or caregiver registry. The department may use any information ob-**  
9 **tained during an investigation in an administrative or judicial proceeding concerning the li-**  
10 **censing of a home health agency, in-home care agency, referral agency or caregiver registry.**

11       **(4) As used in this section:**

12       **(a) “Caregiver registry” has the meaning given that term in ORS 443.005.**

13       **(b) “Home health agency” has the meaning given that term in ORS 443.005.**

14       **(c) “In-home care agency” has the meaning given that term in ORS 443.305.**

15       **(d) “Referral agency” has the meaning given that term in ORS 443.005.**

16       **SECTION 20.** ORS 443.045 is amended to read:

17       443.045. (1) The Department of Human Services may deny, suspend or revoke the license of, **or**  
18 **assess a civil penalty against,** any **individual,** home health agency, **referral agency or caregiver**  
19 **registry** for failure to comply with ORS 443.005 to 443.095 or with the rules of the department as  
20 authorized by ORS 443.085.

21       (2) License denials, suspensions and revocations, **assessment of civil penalties,** adoption of  
22 rules and judicial review thereof shall be in accordance with ORS chapter 183.

23       **(3) A civil penalty imposed under this section may not exceed \$1,000 per violation and**  
24 **may not total more than \$2,000.**

25       **(4) All civil penalties recovered under this section shall be paid into the State Treasury**  
26 **and credited to the Department of Human Services Account. Moneys credited to the account**  
27 **under this section are continuously appropriated to the department for the administration**  
28 **of ORS 443.005 to 443.095 and 443.305 to 443.350.**

29       **NOTE:** Section 21 was deleted by amendment. Subsequent sections were not renumbered.

30       **SECTION 22.** ORS 443.075 is amended to read:

31       443.075. [*The following services and supplies may be prescribed by a physician or a nurse practi-*  
32 *tioner in accordance with a plan of treatment which must be established and periodically reviewed by*  
33 *the physician or nurse practitioner*] **(1) A home health agency must have an order for treatment**  
34 **and plan of treatment from a physician or nurse practitioner for the following services and**  
35 **supplies:**

36       [(1)] **(a)** Home nursing care provided by or under the supervision of a registered nurse;

37       [(2)] **(b)** Physical, occupational or speech therapy, medical social services or other therapeutic  
38 services;

39       [(3)] **(c)** Home health aide services; and

40       [(4)] **(d)** Medical supplies, other than drugs and biologicals, and the use of medical appliances.

41       **(2) A home health agency shall have each plan of treatment reviewed by the physician**  
42 **or nurse practitioner periodically, in accordance with rules adopted by the Department of**  
43 **Human Services.**

44       **SECTION 23.** ORS 443.085 is amended to read:

45       443.085. The Department of Human Services shall adopt rules [*relating to the home health agen-*

1 *cies licensed under*] **to implement** ORS 443.005 to 443.095[, *governing*] **including, but not limited**  
2 **to:**

3 (1) The qualifications of professional and ancillary personnel in order to adequately furnish  
4 home health services;

5 (2) Standards for the organization and quality of patient care;

6 (3) Procedures for maintaining records; [*and*]

7 (4) Provision for contractual arrangements for professional and ancillary health services[.]; **and**

8 **(5) Complaint and inspection procedures.**

9 **SECTION 24.** ORS 443.090 is amended to read:

10 443.090. (1) Notwithstanding ORS 443.305 to 443.350, a home health agency licensed under ORS  
11 443.015 that provides personal care services that are necessary to assist an individual in meeting  
12 the individual's daily needs, but do not include curative or rehabilitative services, is not required  
13 to be licensed as an in-home care agency under ORS 443.315.

14 **(2) A licensed home health agency that provides personal care services shall comply with**  
15 **all laws and rules concerning in-home care services except for the licensing requirements.**

16 **SECTION 25.** ORS 443.315 is amended to read:

17 443.315. (1) A person may not **establish, manage or** operate [*or maintain*] an in-home care  
18 agency or purport to **manage or** operate [*or maintain*] an in-home care agency without obtaining a  
19 license from the Department of Human Services.

20 (2) The department shall establish requirements and qualifications for licensure under this sec-  
21 tion by rule. The department shall issue a license to an applicant that has the necessary qualifica-  
22 tions and meets all requirements established by rule, including the payment of required fees. An  
23 in-home care agency shall be required to maintain administrative and professional oversight to en-  
24 sure the quality of services provided.

25 (3) Application for a license required under subsection (1) of this section shall be made in the  
26 form and manner required by the department by rule and shall be accompanied by any required fees.

27 (4) A license may be granted, or may be renewed annually, upon payment of a fee as follows:

28 (a) For the initial licensure of an in-home care agency:

29 (A) \$1,500; and

30 (B) An additional \$750 for each subunit.

31 (b) For renewal of a license:

32 (A) \$750; and

33 (B) An additional \$750 for each subunit.

34 (c) For a change of ownership at a time other than the annual renewal date:

35 (A) \$350; and

36 (B) An additional \$350 for each subunit.

37 (5) A license issued under this section is valid for one year. A license may be renewed by pay-  
38 ment of the required renewal fee and by demonstration of compliance with requirements for renewal  
39 established by rule.

40 (6) A license issued under this section is not transferable.

41 (7) The department shall conduct an on-site inspection of each in-home care agency prior to  
42 services being rendered and once every three years thereafter as a requirement for licensing.

43 **(8) In lieu of the on-site inspection required by subsection (7) of this section, the de-**  
44 **partment may accept a certification or accreditation from a federal agency or an accrediting**  
45 **body approved by the department that the state licensing standards have been met, if the**

1 **in-home care agency:**

2 (a) **Notifies the department to participate in any exit interview conducted by the federal**  
3 **agency or accrediting body; and**

4 (b) **Provides copies of all documentation concerning the certification or accreditation**  
5 **requested by the department.**

6 **SECTION 26.** ORS 443.325 is amended to read:

7 443.325. The Department of Human Services may impose a civil penalty [*in the manner provided*  
8 *in ORS 183.745*] and **may** deny, suspend or revoke the license of any in-home care agency licensed  
9 under ORS 443.315 for failure to comply with ORS 443.305 to 443.350 or with rules adopted there-  
10 under. A failure to comply with ORS 443.305 to 443.350 includes, but is not limited to:

11 (1) Failure to provide a written disclosure statement to the client or the client's representative  
12 prior to in-home care services being rendered;

13 (2) Failure to provide the contracted in-home care services; or

14 (3) Failure to correct deficiencies identified during a department inspection.

15 **NOTE:** Sections 27 and 28 were deleted by amendment. Subsequent sections were not renum-  
16 bered.

17 **SECTION 29.** ORS 65.800 is amended to read:

18 65.800. For purposes of ORS 65.803 to 65.815:

19 (1) "Hospital" means a hospital as defined in ORS 442.015 [(19)].

20 (2) "Noncharitable entity" means any person or entity that is not a public benefit or religious  
21 corporation and is not wholly owned or controlled by one or more public benefit or religious cor-  
22 porations.

23 **SECTION 30.** ORS 127.646 is amended to read:

24 127.646. As used in ORS 127.646 to 127.654:

25 (1) "Health care organization" means a home health agency, hospice program, hospital, long  
26 term care facility or health maintenance organization.

27 (2) "Health maintenance organization" has the meaning given that term in ORS 750.005, except  
28 that "health maintenance organization" includes only those organizations that participate in the  
29 federal Medicare or Medicaid programs.

30 (3) "Home health agency" has the meaning given that term in ORS 443.005.

31 (4) "Hospice program" has the meaning given that term in ORS 443.850.

32 (5) "Hospital" has the meaning given that term in ORS 442.015. [(19), *except that*] "Hospital" does  
33 not include a special inpatient care facility.

34 (6) "Long term care facility" has the meaning given that term in ORS 442.015, except that "long  
35 term care facility" does not include an intermediate care facility for individuals with mental retar-  
36 dation.

37 **SECTION 31.** ORS 192.517 is amended to read:

38 192.517. (1) The system designated to protect and advocate for the rights of individuals shall  
39 have access to all records of:

40 (a) Any individual who is a client of the system if the individual or the legal guardian or other  
41 legal representative of the individual has authorized the system to have such access;

42 (b) Any individual, including an individual who has died or whose whereabouts are unknown:

43 (A) If the individual by reason of the individual's mental or physical condition or age is unable  
44 to authorize such access;

45 (B) If the individual does not have a legal guardian or other legal representative, or the state

1 or a political subdivision of this state is the legal guardian of the individual; and

2 (C) If a complaint regarding the rights or safety of the individual has been received by the sys-  
3 tem or if, as a result of monitoring or other activities which result from a complaint or other evi-  
4 dence, there is probable cause to believe that the individual has been subject to abuse or neglect;  
5 and

6 (c) Any individual who has a legal guardian or other legal representative, who is the subject  
7 of a complaint of abuse or neglect received by the system, or whose health and safety is believed  
8 with probable cause to be in serious and immediate jeopardy if the legal guardian or other legal  
9 representative:

10 (A) Has been contacted by the system upon receipt of the name and address of the legal  
11 guardian or other legal representative;

12 (B) Has been offered assistance by the system to resolve the situation; and

13 (C) Has failed or refused to act on behalf of the individual.

14 (2) The system shall have access to the name, address and telephone number of any legal  
15 guardian or other legal representative of an individual.

16 (3) The system that obtains access to records under this section shall maintain the  
17 confidentiality of the records to the same extent as is required of the provider of the services, except  
18 as provided under the Protection and Advocacy for Mentally Ill Individuals Act (42 U.S.C. 10806)  
19 as in effect on January 1, 2003.

20 (4) The system shall have reasonable access to facilities, including the residents and staff of the  
21 facilities.

22 (5) This section is not intended to limit or overrule the provisions of ORS 41.675 or 441.055  
23 [(9)] (7).

24 **SECTION 32.** ORS 192.660, as amended by section 1, chapter 602, Oregon Laws 2007, is  
25 amended to read:

26 192.660. (1) ORS 192.610 to 192.690 do not prevent the governing body of a public body from  
27 holding executive session during a regular, special or emergency meeting, after the presiding officer  
28 has identified the authorization under ORS 192.610 to 192.690 for holding the executive session.

29 (2) The governing body of a public body may hold an executive session:

30 (a) To consider the employment of a public officer, employee, staff member or individual agent.

31 (b) To consider the dismissal or disciplining of, or to hear complaints or charges brought  
32 against, a public officer, employee, staff member or individual agent who does not request an open  
33 hearing.

34 (c) To consider matters pertaining to the function of the medical staff of a public hospital li-  
35 censed pursuant to ORS 441.015 to 441.063[, 441.085, 441.087 and 441.990 (2)] including, but not lim-  
36 ited to, all clinical committees, executive, credentials, utilization review, peer review committees  
37 and all other matters relating to medical competency in the hospital.

38 (d) To conduct deliberations with persons designated by the governing body to carry on labor  
39 negotiations.

40 (e) To conduct deliberations with persons designated by the governing body to negotiate real  
41 property transactions.

42 (f) To consider information or records that are exempt by law from public inspection.

43 (g) To consider preliminary negotiations involving matters of trade or commerce in which the  
44 governing body is in competition with governing bodies in other states or nations.

45 (h) To consult with counsel concerning the legal rights and duties of a public body with regard

1 to current litigation or litigation likely to be filed.

2 (i) To review and evaluate the employment-related performance of the chief executive officer of  
3 any public body, a public officer, employee or staff member who does not request an open hearing.

4 (j) To carry on negotiations under ORS chapter 293 with private persons or businesses regarding  
5 proposed acquisition, exchange or liquidation of public investments.

6 (k) If the governing body is a health professional regulatory board, to consider information ob-  
7 tained as part of an investigation of licensee or applicant conduct.

8 (L) If the governing body is the State Landscape Architect Board, or an advisory committee to  
9 the board, to consider information obtained as part of an investigation of registrant or applicant  
10 conduct.

11 (m) To discuss information about review or approval of programs relating to the security of any  
12 of the following:

13 (A) A nuclear-powered thermal power plant or nuclear installation.

14 (B) Transportation of radioactive material derived from or destined for a nuclear-fueled thermal  
15 power plant or nuclear installation.

16 (C) Generation, storage or conveyance of:

17 (i) Electricity;

18 (ii) Gas in liquefied or gaseous form;

19 (iii) Hazardous substances as defined in ORS 453.005 (7)(a), (b) and (d);

20 (iv) Petroleum products;

21 (v) Sewage; or

22 (vi) Water.

23 (D) Telecommunication systems, including cellular, wireless or radio systems.

24 (E) Data transmissions by whatever means provided.

25 (3) Labor negotiations shall be conducted in open meetings unless negotiators for both sides  
26 request that negotiations be conducted in executive session. Labor negotiations conducted in exec-  
27 utive session are not subject to the notification requirements of ORS 192.640.

28 (4) Representatives of the news media shall be allowed to attend executive sessions other than  
29 those held under subsection (2)(d) of this section relating to labor negotiations or executive session  
30 held pursuant to ORS 332.061 (2) but the governing body may require that specified information be  
31 undisclosed.

32 (5) When a governing body convenes an executive session under subsection (2)(h) of this section  
33 relating to conferring with counsel on current litigation or litigation likely to be filed, the governing  
34 body shall bar any member of the news media from attending the executive session if the member  
35 of the news media is a party to the litigation or is an employee, agent or contractor of a news media  
36 organization that is a party to the litigation.

37 (6) No executive session may be held for the purpose of taking any final action or making any  
38 final decision.

39 (7) The exception granted by subsection (2)(a) of this section does not apply to:

40 (a) The filling of a vacancy in an elective office.

41 (b) The filling of a vacancy on any public committee, commission or other advisory group.

42 (c) The consideration of general employment policies.

43 (d) The employment of the chief executive officer, other public officers, employees and staff  
44 members of a public body unless:

45 (A) The public body has advertised the vacancy;

1 (B) The public body has adopted regular hiring procedures;

2 (C) In the case of an officer, the public has had the opportunity to comment on the employment  
3 of the officer; and

4 (D) In the case of a chief executive officer, the governing body has adopted hiring standards,  
5 criteria and policy directives in meetings open to the public in which the public has had the op-  
6 portunity to comment on the standards, criteria and policy directives.

7 (8) A governing body may not use an executive session for purposes of evaluating a chief execu-  
8 tive officer or other officer, employee or staff member to conduct a general evaluation of an agency  
9 goal, objective or operation or any directive to personnel concerning agency goals, objectives, op-  
10 erations or programs.

11 (9) Notwithstanding subsections (2) and (6) of this section and ORS 192.650:

12 (a) ORS 676.175 governs the public disclosure of minutes, transcripts or recordings relating to  
13 the substance and disposition of licensee or applicant conduct investigated by a health professional  
14 regulatory board.

15 (b) ORS 671.338 governs the public disclosure of minutes, transcripts or recordings relating to  
16 the substance and disposition of registrant or applicant conduct investigated by the State Landscape  
17 Architect Board or an advisory committee to the board.

18 **SECTION 33.** ORS 409.720 is amended to read:

19 409.720. (1) As used in this section:

20 (a) "Adult foster home" has the meaning given that term in ORS 443.705 (1).

21 (b) "Health care facility" has the meaning given that term in ORS 442.015 [(16)].

22 (c) "Residential facility" has the meaning given that term in ORS 443.400 (6).

23 (2) Every adult foster home, health care facility and residential facility licensed or registered  
24 by the Department of Human Services shall:

25 (a) Adopt a plan to provide for the safety of persons who are receiving care at or are residents  
26 of the home or facility in the event of an emergency that requires immediate action by the staff of  
27 the home or facility due to conditions of imminent danger that pose a threat to the life, health or  
28 safety of persons who are receiving care at or are residents of the home or facility; and

29 (b) Provide training to all employees of the home or facility about the responsibilities of the  
30 employees to implement the plan required by this section.

31 (3) The department shall adopt by rule the requirements for the plan and training required by  
32 this section. The rules adopted shall include, but are not limited to, procedures for the evacuation  
33 of the persons who are receiving care at or are residents of the adult foster home, health care fa-  
34 cility or residential facility to a place of safety when the conditions of imminent danger require re-  
35 location of those persons.

36 **SECTION 34.** Section 1, chapter 736, Oregon Laws 2003, is amended to read:

37 **Sec. 1.** As used in sections 1 to 9, **chapter 736, Oregon Laws 2003** [of this 2003 Act]:

38 (1) "Charity care" means costs for providing inpatient or outpatient care services free of charge  
39 or at a reduced charge because of the indigence or lack of health insurance of the patient receiving  
40 the care services.

41 (2) "Contractual adjustments" means the difference between the amounts charged based on the  
42 hospital's full established charges and the amount received or due from the payor.

43 (3) "Hospital" has the meaning given that term in ORS 442.015. [but] "**Hospital**" does not in-  
44 clude special inpatient care facilities.

45 (4) "Net revenue":

1 (a) Means the total amount of charges for inpatient or outpatient care provided by the hospital  
2 to patients, less charity care, bad debts and contractual adjustments;

3 (b) Does not include revenue derived from sources other than inpatient or outpatient operations,  
4 including but not limited to interest and guest meals; and

5 (c) Does not include any revenue that is taken into account in computing a long term care fa-  
6 cility assessment under sections 15 to 22, **chapter 736, Oregon Laws 2003** [of this 2003 Act].

7 (5) "Waivered hospital" means a type A or type B hospital, as described in ORS 442.470, a hos-  
8 pital that provides only psychiatric care or a hospital identified by the Department of Human Ser-  
9 vices as appropriate for inclusion in the application described in section 4, **chapter 736, Oregon**  
10 **Laws 2003** [of this 2003 Act].

11 **SECTION 35.** ORS 432.500 is amended to read:

12 432.500. As used in ORS 432.510 to 432.550 and 432.900:

13 (1) "Clinical laboratory" means a facility where microbiological, serological, chemical,  
14 hematological, immunohematological, immunological, toxicological, cytogenetical, exfoliative  
15 cytological, histological, pathological or other examinations are performed on material derived from  
16 the human body, for the purpose of diagnosis, prevention of disease or treatment of patients by  
17 physicians, dentists and other persons who are authorized by license to diagnose or treat humans.

18 (2) "Department" means the Department of Human Services or its authorized representative.

19 (3) "Health care facility" means a hospital, as defined in ORS 442.015 [(19)], or an ambulatory  
20 surgical center, as defined in ORS 442.015.

21 (4) "Practitioner" means any person whose professional license allows the person to diagnose  
22 or treat cancer in patients.

23 **SECTION 36.** ORS 435.254 is amended to read:

24 435.254. (1) A hospital providing care to a female victim of sexual assault shall:

25 (a) Promptly provide the victim with unbiased, medically and factually accurate written and oral  
26 information about emergency contraception;

27 (b) Promptly orally inform the victim of her option to be provided emergency contraception at  
28 the hospital; and

29 (c) If requested by the victim and if not medically contraindicated, provide the victim with  
30 emergency contraception immediately at the hospital, notwithstanding section 2, chapter 789,  
31 Oregon Laws 2003.

32 (2)(a) In collaboration with victim advocates, other interested parties and nonprofit organiza-  
33 tions that provide intervention and support services to victims of sexual assault and their families,  
34 the Department of Human Services shall develop, prepare and produce informational materials re-  
35 lating to emergency contraception for the prevention of pregnancy in victims of sexual assault for  
36 distribution to and use in all hospital emergency departments in the state, in quantities sufficient  
37 to comply with the requirements of this section.

38 (b) The Director of Human Services, in collaboration with community sexual assault programs  
39 and other relevant stakeholders, may approve informational materials developed, prepared and  
40 produced by other entities for the purposes of paragraph (a) of this subsection.

41 (c) All informational materials must:

42 (A) Be clearly written and easily understood in a culturally competent manner; and

43 (B) Contain an explanation of emergency contraception, including its use, safety and effective-  
44 ness in preventing pregnancy, including but not limited to the following facts:

45 (i) Emergency contraception has been approved by the United States Food and Drug Adminis-

1 tration as an over-the-counter medication for women 18 years of age or older and is a safe and ef-  
2 fective way to prevent pregnancy after unprotected sexual intercourse or after contraceptive failure,  
3 if taken in a timely manner.

4 (ii) Emergency contraception is more effective the sooner it is taken.

5 (iii) Emergency contraception will not disrupt an established pregnancy.

6 (3) The department shall respond to complaints of violations of ORS 435.256 in accordance with  
7 ORS 441.057.

8 (4) The department shall incorporate the requirements of this section in rules adopted pursuant  
9 to ORS [441.055] **441.025** that prescribe the care to be given to patients at hospitals.

10 (5) The director shall adopt rules necessary to carry out the provisions of this section.

11 (6) Information required to be provided under subsection (1) of this section is medically and  
12 factually accurate if the information is verified or supported by the weight of research conducted  
13 in compliance with accepted scientific methods and based upon:

14 (a) Reports in peer-reviewed journals; or

15 (b) Information that leading professional organizations, such as the American College of  
16 Obstetricians and Gynecologists, and agencies with expertise in the field recognize as accurate and  
17 objective.

18 **SECTION 37.** ORS 441.015 is amended to read:

19 441.015. (1) No person or governmental unit, acting severally or jointly with any other person  
20 or governmental unit, shall establish, conduct, maintain, manage or operate a health care facility  
21 or health maintenance organization, as defined in ORS 442.015, in this state without a license.

22 (2) Any health care facility or health maintenance organization which is in operation at the time  
23 of promulgation of any applicable rules or minimum standards under ORS [441.055] **441.025** or  
24 731.072 shall be given a reasonable length of time within which to comply with such rules or mini-  
25 mum standards.

26 **SECTION 38.** ORS 441.065 is amended to read:

27 441.065. (1) ORS 441.015 to 441.063[, 441.085, 441.087] or the rules adopted pursuant thereto do  
28 not authorize the supervision, regulation or control of the remedial care or treatment of residents  
29 or patients in any home or institution that is described under subsection (2) of this section and is  
30 conducted for those who rely upon treatment solely by prayer or spiritual means, except as to the  
31 sanitary and safe conditions of the premises, cleanliness of operation and its physical equipment.  
32 This section does not exempt such a home or institution from the licensing requirements of ORS  
33 441.015 to 441.087, 441.525 to 441.595, 441.815, 441.820, 441.990, 442.342, 442.344 and 442.400 to  
34 442.463.

35 (2) To qualify under subsection (1) of this section, a home or institution must:

36 (a) Be owned by an entity that is registered with the Secretary of State as a nonprofit corpo-  
37 ration and that does not own, hold a financial interest in, control or operate any facility, wherever  
38 located, of a type providing medical health care and services; and

39 (b) Provide 24 hour a day availability of nonmedical care and services.

40 (3) As used in this section:

41 (a) "Medical health care and services" means medical screening, examination, diagnosis,  
42 prognosis, treatment and drug administration. "Medical health care and services" does not include  
43 counseling or the provision of social services or dietary services.

44 (b) "Nonmedical care and services" means assistance or services, other than medical health care  
45 and services, provided by attendants for the physical, mental, emotional or spiritual comfort and



1 well being of residents or patients.

2 **SECTION 39.** ORS 441.624 is amended to read:

3 441.624. (1) ORS 124.050, 124.080, 410.190, 441.020 to 441.057, 441.060, 441.061, 441.067, 441.073,  
4 [441.085,] 441.087, 441.277 to 441.289, 441.303, 441.316, 441.318, 441.367, 441.600, 441.610, 441.630,  
5 441.650 to 441.665, 441.685, 441.690, 441.703 and 441.705 to 441.720 address the consolidation of the  
6 regulatory functions of licensing, certification, inspection of care, utilization review, abuse reporting  
7 and abuse investigation.

8 (2) It is legislative intent that:

9 (a) The Department of Human Services focus administrative effort on the integration and con-  
10 sistent application and interpretation of the regulatory functions at the nursing facility level;

11 (b) Surveys and other reports, especially with respect to client assessment, be consistently and  
12 reliably performed throughout the state;

13 (c) Positive and negative findings and sanctions be proportional to the strengths and problems  
14 identified, within the limits of federal statute and regulations; and

15 (d) The interpretation of regulatory criteria be independent of influence from budgetary limita-  
16 tions.

17 **SECTION 40.** ORS 442.425 is amended to read:

18 442.425. (1) The Administrator of the Office for Oregon Health Policy and Research by rule may  
19 specify one or more uniform systems of financial reporting necessary to meet the requirements of  
20 ORS 442.400 to 442.463. Such systems shall include such cost allocation methods as may be pre-  
21 scribed and such records and reports of revenues, expenses, other income and other outlays, assets  
22 and liabilities, and units of service as may be prescribed. Each facility under the administrator's  
23 jurisdiction shall adopt such systems for its fiscal period starting on or after the effective date of  
24 such system and shall make the required reports on such forms as may be required by the adminis-  
25 trator. The administrator may extend the period by which compliance is required upon timely ap-  
26 plication and for good cause. Filings of such records and reports shall be made at such times as may  
27 be reasonably required by the administrator.

28 (2) Existing systems of reporting used by health care facilities shall be given due consideration  
29 by the administrator in carrying out the duty of specifying the systems of reporting required by ORS  
30 442.400 to 442.463. The administrator insofar as reasonably possible shall adopt reporting systems  
31 and requirements that will not unreasonably increase the administrative costs of the facility.

32 (3) The administrator may allow and provide for modifications in the reporting systems in order  
33 to correctly reflect differences in the scope or type of services and financial structure between the  
34 various categories, sizes or types of health care facilities and in a manner consistent with the pur-  
35 poses of ORS 442.400 to 442.463.

36 (4) The administrator may establish specific annual reporting provisions for facilities that re-  
37 ceive a preponderance of their revenue from associated comprehensive group-practice prepayment  
38 health care service plans. Notwithstanding any other provisions of ORS [441.055 and] 442.400 to  
39 442.463, such facilities shall be authorized to utilize established accounting systems and to report  
40 costs and revenues in a manner consistent with the operating principles of such plans and with  
41 generally accepted accounting principles. When such facilities are operated as units of a coordinated  
42 group of health facilities under common ownership, the facilities shall be authorized to report as a  
43 group rather than as individual institutions, and as a group shall submit a consolidated balance  
44 sheet, income and expense statement and statement of source and application of funds for such  
45 group of health facilities.

1       **SECTION 41.** ORS 442.430 is amended to read:

2       442.430. (1) Whenever a further investigation is considered necessary or desirable by the Office  
3 for Oregon Health Policy and Research to verify the accuracy of the information in the reports made  
4 by health care facilities, the office may make any necessary further examination of the facility's  
5 records and accounts. Such further examinations include, but are not limited to, requiring a full or  
6 partial audit of all such records and accounts.

7       (2) In carrying out the duties prescribed by ORS [441.055 and] 442.400 to 442.463, the office may  
8 utilize its own staff or may contract with any appropriate, independent, qualified third party. No  
9 such contractor shall release or publish or otherwise use any information made available to it under  
10 its contractual responsibility unless such permission is specifically granted by the office.

11       **SECTION 42.** ORS 442.700 is amended to read:

12       442.700. As used in ORS 442.700 to 442.760:

13       (1) "Board of governors" means the governors of a cooperative program as described in ORS  
14 442.720.

15       (2) "Cooperative program" means a program among two or more health care providers for the  
16 purpose of providing heart and kidney transplant services including, but not limited to, the sharing,  
17 allocation and referral of physicians, patients, personnel, instructional programs, support services,  
18 facilities, medical, diagnostic, laboratory or therapeutic services, equipment, devices or supplies, and  
19 other services traditionally offered by health care providers.

20       (3) "Director" means the Director of Human Services.

21       (4) "Health care provider" means a hospital, physician or entity, a significant part of whose  
22 activities consist of providing hospital or physician services in this state. For purposes of the im-  
23 munities provided by ORS 442.700 to 442.760 and 646.740, "health care provider" includes any offi-  
24 cer, director, trustee, employee, or agent of, or any entity under common ownership and control  
25 with, a health care provider.

26       (5) "Hospital" means a hospital, [as defined in ORS 442.015 (19), or] a long term care facility or  
27 an ambulatory surgical center, as those terms are defined in ORS 442.015, that is licensed under  
28 ORS 441.015 to 441.089. "Hospital" includes community health programs established under ORS  
29 430.610 to 430.695.

30       (6) "Order" means a decision issued by the director under ORS 442.710 either approving or de-  
31 nying an application for a cooperative program and includes modifications of an original order under  
32 ORS 442.730 (3)(b) and ORS 442.740 (1) and (4).

33       (7) "Party to a cooperative program agreement" or "party" means an entity that enters into the  
34 principal agreement to establish a cooperative program and applies for approval under ORS 442.700  
35 to 442.760 and 646.740 and any other entity that, with the approval of the director, becomes a  
36 member of a cooperative program.

37       (8) "Physician" means a physician defined in ORS 677.010 (13) and licensed under ORS chapter  
38 677.

39       **NOTE:** Section 43 was deleted by amendment. Subsequent sections were not renumbered.

40       **SECTION 44.** ORS 677.290 is amended to read:

41       677.290. (1) All moneys received by the Oregon Medical Board under this chapter shall be paid  
42 into the General Fund in the State Treasury and placed to the credit of the Oregon Medical Board  
43 Account which is established. Such moneys are appropriated continuously and shall be used only for  
44 the administration and enforcement of this chapter.

45       (2) Notwithstanding subsection (1) of this section, the board may maintain a revolving account

1 in a sum not to exceed \$50,000 for the purpose of receiving and paying pass-through moneys relating  
 2 to peer review pursuant to its duties under ORS 441.055 [(6) and (7)] **(4) and (5)** and in administering  
 3 programs pursuant to its duties under this chapter relating to the education and rehabilitation of  
 4 licensees in the areas of chemical substance abuse, inappropriate prescribing and medical compe-  
 5 tence. The creation of and disbursement of moneys from the revolving account shall not require an  
 6 allotment or allocation of moneys pursuant to ORS 291.234 to 291.260. All moneys in the account  
 7 are continuously appropriated for purposes set forth in this subsection.

8 (3) Each year \$10 shall be paid to the Oregon Health and Science University for each  
 9 [*actively*] in-state [*registered*] physician [*under ORS 677.265*] **licensed under ORS chapter 677**,  
 10 which amount is continuously appropriated to the Oregon Health and Science University to be used  
 11 in maintaining a circulating library of medical and surgical books and publications for the use of  
 12 practitioners of medicine in this state, and when not so in use to be kept at the library of the School  
 13 of Medicine and accessible to its students. The balance of the money received by the board is ap-  
 14 propriated continuously and shall be used only for the administration and enforcement of this  
 15 chapter, but any part of the balance may, upon the order of the board, be paid into the circulating  
 16 library fund.

17 **SECTION 45.** ORS 677.805 is amended to read:

18 677.805. As used in ORS 677.805 to 677.840:

19 (1) "Ankle" means the tibial plafond and its posterolateral border or posterior malleolus, the  
 20 medial malleolus, the distal fibula or lateral malleolus, and the talus.

21 (2) "Board" means the Oregon Medical Board.

22 (3) "Podiatric physician and surgeon" means a podiatric physician and surgeon whose practice  
 23 is limited to treating ailments of the human foot, ankle and tendons directly attached to and gov-  
 24 erning the function of the foot and ankle.

25 (4) "Podiatry" means the diagnosis or the medical, physical or surgical treatment of ailments  
 26 of the human foot, ankle and tendons directly attached to and governing the function of the foot and  
 27 ankle, except treatment involving the use of a general or spinal anesthetic unless the treatment is  
 28 performed in a hospital [*certified in the manner described in ORS 441.055 (2)*] **licensed under ORS**  
 29 **441.025** or in an ambulatory surgical center licensed by the Department of Human Services and is  
 30 under the supervision of or in collaboration with a physician licensed to practice medicine by the  
 31 Oregon Medical Board. "Podiatry" does not include the administration of general or spinal anes-  
 32 thetics or the amputation of the entire foot.

33 **SECTION 46.** ORS 677.812 is amended to read:

34 677.812. Surgery of the ankle as defined in ORS 677.805 must be conducted:

35 (1) In a hospital [*certified in the manner described in ORS 441.055 (2)*] or in an ambulatory sur-  
 36 gical center licensed by the Department of Human Services **under ORS 441.025**; and

37 (2) By a podiatric physician and surgeon who meets the qualifications for ankle surgery estab-  
 38 lished by rule of the Oregon Medical Board.

39 **SECTION 47.** ORS 678.730 is amended to read:

40 678.730. (1) Any individual is qualified for licensure as a nursing home administrator who:

41 (a) Meets the training or experience and other standards established by rules of the Board of  
 42 Examiners of Nursing Home Administrators. The board shall accept one year of experience as an  
 43 administrator serving a dual facility in lieu of any residency or intern requirement established pur-  
 44 suant to this paragraph; and

45 (b) Has passed an examination as provided in ORS 678.740.

1 (2) Each license as a nursing home administrator may be renewed by the board upon compliance  
2 by the licensee with the requirements of ORS 678.760 and by presenting evidence of the completion  
3 of the continuing education work required by the board. The board may require up to 50 hours of  
4 continuing education in any one-year period.

5 (3) In establishing educational standards pursuant to subsection (1)(a) of this section, the board  
6 shall require a baccalaureate degree from an accredited school of higher education. However, the  
7 educational requirement does not apply to any person who:

8 (a) Was a licensed administrator in any jurisdiction of the United States prior to January 1,  
9 1983; or

10 (b) Was an administrator of a dual facility meeting the experience requirements pursuant to  
11 subsection (1)(a) of this section.

12 (4) Notwithstanding the requirements established under subsection (1) of this section, upon the  
13 request of the governing body of a hospital, as defined in ORS 442.015 [(19)], the board shall deem  
14 a health care administrator to have met the requirements for licensure as a nursing home adminis-  
15 trator if the health care administrator possesses an advanced degree in management and has at least  
16 10 years of experience in health care management.

17 **SECTION 48.** ORS 678.780 is amended to read:

18 678.780. (1) The sanctions authorized by subsection (2) of this section may be imposed upon the  
19 following grounds:

20 (a) The employment of fraud or deception in applying for or obtaining a nursing home adminis-  
21 trator's license.

22 (b) Engaging in conduct in the course of acting as a nursing home administrator involving fraud,  
23 dishonesty, malfeasance, cheating or other conduct as the Board of Examiners of Nursing Home  
24 Administrators of the State of Oregon may prohibit by rule.

25 (c) Conviction of a crime involving circumstances that relate to the licensee's fitness to continue  
26 practicing as a nursing home administrator.

27 (d) Mistake or inadvertence in the issuance of the license by the board.

28 (e) Physical or mental incapacity that presents an unreasonable risk of harm to the licensee or  
29 to the person or property of others in the course of performing the duties of a nursing home ad-  
30 ministrator.

31 (f) Use of any controlled substance or intoxicating liquor in a manner that impairs the licensee's  
32 ability to conduct safely the practice for which the licensee is licensed.

33 (g) The licensee has engaged in conduct that would justify denying a license to an applicant.

34 (h) Violation of or noncompliance with any applicable provisions of ORS 678.710 to 678.780,  
35 678.800 to 678.840 and 678.990 (2) or of any lawful rule or order of the board or continuous or sub-  
36 stantial violations of the rules adopted under ORS [441.055] **441.025**.

37 (i) Discipline imposed by any other licensing body in this or any other state based on conduct  
38 that would be grounds for discipline under this section or rules adopted by the board.

39 (j) Incompetence in performing the duties of a nursing home administrator as demonstrated by  
40 evidence that the licensee either lacks or did not use the knowledge or skill necessary to perform  
41 the administrator's duties in a minimally adequate manner.

42 (k) Employing or otherwise assisting another person to act as a nursing home administrator with  
43 knowledge that the person does not hold a valid license to practice as a nursing home administrator.

44 (L) Failure to pay a civil penalty imposed against the licensee in a timely manner.

45 (m) Unprofessional conduct as defined in rules adopted by the board.

1 (2) Subject to ORS chapter 183, the board may impose any or all of the following sanctions:

2 (a) Suspend, revoke or refuse to renew any license required by ORS 678.720.

3 (b) A civil penalty not to exceed \$1,000.

4 (c) Probation, with authority to limit or restrict a license.

5 (d) Participation in a treatment program for intoxicating liquor or controlled substances.

6 (3) Hearings under this section must be conducted by an administrative law judge assigned from  
7 the Office of Administrative Hearings established by ORS 183.605.

8 (4) Information that the board obtains as part of an investigation into licensee or applicant  
9 conduct or as part of a contested case proceeding, consent order or stipulated agreement involving  
10 licensee or applicant conduct is confidential as provided under ORS 676.175.

11 **SECTION 49. ORS 441.017 and 441.085 are repealed.**

12 **SECTION 50. The amendments to ORS 441.020 by section 4a of this 2009 Act become op-**  
13 **erative on January 1, 2011.**

14 **SECTION 51.** If House Bill 2009 becomes law, section 2 of this 2009 Act is amended to read:

15 **Sec. 2.** (1) An ambulatory surgical center shall evaluate all of a patient's risk factors before  
16 permitting a surgical procedure to be performed on the patient in the facility.

17 (2) An ambulatory surgical center shall post a notice in the facility, in a prominent place and  
18 in prominent font size, advising patients of the manner in which patients may express concerns re-  
19 garding the ambulatory surgical center and services provided at the ambulatory surgical center. The  
20 posting must include but need not be limited to the address and telephone number for contacting the  
21 [Department of Human Services] **Oregon Health Authority** to express the concerns.

22 (3) The [department] **authority** shall adopt rules classifying ambulatory surgical centers in three  
23 categories:

24 (a) Certified ambulatory surgical centers, which must comply with federal Centers for Medicare  
25 and Medicaid Services rules, 42 C.F.R. 416 and rules adopted by the [department] **authority**;

26 (b) High complexity noncertified ambulatory surgical centers, which must comply with rules  
27 adopted by the [department] **authority**; and

28 (c) Moderate complexity noncertified ambulatory surgical centers, which must comply with rules  
29 adopted by the [department] **authority** and which may use only conscious sedation and analgesia.

30 **SECTION 52. If House Bill 2009 becomes law and House Bill 2442 does not become law,**  
31 **section 4 of this 2009 Act (amending ORS 441.020) is repealed and ORS 441.020, as amended**  
32 **by section 720, chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2009), is amended to read:**

33 441.020. (1) Licenses for health care facilities, except long term facilities as defined in ORS  
34 442.015, must be obtained from the Oregon Health Authority.

35 (2) Licenses for long term care facilities must be obtained from the Department of Human Ser-  
36 vices.

37 (3) Applications shall be upon such forms and shall contain such information as the authority  
38 or the department may reasonably require, which may include affirmative evidence of ability to  
39 comply with such reasonable standards and rules as may lawfully be prescribed under ORS  
40 [441.055] **441.025.**

41 (4) Each application shall be accompanied by the license fee. If the license is denied, the fee  
42 shall be refunded to the applicant. If the license is issued, the fee shall be paid into the State  
43 Treasury to the credit of:

44 (a) The Oregon Health Authority Fund for the purpose of carrying out the functions of the  
45 Oregon Health Authority under ORS 441.015 to 441.063; or

1 (b) The Department of Human Services Account for the purpose of carrying out the functions  
2 of the Department of Human Services under ORS 441.015 to 441.063 and 431.607 to 431.619.

3 (5) Except as otherwise provided in subsection [(5)] (8) of this section, for hospitals with:

4 (a) Fewer than 26 beds, the annual license fee shall be \$750.

5 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.

6 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be \$1,900.

7 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.

8 (e) Two hundred or more beds, the annual license fee shall be \$3,400.

9 **(6) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under**  
10 **its license.**

11 **(7) The authority may charge a reduced hospital fee or hospital satellite fee if the au-**  
12 **thority determines that charging the standard fee constitutes a significant financial burden**  
13 **to the facility.**

14 [(6)] (8) For long term care facilities with:

15 (a) Fewer than 16 beds, the annual license fee shall be up to \$120.

16 (b) Sixteen beds or more but fewer than 50 beds, the annual license fee shall be up to \$175.

17 (c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be up to \$350.

18 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be up to  
19 \$450.

20 (e) Two hundred beds or more, the annual license fee shall be up to \$580.

21 [(7) For special inpatient care facilities with:]

22 [(a) Fewer than 26 beds, the annual license fee shall be \$750.]

23 [(b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.]

24 [(c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be \$1,900.]

25 [(d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.]

26 [(e) Two hundred beds or more, the annual license fee shall be \$3,400.]

27 [(8)] (9) For ambulatory surgical centers, the annual license fee shall be [\$1,000]:

28 **(a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with**  
29 **more than two procedure rooms.**

30 **(b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with**  
31 **no more than two procedure rooms.**

32 **(c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.**

33 [(9)] (10) For birthing centers, the annual license fee shall be [\$250] **\$750.**

34 [(10)] (11) For outpatient renal dialysis facilities, the annual license fee shall be [\$1,500]  
35 **\$2,000.**

36 [(11)] (12) During the time the licenses remain in force holders thereof are not required to pay  
37 inspection fees to any county, city or other municipality.

38 [(12)] (13) Any health care facility license may be indorsed to permit operation at more than one  
39 location. In such case the applicable license fee shall be the sum of the license fees which would  
40 be applicable if each location were separately licensed. **The authority may include hospital sat-**  
41 **ellites on a hospital's license in accordance with rules adopted by the authority.**

42 [(13)] (14) Licenses for health maintenance organizations shall be obtained from the Director of  
43 the Department of Consumer and Business Services pursuant to ORS 731.072.

44 **(15) As used in this section:**

45 **(a) "Hospital satellite" has the meaning prescribed by the authority by rule.**

1 (b) "Procedure room" means a room where surgery or invasive procedures are per-  
2 formed.

3 **SECTION 52a.** If House Bill 2009 becomes law and House Bill 2442 does not become law,  
4 section 4a of this 2009 Act (amending ORS 441.020) and section 50 of this 2009 Act are re-  
5 pealed and ORS 441.020, as amended by section 720, chapter \_\_, Oregon Laws 2009 (Enrolled  
6 House Bill 2009), and section 52 of this 2009 Act, is amended to read:

7 441.020. (1) Licenses for health care facilities, except long term facilities as defined in ORS  
8 442.015, must be obtained from the Oregon Health Authority.

9 (2) Licenses for long term care facilities must be obtained from the Department of Human Ser-  
10 vices.

11 (3) Applications shall be upon such forms and shall contain such information as the authority  
12 or the department may reasonably require, which may include affirmative evidence of ability to  
13 comply with such reasonable standards and rules as may lawfully be prescribed under ORS 441.025.

14 (4) Each application shall be accompanied by the license fee. If the license is denied, the fee  
15 shall be refunded to the applicant. If the license is issued, the fee shall be paid into the State  
16 Treasury to the credit of:

17 (a) The Oregon Health Authority Fund for the purpose of carrying out the functions of the  
18 Oregon Health Authority under ORS 441.015 to 441.063; or

19 (b) The Department of Human Services Account for the purpose of carrying out the functions  
20 of the Department of Human Services under ORS 441.015 to 441.063 and 431.607 to 431.619.

21 (5) Except as otherwise provided in subsection (8) of this section, for hospitals with:

22 (a) Fewer than 26 beds, the annual license fee shall be [~~\$750~~] **\$1,250**.

23 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be [~~\$1,000~~]  
24 **\$1,850**.

25 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be [~~\$1,900~~] **\$3,800**.

26 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be [~~\$2,900~~]  
27 **\$6,525**.

28 (e) Two hundred or more beds, **but fewer than 500 beds**, the annual license fee shall be  
29 [~~\$3,400~~] **\$8,500**.

30 (f) **Five hundred or more beds, the annual license fee shall be \$12,070.**

31 (6) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under its li-  
32 cense.

33 (7) The authority may charge a reduced hospital fee or hospital satellite fee if the authority  
34 determines that charging the standard fee constitutes a significant financial burden to the facility.

35 (8) For long term care facilities with:

36 (a) Fewer than 16 beds, the annual license fee shall be up to \$120.

37 (b) Sixteen beds or more but fewer than 50 beds, the annual license fee shall be up to \$175.

38 (c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be up to \$350.

39 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be up to  
40 \$450.

41 (e) Two hundred beds or more, the annual license fee shall be up to \$580.

42 (9) For ambulatory surgical centers, the annual license fee shall be:

43 (a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with more  
44 than two procedure rooms.

45 (b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with no

1 more than two procedure rooms.

2 (c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.

3 (10) For birthing centers, the annual license fee shall be \$750.

4 (11) For outpatient renal dialysis facilities, the annual license fee shall be \$2,000.

5 (12) During the time the licenses remain in force holders thereof are not required to pay in-  
6 spection fees to any county, city or other municipality.

7 (13) Any health care facility license may be indorsed to permit operation at more than one lo-  
8 cation. In such case the applicable license fee shall be the sum of the license fees which would be  
9 applicable if each location were separately licensed. The authority may include hospital satellites  
10 on a hospital's license in accordance with rules adopted by the authority.

11 (14) Licenses for health maintenance organizations shall be obtained from the Director of the  
12 Department of Consumer and Business Services pursuant to ORS 731.072.

13 (15) As used in this section:

14 (a) "Hospital satellite" has the meaning prescribed by the authority by rule.

15 (b) "Procedure room" means a room where surgery or invasive procedures are performed.

16 **SECTION 52b. If House Bill 2009 becomes law and House Bill 2442 does not become law,**  
17 **the amendments to ORS 441.020 by section 52a of this 2009 Act become operative on January**  
18 **1, 2011.**

19 **SECTION 53. If House Bill 2009, House Bill 2129 and House Bill 2442 all become law, sec-**  
20 **tion 4 of this 2009 Act (amending ORS 441.020) is repealed and ORS 441.020, as amended by**  
21 **section 720, chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2009), and section 84, chapter**  
22 **\_\_, Oregon Laws 2009 (Enrolled House Bill 2129), is amended to read:**

23 441.020. (1) Licenses for health care facilities, except long term facilities as defined in ORS  
24 442.015, must be obtained from the Oregon Health Authority.

25 (2) Licenses for long term care facilities must be obtained from the Department of Human Ser-  
26 vices.

27 (3) Applications shall be upon such forms and shall contain such information as the authority  
28 or the department may reasonably require, which may include affirmative evidence of ability to  
29 comply with such reasonable standards and rules as may lawfully be prescribed under ORS  
30 [441.055] 441.025.

31 (4) Each application shall be accompanied by the license fee. If the license is denied, the fee  
32 shall be refunded to the applicant. Except as provided in subsection [(14)] (15) of this section, if the  
33 license is issued, the fee shall be paid into the State Treasury to the credit of:

34 (a) The Oregon Health Authority Fund for the purpose of carrying out the functions of the  
35 Oregon Health Authority under ORS 441.015 to 441.063; or

36 (b) The Department of Human Services Account for the purpose of carrying out the functions  
37 of the Department of Human Services under ORS 441.015 to 441.063 and 431.607 to 431.619.

38 (5) Except as otherwise provided in subsection [(6)] (8) of this section, for hospitals with:

39 (a) Fewer than 26 beds, the annual license fee shall be \$750.

40 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.

41 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be \$1,900.

42 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.

43 (e) Two hundred or more beds, the annual license fee shall be \$3,400.

44 **(6) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under**  
45 **its license.**



1       **(7) The authority may charge a reduced hospital fee or hospital satellite fee if the au-**  
2 **thority determines that charging the standard fee constitutes a significant financial burden**  
3 **to the facility.**

4       [(6)] **(8)** For long term care facilities with:

5       (a) One to 15 beds, the annual license fee shall be \$180.

6       (b) Sixteen to 49 beds, the annual license fee shall be \$260.

7       (c) Fifty to 99 beds, the annual license fee shall be \$520.

8       (d) One hundred to 150 beds, the annual license fee shall be \$670.

9       (e) More than 150 beds, the annual license fee shall be \$750.

10      [(7) For special inpatient care facilities with:]

11      [(a) Fewer than 26 beds, the annual license fee shall be \$750.]

12      [(b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,000.]

13      [(c) Fifty beds or more but fewer than 100 beds, the annual license fee shall be \$1,900.]

14      [(d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$2,900.]

15      [(e) Two hundred beds or more, the annual license fee shall be \$3,400.]

16      [(8)] **(9)** For ambulatory surgical centers, the annual license fee shall be [\$1,000]:

17      **(a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with**  
18 **more than two procedure rooms.**

19      **(b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with**  
20 **no more than two procedure rooms.**

21      **(c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.**

22      [(9)] **(10)** For birthing centers, the annual license fee shall be [\$250] **\$750.**

23      [(10)] **(11)** For outpatient renal dialysis facilities, the annual license fee shall be [\$1,500]  
24 **\$2,000.**

25      [(11)] **(12)** During the time the licenses remain in force, holders are not required to pay in-  
26 spection fees to any county, city or other municipality.

27      [(12)] **(13)** Any health care facility license may be indorsed to permit operation at more than one  
28 location. If so, the applicable license fee shall be the sum of the license fees that would be applicable  
29 if each location were separately licensed. **The authority may include hospital satellites on a**  
30 **hospital's license in accordance with rules adopted by the authority.**

31      [(13)] **(14)** Licenses for health maintenance organizations shall be obtained from the Director of  
32 the Department of Consumer and Business Services pursuant to ORS 731.072.

33      [(14)] **(15)** All moneys received pursuant to subsection [(6)] **(8)** of this section shall be deposited  
34 in the Quality Care Fund established in section 1, chapter \_\_\_, Oregon Laws 2009 (Enrolled House  
35 Bill 2442).

36      **(16) As used in this section:**

37      **(a) "Hospital satellite" has the meaning prescribed by the authority by rule.**

38      **(b) "Procedure room" means a room where surgery or invasive procedures are per-**  
39 **formed.**

40      **SECTION 53a. If House Bill 2009, House Bill 2129 and House Bill 2442 all become law,**  
41 **section 4a of this 2009 Act (amending ORS 441.020) and section 50 of this 2009 Act are re-**  
42 **pealed and ORS 441.020, as amended by section 720, chapter \_\_\_, Oregon Laws 2009 (Enrolled**  
43 **House Bill 2009), section 84, chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 2129), and**  
44 **section 53 of this 2009 Act, is amended to read:**

45      441.020. (1) Licenses for health care facilities, except long term facilities as defined in ORS

1 442.015, must be obtained from the Oregon Health Authority.

2 (2) Licenses for long term care facilities must be obtained from the Department of Human Ser-  
3 vices.

4 (3) Applications shall be upon such forms and shall contain such information as the authority  
5 or the department may reasonably require, which may include affirmative evidence of ability to  
6 comply with such reasonable standards and rules as may lawfully be prescribed under ORS 441.025.

7 (4) Each application shall be accompanied by the license fee. If the license is denied, the fee  
8 shall be refunded to the applicant. Except as provided in subsection (15) of this section, if the license  
9 is issued, the fee shall be paid into the State Treasury to the credit of:

10 (a) The Oregon Health Authority Fund for the purpose of carrying out the functions of the  
11 Oregon Health Authority under ORS 441.015 to 441.063; or

12 (b) The Department of Human Services Account for the purpose of carrying out the functions  
13 of the Department of Human Services under ORS 441.015 to 441.063 and 431.607 to 431.619.

14 (5) Except as otherwise provided in subsection (8) of this section, for hospitals with:

15 (a) Fewer than 26 beds, the annual license fee shall be [~~\$750~~] **\$1,250**.

16 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be [~~\$1,000~~]  
17 **\$1,850**.

18 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be [~~\$1,900~~] **\$3,800**.

19 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be [~~\$2,900~~]  
20 **\$6,525**.

21 (e) Two hundred or more beds, **but fewer than 500 beds**, the annual license fee shall be  
22 [~~\$3,400~~] **\$8,500**.

23 **(f) Five hundred or more beds, the annual license fee shall be \$12,070.**

24 (6) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under its li-  
25 cense.

26 (7) The authority may charge a reduced hospital fee or hospital satellite fee if the authority  
27 determines that charging the standard fee constitutes a significant financial burden to the facility.

28 (8) For long term care facilities with:

29 (a) One to 15 beds, the annual license fee shall be \$180.

30 (b) Sixteen to 49 beds, the annual license fee shall be \$260.

31 (c) Fifty to 99 beds, the annual license fee shall be \$520.

32 (d) One hundred to 150 beds, the annual license fee shall be \$670.

33 (e) More than 150 beds, the annual license fee shall be \$750.

34 (9) For ambulatory surgical centers, the annual license fee shall be:

35 (a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with more  
36 than two procedure rooms.

37 (b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with no  
38 more than two procedure rooms.

39 (c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.

40 (10) For birthing centers, the annual license fee shall be \$750.

41 (11) For outpatient renal dialysis facilities, the annual license fee shall be \$2,000.

42 (12) During the time the licenses remain in force, holders are not required to pay inspection fees  
43 to any county, city or other municipality.

44 (13) Any health care facility license may be indorsed to permit operation at more than one lo-  
45 cation. If so, the applicable license fee shall be the sum of the license fees that would be applicable

1 if each location were separately licensed. The authority may include hospital satellites on a hospi-  
2 tal's license in accordance with rules adopted by the authority.

3 (14) Licenses for health maintenance organizations shall be obtained from the Director of the  
4 Department of Consumer and Business Services pursuant to ORS 731.072.

5 (15) All moneys received pursuant to subsection (8) of this section shall be deposited in the  
6 Quality Care Fund established in section 1, chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill  
7 2442).

8 (16) As used in this section:

9 (a) "Hospital satellite" has the meaning prescribed by the authority by rule.

10 (b) "Procedure room" means a room where surgery or invasive procedures are performed.

11 **SECTION 53b. If House Bill 2009, House Bill 2129 and House Bill 2442 all become law, the**  
12 **amendments to ORS 441.020 by section 53a of this 2009 Act become operative on January 1,**  
13 **2011.**

14 **SECTION 54.** If House Bill 2009 becomes law, section 4b of this 2009 Act is amended to read:

15 **Sec. 4b.** (1) In addition to an annual fee, the [*Department of Human Services*] **Oregon Health**  
16 **Authority** may charge a hospital a fee for:

17 (a) Complaint investigation, in an amount not to exceed \$850.

18 (b) Full compliance survey, in an amount not to exceed \$7,520.

19 (c) On-site follow-up survey to verify compliance with a plan of correction, in an amount not to  
20 exceed \$225.

21 (d) Off-site follow-up survey to verify compliance with a plan of correction, in an amount not to  
22 exceed \$85.

23 (2) During one calendar year, the [*department*] **authority** may charge to all hospitals a total  
24 amount not to exceed:

25 (a) \$91,000 for complaint investigations.

26 (b) \$15,000 for full compliance surveys.

27 (c) \$6,700 for follow-up surveys.

28 (3)(a) The [*department*] **authority** shall apportion the total amount charged under subsection (2)  
29 of this section among hospitals at the end of each calendar year based on the number of complaint  
30 investigations, full compliance surveys and follow-up surveys performed at each hospital during the  
31 calendar year.

32 (b) The [*department*] **authority** may not include investigations of employee complaints in a hospi-  
33 tal's total number of complaint investigations.

34 (c) A hospital that was licensed in 2008 may not be charged fees under this subsection for more  
35 complaint investigations than the number of complaint investigations that occurred at the hospital  
36 in 2008.

37 (d) A hospital that was not licensed in 2008 may be charged fees under this subsection for an  
38 unlimited number of complaint investigations.

39 (4) As used in this section, "full compliance survey" means a survey conducted by the [*depart-*  
40 *ment*] **authority** following a complaint investigation to determine a hospital's compliance with the  
41 Centers for Medicare and Medicaid Services Conditions of Participation.

42 **SECTION 55. If House Bill 2009 becomes law, section 5 of this 2009 Act (amending ORS**  
43 **441.022) is repealed and ORS 441.022, as amended by section 721, chapter \_\_\_, Oregon Laws**  
44 **2009 (Enrolled House Bill 2009), is amended to read:**

45 441.022. In determining whether to license a health care facility [*or long term care facility*] pur-

1 suant to ORS 441.025, the Oregon Health Authority or the Department of Human Services shall  
 2 consider only factors relating to the health and safety of individuals to be cared for therein and **the**  
 3 **ability of the operator of the health care facility to safely operate the facility, and** may not  
 4 consider whether the health care facility [*or long term care facility*] is or will be a governmental,  
 5 charitable or other nonprofit institution or whether the facility is or will be an institution for profit.

6 **SECTION 56. If House Bill 2009 becomes law, section 6 of this 2009 Act (amending ORS**  
 7 **441.025) is repealed and ORS 441.025, as amended by section 722, chapter \_\_\_, Oregon Laws**  
 8 **2009 (Enrolled House Bill 2009), is amended to read:**

9 441.025. (1) Upon receipt of **a license fee and** an application to operate a health care facility  
 10 [*and the license fee*] **other than a long term care facility**, the Oregon Health Authority shall **re-**  
 11 **view the application and conduct an on-site inspection of the health care facility. The au-**  
 12 **thority shall** issue a license if it finds that the applicant and health care facility comply with ORS  
 13 441.015 to 441.063 [*and 441.085*] and the rules of the authority provided that the authority does not  
 14 receive within the time specified a certificate of noncompliance issued by the State Fire Marshal,  
 15 deputy, or approved authority pursuant to ORS 479.215.

16 (2) Upon receipt of **a license fee and** an application to operate a long term care facility [*and*  
 17 *the license fee*], the Department of Human Services shall **review the application and conduct an**  
 18 **on-site inspection of the long term care facility. The department shall** issue a license if the  
 19 department finds that the applicant and long term care facility comply with ORS 441.015 to  
 20 441.063[, *441.085*] and 441.087 and the rules of the department provided that it does not receive  
 21 within the time specified a certificate of noncompliance issued by the State Fire Marshal, deputy,  
 22 or approved authority pursuant to ORS 479.215.

23 (3) Each license, unless sooner suspended or revoked, shall be renewable annually for the cal-  
 24 endar year upon payment of the fee, provided that a certificate of noncompliance has not been is-  
 25 sued by the State Fire Marshal, deputy, or approved authority pursuant to ORS 479.215.

26 (4) Each license shall be issued only for the premises and persons or governmental units named  
 27 in the application and shall not be transferable or assignable.

28 (5) Licenses shall be posted in a conspicuous place on the licensed premises as prescribed by  
 29 rule of the authority or the department.

30 (6) No license shall be issued or renewed for any health care facility or health maintenance  
 31 organization [*that offers or proposes to develop a new health service unless a certificate of need has*  
 32 *first been issued therefor pursuant to ORS 442.340 (1987 Replacement Part) or approval has been*  
 33 *granted under ORS 442.315 or section 9, chapter 1034, Oregon Laws 1989*] **that is required to obtain**  
 34 **a certificate of need under ORS 442.315 until a certificate of need has been granted. An**  
 35 **ambulatory surgical center is not subject to the certificate of need requirements in ORS**  
 36 **442.315.**

37 (7) No license shall be issued or renewed for any skilled nursing facility or intermediate care  
 38 facility, [*as defined in ORS 442.015,*] unless the applicant has included in the application the name  
 39 and such other information as may be necessary to establish the identity and financial interests of  
 40 any person who has incidents of ownership in the facility representing an interest of 10 percent or  
 41 more thereof. If the person having such interest is a corporation, the name of any stockholder  
 42 holding stock representing an interest in the facility of 10 percent or more shall also be included  
 43 in the application. If the person having such interest is any other entity, the name of any member  
 44 thereof having incidents of ownership representing an interest of 10 percent or more in the facility  
 45 shall also be included in the application.

1 (8) A license may be denied to any applicant for a license or renewal thereof or any stockholder  
2 of any such applicant who has incidents of ownership in the health care facility [*or long term care*  
3 *facility*] representing an interest of 10 percent or more thereof, or an interest of 10 percent or more  
4 of a lease agreement for the facility, if during the five years prior to the application the applicant  
5 or any stockholder of the applicant had an interest of 10 percent or more in the facility or of a lease  
6 for the facility and has divested that interest after receiving from the authority or the department  
7 written notice that the authority or the department intends to suspend or revoke the license or to  
8 decertify the facility from eligibility to receive payments for services provided under this section.

9 (9) The Department of Human Services may not issue or renew a license for a long term care  
10 facility, [*as defined in ORS 442.015,*] unless the applicant has included in the application the identity  
11 of any person who has incident of ownership in the long term care facility who also has a financial  
12 interest in any pharmacy, as defined in ORS 689.005.

13 **(10) The authority shall adopt rules for each type of health care facility, except long term**  
14 **care facilities, to carry out the purposes of ORS 441.015 to 441.087 including, but not limited**  
15 **to:**

16 **(a) Establishing classifications and descriptions for the different types of health care fa-**  
17 **ilities that are licensed under ORS 441.015 to 441.087; and**

18 **(b) Standards for patient care and safety, adequate professional staff organizations,**  
19 **training of staff for whom no other state regulation exists, suitable delineation of profes-**  
20 **sional privileges and adequate staff analyses of clinical records.**

21 **(11) The department shall adopt rules for each type of long term care facility to carry**  
22 **out the purposes of ORS 441.015 to 441.087 including, but not limited to:**

23 **(a) Establishing classifications and descriptions for the different types of long term care**  
24 **facilities that are licensed under ORS 441.015 to 441.087; and**

25 **(b) Standards for patient care and safety, adequate professional staff organizations,**  
26 **training of staff for whom no other state regulation exists, suitable delineation of profes-**  
27 **sional privileges and adequate staff analyses of clinical records.**

28 **(12) The authority or department may not adopt a rule requiring a health care facility**  
29 **to serve a specific food as long as the necessary nutritional food elements are present in the**  
30 **food that is served.**

31 **(13) A health care facility licensed by the authority or department may not:**

32 **(a) Offer or provide services beyond the scope of the license classification assigned by the**  
33 **authority or department; or**

34 **(b) Assume a descriptive title or represent itself under a descriptive title other than the**  
35 **classification assigned by the authority or department.**

36 **(14) A health care facility must reapply for licensure to change the classification assigned**  
37 **or the type of license issued by the authority or department.**

38 **SECTION 57. If House Bill 2009 becomes law, section 7 of this 2009 Act (amending ORS**  
39 **441.030) is repealed and ORS 441.030, as amended by section 723, chapter \_\_\_, Oregon Laws**  
40 **2009 (Enrolled House Bill 2009), is amended to read:**

41 441.030. (1) The Oregon Health Authority or the Department of Human Services **may assess a**  
42 **civil penalty and**, pursuant to ORS 479.215, shall deny, suspend or revoke a license, in any case  
43 where the State Fire Marshal, or the representative of the State Fire Marshal, certifies that there  
44 is a failure to comply with all applicable laws, lawful ordinances and rules relating to safety from  
45 fire.

1 (2) The authority may:

2 (a) **Assess a civil penalty or** deny, suspend or revoke a [*health care facility's*] license **of a**  
3 **health care facility other than a long term care facility** in any case where it finds that there  
4 has been a substantial failure to comply with ORS 441.015 to 441.063 [*and 441.085*] or the rules or  
5 minimum standards adopted under ORS 441.015 to 441.063 [*and 441.085; or*].

6 (b) **Assess a civil penalty or** suspend or revoke a license issued under ORS 441.025 for failure  
7 to comply with an authority order arising from a health care facility's substantial lack of compliance  
8 with the provisions of ORS 441.015 to 441.063, [*441.085,*] 441.162 or 441.166 or the rules adopted un-  
9 der ORS 441.015 to 441.063, [*441.085,*] 441.162 or 441.166[, *or*].

10 (c) **Suspend or revoke a license issued under ORS 441.025** for failure to pay a civil penalty  
11 imposed under ORS 441.170.

12 (3) The department may:

13 (a) **Assess a civil penalty or** deny, suspend or revoke a long term care facility's license in any  
14 case where it finds that there has been a substantial failure to comply with ORS 441.015 to  
15 441.063[, *441.085*] or 441.087 or the rules or minimum standards adopted under ORS 441.015 to  
16 441.063[, *441.085*] or 441.087.

17 (b) **Assess a civil penalty or** suspend or revoke a long term care facility's license issued under  
18 ORS 441.025 for failure to comply with a department order arising from a long term care facility's  
19 substantial lack of compliance with the provisions of ORS 441.015 to 441.063 or 441.084 to 441.087  
20 or the rules adopted under ORS 441.015 to 441.063 or 441.084 to 441.087[, *or*].

21 (c) **Suspend or revoke a license issued under ORS 441.025** for failure to pay a civil penalty  
22 imposed under ORS 441.710.

23 [(c)] (d) Order a long term care facility licensed under ORS 441.025 to restrict the admission of  
24 patients when the department finds an immediate threat to patient health and safety arising from  
25 failure of the long term care facility to be in compliance with ORS 441.015 to 441.063 or 441.084 to  
26 441.087 and the rules adopted under ORS 441.015 to 441.063 or 441.084 to 441.087.

27 (4) Any long term care facility that has been ordered to restrict the admission of patients pur-  
28 suant to subsection [(3)(c)] (3)(d) of this section shall post a notice of the restriction, provided by  
29 the department, on all doors providing ingress to and egress from the facility, for the duration of  
30 the restriction.

31 **SECTION 58. If House Bill 2009 becomes law, section 8 of this 2009 Act (amending ORS**  
32 **441.055) is repealed and ORS 441.055, as amended by section 726, chapter \_\_, Oregon Laws**  
33 **2009 (Enrolled House Bill 2009), is amended to read:**

34 441.055. [(1) *To fulfill the purposes of ORS 441.015 to 441.087:*]

35 [(a) *The Oregon Health Authority shall adopt rules with respect to the different types of health care*  
36 *facilities; and*]

37 [(b) *The Department of Human Services shall adopt rules with respect to long term care*  
38 *facilities.*]

39 [(2) *No rules shall require any specific food so long as the necessary nutritional food elements are*  
40 *present.*]

41 [(3) *Rules describing care given in health care facilities or long term care facilities must include,*  
42 *but need not be limited to, standards of patient care or patient safety, adequate professional staff or-*  
43 *ganizations, training of staff for whom no other state regulation exists, suitable delineation of profes-*  
44 *sional privileges and adequate staff analyses of clinical records. The authority or the department may*  
45 *accept certificates by the Joint Commission on Accreditation of Hospitals or the Committee on Hospitals*

1 *of the American Osteopathic Association as evidence of compliance with acceptable standards.]*

2 [(4)] (1) The governing body of each health care facility [*or long term care facility*] shall be re-  
3 sponsible for the operation of the facility, the selection of the medical staff and the quality of care  
4 rendered in the facility. The governing body shall:

5 (a) Ensure that all health care personnel for whom state licenses, registrations or certificates  
6 are required are currently licensed, registered or certified;

7 (b) Ensure that physicians admitted to practice in the facility are granted privileges consistent  
8 with their individual training, experience and other qualifications;

9 (c) Ensure that procedures for granting, restricting and terminating privileges exist and that  
10 such procedures are regularly reviewed to ensure their conformity to applicable law;

11 (d) Ensure that physicians admitted to practice in the facility are organized into a medical staff  
12 in such a manner as to effectively review the professional practices of the facility for the purposes  
13 of reducing morbidity and mortality and for the improvement of patient care; and

14 (e) Ensure that a physician is not denied medical staff membership or privileges at the facility  
15 solely on the basis that the physician holds medical staff membership or privileges at another health  
16 care facility.

17 [(5)] (2) The physicians organized into a medical staff pursuant to subsection [(4)] (1) of this  
18 section shall propose medical staff bylaws to govern the medical staff. The bylaws shall include, but  
19 not be limited to the following:

20 (a) Procedures for physicians admitted to practice in the facility to organize into a medical staff  
21 pursuant to subsection [(4)] (1) of this section;

22 (b) Procedures for ensuring that physicians admitted to practice in the facility are granted  
23 privileges consistent with their individual training, experience and other qualifications;

24 (c) Provisions establishing a framework for the medical staff to nominate, elect, appoint or re-  
25 move officers and other persons to carry out medical staff activities with accountability to the  
26 governing body;

27 (d) Procedures for ensuring that physicians admitted to practice in the facility are currently li-  
28 censed by the Oregon Medical Board;

29 (e) Procedures for ensuring that the facility's procedures for granting, restricting and terminat-  
30 ing privileges are followed and that such procedures are regularly reviewed to assure their con-  
31 formity to applicable law; and

32 (f) Procedures for ensuring that physicians provide services within the scope of the privileges  
33 granted by the governing body.

34 [(6)] (3) Amendments to medical staff bylaws shall be accomplished through a cooperative pro-  
35 cess involving both the medical staff and the governing body. Medical staff bylaws shall be adopted,  
36 repealed or amended when approved by the medical staff and the governing body. Approval shall  
37 not be unreasonably withheld by either. Neither the medical staff nor the governing body shall  
38 withhold approval if such repeal, amendment or adoption is mandated by law, statute or regulation  
39 or is necessary to obtain or maintain accreditation or to comply with fiduciary responsibilities or  
40 if the failure to approve would subvert the stated moral or ethical purposes of the institution.

41 [(7)] (4) The Oregon Medical Board may appoint one or more physicians to conduct peer review  
42 for a health care facility upon request of such review by all of the following:

43 (a) The physician whose practice is being reviewed.

44 (b) The executive committee of the health care facility's medical staff.

45 (c) The governing body of the health care facility.

1 [(8)] (5) The physicians appointed pursuant to subsection [(7)] (4) of this section shall be deemed  
2 agents of the Oregon Medical Board, subject to the provisions of ORS 30.310 to 30.400 and shall  
3 conduct peer review. Peer review shall be conducted pursuant to the bylaws of the requesting health  
4 care facility.

5 [(9)] (6) Any person serving on or communicating information to a peer review committee shall  
6 not be subject to an action for damages for action or communications or statements made in good  
7 faith.

8 [(10)] (7) All findings and conclusions, interviews, reports, studies, communications and state-  
9 ments procured by or furnished to the peer review committee in connection with a peer review are  
10 confidential pursuant to ORS 192.501 to 192.505 and 192.690 and all data is privileged pursuant to  
11 ORS 41.675.

12 [(11)] (8) Notwithstanding subsection [(10)] (7) of this section, a written report of the findings  
13 and conclusions of the peer review shall be provided to the governing body of the health care fa-  
14 cility who shall abide by the privileged and confidential provisions set forth in subsection [(10)] (7)  
15 of this section.

16 [(12)] (9) Procedures for peer review established by subsections [(7) to (11)] (4) to (8) of this  
17 section are exempt from ORS chapter 183.

18 [(13)] (10) The **Oregon Health** Authority shall adopt by rule standards for rural hospitals, as  
19 defined in ORS 442.470, that specifically address the provision of care to postpartum and newborn  
20 patients so long as patient care is not adversely affected.

21 [(14)] (11) For purposes of this section, “physician” has the meaning given the term in ORS  
22 677.010.

23 **SECTION 59. If House Bill 2009 becomes law, section 9 of this 2009 Act (amending ORS**  
24 **441.057) is repealed and ORS 441.057, as amended by section 727, chapter \_\_, Oregon Laws**  
25 **2009 (Enrolled House Bill 2009), is amended to read:**

26 441.057. (1) Rules adopted pursuant to ORS [441.055] **441.025** shall include procedures for the  
27 filing of complaints as to the standard of care in any health care facility [*or long term care facility*]  
28 and provide for the confidentiality of the identity of any complainant.

29 (2) A health care facility [*or a long term care facility*], or person acting in the interest of the  
30 facility, may not take any disciplinary or other adverse action against any employee who in good  
31 faith brings evidence of inappropriate care or any other violation of law or rules to the attention  
32 of the proper authority solely because of the employee’s action as described in this subsection.

33 (3) Any employee who has knowledge of inappropriate care or any other violation of law or  
34 rules shall utilize established reporting procedures of the health care facility [*or long term care fa-*  
35 *cility*] administration before notifying the Department of Human Services, Oregon Health Authority  
36 or other state agency of the alleged violation, unless the employee believes that patient health or  
37 safety is in immediate jeopardy or the employee makes the report to the department or the authority  
38 under the confidentiality provisions of subsection (1) of this section.

39 (4) The protection of health care facility [*or long term care facility*] employees under subsection  
40 (2) of this section shall commence with the reporting of the alleged violation by the employee to the  
41 administration of the health care facility [*or long term care facility*] or to the department, authority  
42 or other state agency pursuant to subsection (3) of this section.

43 (5) Any person suffering loss or damage due to any violation of subsection (2) of this section has  
44 a right of action for damages in addition to other appropriate remedy.

45 (6) The provisions of this section do not apply to a nursing staff, as defined in ORS 441.172, who



1 claims to be aggrieved by a violation of ORS 441.174 committed by a hospital.

2 **(7) Information obtained by the department or the authority during an investigation of**  
3 **a complaint or reported violation under this section is confidential and not subject to public**  
4 **disclosure under ORS 192.410 to 192.505. Upon the conclusion of the investigation, the de-**  
5 **partment or the authority may publicly release a report of the department's or the authori-**  
6 **ty's findings but may not include information in the report that could be used to identify the**  
7 **complainant or any patient at the health care facility. The department or the authority may**  
8 **use any information obtained during an investigation in an administrative or judicial pro-**  
9 **ceeding concerning the licensing of a health care facility, and may report information ob-**  
10 **tained during an investigation to a health professional regulatory board as defined in ORS**  
11 **676.160 as that information pertains to a licensee of the board.**

12 **SECTION 60. If House Bill 2009 becomes law, section 10 of this 2009 Act (amending ORS**  
13 **441.060) is repealed and ORS 441.060, as amended by section 728, chapter \_\_, Oregon Laws**  
14 **2009 (Enrolled House Bill 2009), is amended to read:**

15 441.060. (1) The Oregon Health Authority and the Department of Human Services shall make  
16 or cause to be made [*such inspections as the authority or the department deem necessary*] **on-site**  
17 **inspections of licensed health care facilities at least once every three years.**

18 (2) The authority and the department may prescribe by rule that any licensee or prospective  
19 applicant desiring to make specified types of alteration or addition to its facilities or to construct  
20 new facilities shall, before commencing such alteration, addition or new construction, either prior  
21 to or after receiving a certificate of need pursuant to ORS [*442.340 (1987 Replacement Part)*]  
22 **442.315**, if required, submit plans and specifications therefor to the authority or the department for  
23 preliminary inspection and approval or recommendations with respect to compliance with the rules  
24 authorized by ORS [*441.055*] **441.025** and 443.420 and for compliance with National Fire Protection  
25 Association standards when the facility is also to be Medicare or Medicaid certified.

26 (3) The authority or the department may require by rule payment of a fee for project review  
27 services at a variable rate, dependent on total project cost.

28 (4) For health care facilities, the authority shall develop a review fee schedule as minimally  
29 necessary to support the staffing level and expenses required to administer the program.

30 (5) For long term care facilities and residential care facilities, the department shall develop a  
31 review fee schedule as minimally necessary to support the staffing level and expenses required to  
32 administer the program. The fee for project review of residential care facilities shall equal two-  
33 thirds that required of health care facilities.

34 (6) The authority or the department may also conduct an on-site review of projects as a pre-  
35 requisite to licensure of new facilities, major renovations and expansions. The authority and the  
36 department shall, at least annually, with the advice of the facilities covered by the review, present  
37 proposed rule changes regarding facility design and construction to such agencies for their consid-  
38 eration.

39 (7) The authority shall publish a state submissions guide for health care facility projects and  
40 advise project sponsors of applicable requirements of federal, state and local regulatory agencies.

41 (8) The department shall publish a state submissions guide for long term care facility and resi-  
42 dential care facility projects and advise project sponsors of applicable requirements of federal, state  
43 and local regulatory agencies.

44 **SECTION 61. If House Bill 2009 becomes law, section 11 of this 2009 Act (amending ORS**  
45 **441.062) is repealed and ORS 441.062, as amended by section 729, chapter \_\_, Oregon Laws**

1 **2009 (Enrolled House Bill 2009), is amended to read:**

2 441.062. (1) In conducting inspections for the purpose of licensing health care facilities [*and long*  
3 *term care facilities*] under ORS 441.020, the Oregon Health Authority and the Department of Human  
4 Services shall avoid unnecessary facility disruption by coordinating inspections performed by the  
5 authority or the department with inspections performed by other federal, state and local agencies  
6 that have responsibility for health care facility [*or long term care facility*] licensure.

7 (2) Whenever possible, the authority and the department shall avoid duplication of inspections  
8 by accepting inspection reports or surveys prepared by other state agencies that have responsibility  
9 for health care facility [*or long term care facility*] licensure for purposes of the inspection required  
10 for licensure.

11 **(3) In lieu of an on-site inspection as required by ORS 441.025 and 441.060, the authority**  
12 **or the department may accept a certification or accreditation from a federal agency or an**  
13 **accrediting body approved by the authority or the department that the state licensing stan-**  
14 **dards have been met, if:**

15 **(a) The certification or accreditation is recognized by the authority or the department**  
16 **as addressing the standards and condition of participation requirements of the Centers for**  
17 **Medicare and Medicaid Services and other standards set by the authority or the department;**

18 **(b) The health care facility notifies the authority or the department to participate in any**  
19 **exit interview conducted by the federal agency or accrediting body; and**

20 **(c) The health care facility provides copies of all documentation concerning the certif-**  
21 **ication or accreditation requested by the authority or the department.**

22 [(3)] (4) The authority and the department shall adopt rules necessary to implement this section.

23 **SECTION 62. If House Bill 2009 becomes law, section 12 of this 2009 Act (amending ORS**  
24 **441.990) is repealed and ORS 441.990, as amended by section 9, chapter 602, Oregon Laws 2007,**  
25 **and section 746, chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2009), is amended to**  
26 **read:**

27 441.990. (1) Violation of ORS 441.015 (1) is a violation punishable, upon conviction, by a fine of  
28 not more than \$100 for the first violation and not more than \$500 for each subsequent violation.  
29 Each day of continuing violation after a first conviction shall be considered a subsequent violation.

30 (2) Any person who willfully prevents, interferes with, or attempts to impede in any way the  
31 work of any duly authorized representative of the Department of Human Services in the lawful  
32 carrying out of the provisions of ORS 441.087 (1) is guilty of a Class C misdemeanor.

33 (3) The removal of the notice required by ORS 441.030 (4) by any person other than an official  
34 of the department is a Class C misdemeanor.

35 **(4) In addition to the penalties under this section, the Oregon Health Authority, the De-**  
36 **partment of Human Services or the Department of Consumer and Business Services may**  
37 **assess civil penalties against any health care facility or health maintenance organization**  
38 **under ORS 441.030 or for a violation of ORS 441.015 (1). A civil penalty imposed under this**  
39 **section may not exceed \$5,000.**

40 **(5) Civil penalties under this section shall be imposed in the manner provided by ORS**  
41 **183.745.**

42 **(6) Civil penalties recovered under this section shall be paid into the State Treasury and**  
43 **credited to the General Fund for general governmental purposes.**

44 **SECTION 63. If House Bill 2009 becomes law, section 13 of this 2009 Act (amending ORS**  
45 **442.015) is repealed and ORS 442.015, as amended by section 749, chapter \_\_, Oregon Laws**

1 **2009 (Enrolled House Bill 2009), is amended to read:**

2 442.015. As used in ORS chapter 441 and this chapter, unless the context requires otherwise:

3 (1) "Acquire" or "acquisition" means obtaining equipment, supplies, components or facilities by  
4 any means, including purchase, capital or operating lease, rental or donation, with intention of using  
5 such equipment, supplies, components or facilities to provide health services in Oregon. When  
6 equipment or other materials are obtained outside of this state, acquisition is considered to occur  
7 when the equipment or other materials begin to be used in Oregon for the provision of health ser-  
8 vices or when such services are offered for use in Oregon.

9 [(2) "*Adjusted admission*" means the sum of all inpatient admissions divided by the ratio of inpa-  
10 tient revenues to total patient revenues.]

11 [(3)] (2) "Affected persons" has the same meaning as given to "party" in ORS 183.310.

12 [(4) "*Ambulatory surgical center*" means a facility that performs outpatient surgery not routinely  
13 or customarily performed in a physician's or dentist's office, and is able to meet health facility licensure  
14 requirements.]

15 [(5) "*Audited actual experience*" means data contained within financial statements examined by an  
16 independent, certified public accountant in accordance with generally accepted auditing standards.]

17 (3)(a) **"Ambulatory surgical center" means a facility or portion of a facility that operates  
18 exclusively for the purpose of providing surgical services to patients who do not require  
19 hospitalization and for whom the expected duration of services does not exceed 24 hours  
20 following admission.**

21 (b) **"Ambulatory surgical center" does not mean:**

22 (A) **Individual or group practice offices of private physicians or dentists that do not  
23 contain a distinct area used for outpatient surgical treatment on a regular and organized  
24 basis, or that only provide surgery routinely provided in a physician's or dentist's office using  
25 local anesthesia or conscious sedation; or**

26 (B) **A portion of a licensed hospital designated for outpatient surgical treatment.**

27 [(6)] (4) "Budget" means the projections by the hospital for a specified future time period of  
28 expenditures and revenues with supporting statistical indicators.

29 [(7) "*Case mix*" means a calculated index for each hospital, based on financial accounting and case  
30 mix data collection as set forth in ORS 442.425, reflecting the relative costliness of that hospital's mix  
31 of cases compared to a state or national mix of cases.]

32 [(8)] (5) "Develop" means to undertake those activities that on their completion will result in  
33 the offer of a new institutional health service or the incurring of a financial obligation, as defined  
34 under applicable state law, in relation to the offering of such a health service.

35 [(9)] (6) "Expenditure" or "capital expenditure" means the actual expenditure, an obligation to  
36 an expenditure, lease or similar arrangement in lieu of an expenditure, and the reasonable value of  
37 a donation or grant in lieu of an expenditure but not including any interest thereon.

38 [(10)] (7) "Freestanding birthing center" means a facility licensed for the primary purpose of  
39 performing low risk deliveries.

40 [(11)] (8) "Governmental unit" means the state, or any county, municipality or other political  
41 subdivision, or any related department, division, board or other agency.

42 [(12)] (9) "Gross revenue" means the sum of daily hospital service charges, ambulatory service  
43 charges, ancillary service charges and other operating revenue. "Gross revenue" does not include  
44 contributions, donations, legacies or bequests made to a hospital without restriction by the donors.

45 [(13)(a)] (10)(a) "Health care facility" means [*a hospital, a long term care facility, an ambulatory*

1 *surgical center, a freestanding birthing center or an outpatient renal dialysis facility.]:*

2 **(A) A hospital;**

3 **(B) A long term care facility;**

4 **(C) An ambulatory surgical center;**

5 **(D) A freestanding birthing center; or**

6 **(E) An outpatient renal dialysis center.**

7 (b) “Health care facility” does not mean:

8 *[(A) An establishment furnishing residential care or treatment not meeting federal intermediate care*  
9 *standards, not following a primarily medical model of treatment, prohibited from admitting persons*  
10 *requiring 24-hour nursing care and licensed or approved under the rules of the Department of Human*  
11 *Services or the Department of Corrections; or]*

12 **(A) A residential facility licensed by the Department of Human Services or the Oregon**  
13 **Health Authority under ORS 443.415;**

14 **(B) An establishment furnishing primarily domiciliary care[.] as described in ORS 443.205;**

15 **(C) A residential facility licensed or approved under the rules of the Department of Cor-**  
16 **rections;**

17 **(D) Facilities established by ORS 430.335 for treatment of substance abuse disorders; or**

18 **(E) Community mental health programs or community developmental disabilities pro-**  
19 **grams established under ORS 430.620.**

20 *[(14)]* **(11)** “Health maintenance organization” or “HMO” means a public organization or a pri-  
21 *rate organization organized under the laws of any state that:*

22 (a) Is a qualified HMO under section 1310 (d) of the U.S. Public Health Services Act; or

23 (b)(A) Provides or otherwise makes available to enrolled participants health care services, in-  
24 *cluding at least the following basic health care services:*

25 (i) Usual physician services;

26 (ii) Hospitalization;

27 (iii) Laboratory;

28 (iv) X-ray;

29 (v) Emergency and preventive services; and

30 (vi) Out-of-area coverage;

31 (B) Is compensated, except for copayments, for the provision of the basic health care services  
32 listed in subparagraph (A) of this paragraph to enrolled participants on a predetermined periodic  
33 rate basis; and

34 (C) Provides physicians’ services primarily directly through physicians who are either employees  
35 or partners of such organization, or through arrangements with individual physicians or one or more  
36 groups of physicians organized on a group practice or individual practice basis.

37 *[(15)]* **(12)** “Health services” means clinically related diagnostic, treatment or rehabilitative  
38 services, and includes alcohol, drug or controlled substance abuse and mental health services that  
39 may be provided either directly or indirectly on an inpatient or ambulatory patient basis.

40 *[(16)]* **(13)** “Hospital” means:

41 **(a)** A facility with an organized medical staff[, *with*] **and a permanent [facilities] building** that  
42 *[include inpatient beds and with medical services, including physician services and continuous nursing*  
43 *services under the supervision of registered nurses, to provide diagnosis and medical or surgical*  
44 *treatment primarily for but not limited to acutely ill patients and accident victims, to provide treatment*  
45 *for patients with mental illness or to provide treatment in special inpatient care facilities.] is capable*

1 **of providing 24-hour inpatient care to two or more individuals who have an illness or injury**  
2 **and that provides at least the following health services:**

3 **(A) Medical;**

4 **(B) Nursing;**

5 **(C) Laboratory;**

6 **(D) Pharmacy; and**

7 **(E) Dietary; or**

8 **(b) A special inpatient care facility as that term is defined by the Oregon Health Au-**  
9 **thority by rule.**

10 [(17)] **(14)** “Institutional health services” means health services provided in or through health  
11 care facilities and includes the entities in or through which such services are provided.

12 [(18)] **(15)** “Intermediate care facility” means a facility that provides, on a regular basis,  
13 health-related care and services to individuals who do not require the degree of care and treatment  
14 that a hospital or skilled nursing facility is designed to provide, but who because of their mental  
15 or physical condition require care and services above the level of room and board that can be made  
16 available to them only through institutional facilities.

17 [(19)] **(16)** “Long term care facility” means a facility with permanent facilities that include in-  
18 patient beds, providing medical services, including nursing services but excluding surgical proce-  
19 dures except as may be permitted by the rules of the Director of Human Services, to provide  
20 treatment for two or more unrelated patients. “Long term care facility” includes skilled nursing fa-  
21 cilities and intermediate care facilities but may not be construed to include facilities licensed and  
22 operated pursuant to ORS 443.400 to 443.455.

23 [(20)] *“Major medical equipment” means medical equipment that is used to provide medical and*  
24 *other health services and that costs more than \$1 million. “Major medical equipment” does not include*  
25 *medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory ser-*  
26 *vices, if the clinical laboratory is independent of a physician’s office and a hospital and has been de-*  
27 *termined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and*  
28 *(11) of section 1861(s) of that Act.]*

29 [(21)] *“Net revenue” means gross revenue minus deductions from revenue.]*

30 [(22)] **(17)** “New hospital” means a facility that did not offer hospital services on a regular basis  
31 within its service area within the prior 12-month period and is initiating or proposing to initiate  
32 such services. “New hospital” also includes any replacement of an existing hospital that involves a  
33 substantial increase or change in the services offered.

34 [(23)] **(18)** “New skilled nursing or intermediate care service or facility” means a service or fa-  
35 cility that did not offer long term care services on a regular basis by or through the facility within  
36 the prior 12-month period and is initiating or proposing to initiate such services. “New skilled  
37 nursing or intermediate care service or facility” also includes the rebuilding of a long term care  
38 facility, the relocation of buildings that are a part of a long term care facility, the relocation of long  
39 term care beds from one facility to another or an increase in the number of beds of more than 10  
40 or 10 percent of the bed capacity, whichever is the lesser, within a two-year period.

41 [(24)] **(19)** “Offer” means that the health care facility holds itself out as capable of providing,  
42 or as having the means for the provision of, specified health services.

43 [(25)] *“Operating expenses” means the sum of daily hospital service expenses, ambulatory service*  
44 *expenses, ancillary expenses and other operating expenses, excluding income taxes.]*

45 [(26)] **(20)** “Outpatient renal dialysis facility” means a facility that provides renal dialysis ser-

1 vices directly to outpatients.

2 [(27)] (21) "Person" means an individual, a trust or estate, a partnership, a corporation (includ-  
3 ing associations, joint stock companies and insurance companies), a state, or a political subdivision  
4 or instrumentality, including a municipal corporation, of a state.

5 [(28)] (22) "Skilled nursing facility" means a facility or a distinct part of a facility, that is pri-  
6 marily engaged in providing to inpatients skilled nursing care and related services for patients who  
7 require medical or nursing care, or an institution that provides rehabilitation services for the re-  
8 habilitation of individuals who are injured or sick or who have disabilities.

9 [(29) "Special inpatient care facility" means a facility with permanent inpatient beds and other fa-  
10 cilities designed and utilized for special health care purposes, including but not limited to a rehabili-  
11 tation center, a college infirmary, a chiropractic facility, a facility for the treatment of alcoholism or  
12 drug abuse, an inpatient care facility meeting the requirements of ORS 441.065, and any other estab-  
13 lishment falling within a classification established by the Oregon Health Authority, after determination  
14 of the need for such classification and the level and kind of health care appropriate for such classi-  
15 fication.]

16 [(30) "Total deductions from gross revenue" or "deductions from revenue" means reductions from  
17 gross revenue resulting from inability to collect payment of charges. Such reductions include bad debts,  
18 contractual adjustments, uncompensated care, administrative, courtesy and policy discounts and ad-  
19 justments and other such revenue deductions. The deduction shall be net of the offset of restricted do-  
20 nations and grants for indigent care.]

21 **SECTION 64.** If House Bill 2009 becomes law, section 14b of this 2009 Act is amended to read:

22 **Sec. 14b.** A person may not establish, conduct or maintain a referral agency or caregiver reg-  
23 istry, or represent to the public that the person is a referral agency or caregiver registry, without  
24 first obtaining a referral agency license or caregiver registry license from the [Department of Human  
25 Services] **Oregon Health Authority**.

26 **SECTION 65.** If House Bill 2009 becomes law, section 14c of this 2009 Act is amended to read:

27 **Sec. 14c.** The [Department of Human Services] **Oregon Health Authority** may adopt rules gov-  
28 erning referral agencies and caregiver registries, including but not limited to:

- 29 (1) The minimum qualifications of individuals whose services are offered through a referral  
30 agency or caregiver registry;
- 31 (2) Standards for the organization and quality of patient care;
- 32 (3) Procedures for maintaining records;
- 33 (4) Requirements for contractual arrangements for professional and ancillary services;
- 34 (5) Requiring criminal background checks on individuals placed on a caregiver or referral list  
35 by a referral agency or caregiver registry or on individuals placed in a client's place of residence  
36 by a referral agency or caregiver registry;
- 37 (6) Procedures for complaints against referral agencies and caregiver registries; and
- 38 (7) Procedures for inspection of referral agencies and caregiver registries.

39 **SECTION 66.** If House Bill 2009 becomes law, section 18 of this 2009 Act is amended to read:

40 **Sec. 18.** (1) The [Department of Human Services] **Oregon Health Authority** shall conduct an  
41 on-site inspection of a home health agency, referral agency and caregiver registry prior to licensure  
42 and at least once every three years thereafter.

43 (2) In lieu of an on-site inspection, the [department] **authority** may accept a certification or ac-  
44 creditation from a federal agency or an accrediting body approved by the [department] **authority**  
45 that the state licensing standards have been met, if:

1 (a) The certification or accreditation is recognized by the [*department*] **authority** as addressing  
2 the standards and conditions of participation requirements of the Centers for Medicare and  
3 Medicaid Services and any additional standards set by the [*department*] **authority**;

4 (b) The agency or registry notifies the [*department*] **authority** to participate in any exit inter-  
5 view conducted by the federal agency or accrediting body; and

6 (c) The agency or registry provides copies of all documentation concerning the certification or  
7 accreditation requested by the [*department*] **authority**.

8 **SECTION 67.** If House Bill 2009 becomes law, section 19 of this 2009 Act is amended to read:

9 **Sec. 19.** (1) Rules adopted by the [*Department of Human Services*] **Oregon Health Authority**  
10 pursuant to ORS 443.085 and 443.340 shall include procedures for the filing of complaints as to the  
11 care or services provided by home health agencies, in-home care agencies, referral agencies or  
12 caregiver registries that ensure the confidentiality of the identity of the complainant.

13 (2) An employee or contract provider with knowledge of a violation of law or rules of the [*de-*  
14 *partment*] **authority** shall use the reporting procedures established by the home health agency, in-  
15 home care agency, referral agency or caregiver registry before notifying the [*department*] **authority**  
16 or other state agency of the inappropriate care or violation, unless the employee or contract pro-  
17 vider:

18 (a) Believes a patient's health or safety is in immediate jeopardy; or

19 (b) Files a complaint in accordance with rules adopted under subsection (1) of this section.

20 (3) Information obtained by the [*department*] **authority** during an investigation of a complaint  
21 or reported violation under this section is confidential and not subject to public disclosure under  
22 ORS 192.410 to 192.505. Upon the conclusion of the investigation, the [*department*] **authority** may  
23 publicly release a report of its findings but may not include information in the report that could be  
24 used to identify the complainant or any client of the home health agency, in-home care agency, re-  
25 ferral agency or caregiver registry. The [*department*] **authority** may use any information obtained  
26 during an investigation in an administrative or judicial proceeding concerning the licensing of a  
27 home health agency, in-home care agency, referral agency or caregiver registry.

28 (4) As used in this section:

29 (a) "Caregiver registry" has the meaning given that term in ORS 443.005.

30 (b) "Home health agency" has the meaning given that term in ORS 443.005.

31 (c) "In-home care agency" has the meaning given that term in ORS 443.305.

32 (d) "Referral agency" has the meaning given that term in ORS 443.005.

33 **SECTION 68.** If House Bill 2009 becomes law and House Bill 2442 does not become law,  
34 section 20 of this 2009 Act (amending ORS 443.045) is repealed and ORS 443.045, as amended  
35 by section 772, chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2009), is amended to read:

36 443.045. (1) The Oregon Health Authority may deny, suspend or revoke the license of, **or assess**  
37 **a civil penalty against**, any **individual**, home health agency, **referral agency or caregiver reg-**  
38 **istry** for failure to comply with ORS 443.005 to 443.095 or with the rules of the authority as au-  
39 thorized by ORS 443.085.

40 (2) License denials, suspensions and revocations, **assessment of civil penalties**, adoption of  
41 rules and judicial review thereof shall be in accordance with ORS chapter 183.

42 (3) **A civil penalty imposed under this section may not exceed \$1,000 per violation and**  
43 **may not total more than \$2,000.**

44 (4) **All civil penalties recovered under this section shall be paid into the State Treasury**  
45 **and credited to the Oregon Health Authority Fund. Moneys credited to the fund under this**

1 section are continuously appropriated to the authority for the administration of ORS 443.005  
2 to 443.095 and 443.305 to 443.350.

3 **SECTION 69.** If House Bill 2009, House Bill 2129 and House Bill 2442 all become law, sec-  
4 tion 20 of this 2009 Act (amending ORS 443.045) is repealed and ORS 443.045, as amended by  
5 section 772, chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2009), and section 86, chapter  
6 \_\_, Oregon Laws 2009 (Enrolled House Bill 2129), is amended to read:

7 443.045. (1) The Oregon Health Authority may deny, suspend or revoke the license of, **or assess**  
8 **a civil penalty against,** any **individual,** home health agency, **referral agency or caregiver reg-**  
9 **istry** for failure to comply with ORS 443.005 to 443.095 or section 6, chapter \_\_, Oregon Laws 2009  
10 (Enrolled House Bill 2442), or with the rules of the authority as authorized by ORS 443.085.

11 (2) License denials, suspensions and revocations, **assessment of civil penalties,** adoption of  
12 rules and judicial review thereof shall be in accordance with ORS chapter 183.

13 (3) **A civil penalty imposed under this section may not exceed \$1,000 per violation and**  
14 **may not total more than \$2,000.**

15 (4) **All civil penalties recovered under this section shall be paid into the State Treasury**  
16 **and credited to the Oregon Health Authority Fund. Moneys credited to the fund under this**  
17 **section are continuously appropriated to the authority for the administration of ORS 443.005**  
18 **to 443.095 and 443.305 to 443.350.**

19 **SECTION 70.** If House Bill 2009 becomes law, section 22 of this 2009 Act (amending ORS  
20 443.075) is repealed and ORS 443.075 is amended to read:

21 443.075. [*The following services and supplies may be prescribed by a physician or a nurse practi-*  
22 *tioner in accordance with a plan of treatment which must be established and periodically reviewed by*  
23 *the physician or nurse practitioner] (1) **A home health agency must have an order for treatment**  
24 **and plan of treatment from a physician or nurse practitioner for the following services and**  
25 **supplies:***

26 [(1)] (a) Home nursing care provided by or under the supervision of a registered nurse;

27 [(2)] (b) Physical, occupational or speech therapy, medical social services or other therapeutic  
28 services;

29 [(3)] (c) Home health aide services; and

30 [(4)] (d) Medical supplies, other than drugs and biologicals, and the use of medical appliances.

31 (2) **A home health agency shall have each plan of treatment reviewed by the physician**  
32 **or nurse practitioner periodically, in accordance with rules adopted by the Oregon Health**  
33 **Authority.**

34 **SECTION 71.** If House Bill 2009 becomes law, section 25 of this 2009 Act (amending ORS  
35 443.315) is repealed and ORS 443.315, as amended by section 776a, chapter \_\_, Oregon Laws  
36 2009 (Enrolled House Bill 2009), is amended to read:

37 443.315. (1) A person may not **establish, manage or** operate [*or maintain*] an in-home care  
38 agency or purport to **manage or** operate [*or maintain*] an in-home care agency without obtaining a  
39 license from the Oregon Health Authority.

40 (2) The authority shall establish requirements and qualifications for licensure under this section  
41 by rule. The authority shall issue a license to an applicant that has the necessary qualifications and  
42 meets all requirements established by rule, including the payment of required fees. An in-home care  
43 agency shall be required to maintain administrative and professional oversight to ensure the quality  
44 of services provided.

45 (3) Application for a license required under subsection (1) of this section shall be made in the



1 form and manner required by the authority by rule and shall be accompanied by any required fees.

2 (4) A license may be granted, or may be renewed annually, upon payment of a fee as follows:

3 (a) For the initial licensure of an in-home care agency:

4 (A) \$1,500; and

5 (B) An additional \$750 for each subunit.

6 (b) For renewal of a license:

7 (A) \$750; and

8 (B) An additional \$750 for each subunit.

9 (c) For a change of ownership at a time other than the annual renewal date:

10 (A) \$350; and

11 (B) An additional \$350 for each subunit.

12 (5) A license issued under this section is valid for one year. A license may be renewed by pay-  
13 ment of the required renewal fee and by demonstration of compliance with requirements for renewal  
14 established by rule.

15 (6) A license issued under this section is not transferable.

16 (7) The authority shall conduct an on-site inspection of each in-home care agency prior to ser-  
17 vices being rendered and once every three years thereafter as a requirement for licensing.

18 **(8) In lieu of the on-site inspection required by subsection (7) of this section, the au-**  
19 **thority may accept a certification or accreditation from a federal agency or an accrediting**  
20 **body approved by the authority that the state licensing standards have been met, if the in-**  
21 **home care agency:**

22 **(a) Notifies the authority to participate in any exit interview conducted by the federal**  
23 **agency or accrediting body; and**

24 **(b) Provides copies of all documentation concerning the certification or accreditation**  
25 **requested by the authority.**

26 **SECTION 72. If House Bill 2009 becomes law, section 31 of this 2009 Act (amending ORS**  
27 **192.517) is repealed and ORS 192.517, as amended by section 165, chapter \_\_, Oregon Laws**  
28 **2009 (Enrolled House Bill 2009), is amended to read:**

29 192.517. (1) The system designated to protect and advocate for the rights of individuals shall  
30 have access to all records of:

31 (a) Any individual who is a client of the system if the individual or the legal guardian or other  
32 legal representative of the individual has authorized the system to have such access;

33 (b) Any individual, including an individual who has died or whose whereabouts are unknown:

34 (A) If the individual by reason of the individual's mental or physical condition or age is unable  
35 to authorize such access;

36 (B) If the individual does not have a legal guardian or other legal representative, or the state  
37 or a political subdivision of this state is the legal guardian of the individual; and

38 (C) If a complaint regarding the rights or safety of the individual has been received by the sys-  
39 tem or if, as a result of monitoring or other activities which result from a complaint or other evi-  
40 dence, there is probable cause to believe that the individual has been subject to abuse or neglect;  
41 and

42 (c) Any individual who has a legal guardian or other legal representative, who is the subject  
43 of a complaint of abuse or neglect received by the system, or whose health and safety is believed  
44 with probable cause to be in serious and immediate jeopardy if the legal guardian or other legal  
45 representative:

1 (A) Has been contacted by the system upon receipt of the name and address of the legal  
2 guardian or other legal representative;

3 (B) Has been offered assistance by the system to resolve the situation; and

4 (C) Has failed or refused to act on behalf of the individual.

5 (2) The system shall have access to the name, address and telephone number of any legal  
6 guardian or other legal representative of an individual.

7 (3) The system that obtains access to records under this section shall maintain the  
8 confidentiality of the records to the same extent as is required of the provider of the services, except  
9 as provided under the Protection and Advocacy for Mentally Ill Individuals Act (42 U.S.C. 10806)  
10 as in effect on January 1, 2003.

11 (4) The system shall have reasonable access to facilities, including the residents and staff of the  
12 facilities.

13 (5) This section is not intended to limit or overrule the provisions of ORS 41.675 or 441.055  
14 [(10)] (7).

15 **SECTION 73. If House Bill 2009 becomes law, section 44 of this 2009 Act (amending ORS**  
16 **677.290) is repealed and ORS 677.290, as amended by section 1052, chapter \_\_, Oregon Laws**  
17 **2009 (Enrolled House Bill 2009), is amended to read:**

18 677.290. (1) All moneys received by the Oregon Medical Board under this chapter shall be paid  
19 into the General Fund in the State Treasury and placed to the credit of the Oregon Medical Board  
20 Account which is established. Such moneys are appropriated continuously and shall be used only for  
21 the administration and enforcement of this chapter.

22 (2) Notwithstanding subsection (1) of this section, the board may maintain a revolving account  
23 in a sum not to exceed \$50,000 for the purpose of receiving and paying pass-through moneys relating  
24 to peer review pursuant to its duties under ORS 441.055 [(7) and (8)] (4) and (5) and in administering  
25 programs pursuant to its duties under this chapter relating to the education and rehabilitation of  
26 licensees in the areas of chemical substance abuse, inappropriate prescribing and medical compe-  
27 tence. The creation of and disbursement of moneys from the revolving account shall not require an  
28 allotment or allocation of moneys pursuant to ORS 291.234 to 291.260. All moneys in the account  
29 are continuously appropriated for purposes set forth in this subsection.

30 (3) Each year \$10 shall be paid to the Oregon Health and Science University for each  
31 [actively] in-state [registered] physician [under ORS 677.265] **licensed under ORS chapter 677,**  
32 which amount is continuously appropriated to the Oregon Health and Science University to be used  
33 in maintaining a circulating library of medical and surgical books and publications for the use of  
34 practitioners of medicine in this state, and when not so in use to be kept at the library of the School  
35 of Medicine and accessible to its students. The balance of the money received by the board is ap-  
36 propriated continuously and shall be used only for the administration and enforcement of this  
37 chapter, but any part of the balance may, upon the order of the board, be paid into the circulating  
38 library fund.

39 **SECTION 74. If House Bill 2243 becomes law, section 48 of this 2009 Act (amending ORS**  
40 **678.780) is repealed and ORS 678.780, as amended by section 24, chapter \_\_, Oregon Laws 2009**  
41 **(Enrolled House Bill 2243), is amended to read:**

42 678.780. (1) In the manner prescribed in ORS chapter 183 for contested cases, the Oregon Health  
43 Licensing Agency may impose a form of discipline as specified in ORS 676.612 against any person  
44 practicing as a nursing home administrator for any of the grounds listed in ORS 676.612 and for any  
45 violation of the provisions of ORS 678.710 to 678.840, or the rules adopted under ORS 678.710 to

1 678.840.

2 (2) In addition to any discipline that may be imposed as provided by subsection (1) of this sec-  
3 tion, the agency may impose disciplinary sanctions against a person practicing as a nursing home  
4 administrator for any of the following causes:

5 (a) Violation of or noncompliance with any applicable provisions of ORS 678.710 to 678.840 or  
6 of any rule or order of the agency;

7 (b) Any continuous or substantial violation of the rules adopted under ORS [441.055] **441.025**;  
8 or

9 (c) Discipline imposed by any other licensing body in this or any other state based on conduct  
10 that would be grounds for discipline under this section or rules adopted by the agency.

11