

**PROPOSED AMENDMENTS TO
SENATE BILL 569**

1 On page 1 of the printed bill, line 2, delete “441.055,”.

2 Delete lines 5 through 25 and delete pages 2 through 5.

3 On page 6, delete lines 1 through 28 and insert:

4 **“SECTION 1. Section 2 of this 2013 Act is added to and made a part**
5 **of ORS chapter 441.**

6 **“SECTION 2. (1) The Oregon Health Authority shall prescribe by**
7 **rule the information and documents that a governing body of an**
8 **originating-site hospital may use for credentialing a telemedicine pro-**
9 **vider located at a distant-site hospital.**

10 **“(2) The rules adopted by the authority under subsection (1) of this**
11 **section must:**

12 **“(a) Include a standard list of information and documents that may**
13 **be requested;**

14 **“(b) Include a list of information and documents that may be re-**
15 **quested in addition to the standard list of information and documents;**

16 **“(c) Include a list of information and documents that may not be**
17 **requested; and**

18 **“(d) Be consistent with all applicable legal and accreditation re-**
19 **quirements of an originating-site hospital and the health plans with**
20 **which the originating-site hospital contracts.**

21 **“(3) Except as provided in subsection (4) of this section, an**
22 **originating-site hospital in this state must comply with the rules**

1 adopted under this section if the telemedicine provider is located at a
2 distant-site hospital that is located in this state. This section does not
3 prevent hospitals located outside of this state from using or require
4 such hospitals to use the prescribed list of information and documents
5 in credentialing a telemedicine provider.

6 “(4) An originating-site hospital is not limited to the information
7 and documents prescribed by the authority if the originating-site hos-
8 pital has a delegated credentialing agreement with the distant-site
9 hospital where the telemedicine provider is located and the governing
10 body of the originating-site hospital accepts the recommendation of
11 the medical staff to credential the telemedicine provider.

12 “(5) In the adoption of the rules described in subsections (1) and (2)
13 of this section, the authority shall consult with representatives of
14 distant-site hospitals and originating-site hospitals in this state. Once
15 adopted, the authority may not amend the rules to alter the prescribed
16 lists without first consulting representatives of distant-site hospitals
17 and originating-site hospitals in this state.

18 “(6) This section does not affect the responsibilities of a governing
19 body under ORS 441.055 and does not require a governing body of a
20 hospital to grant privileges to a telemedicine provider.

21 **“SECTION 3.** ORS 442.015 is amended to read:

22 “442.015. As used in ORS chapter 441 and this chapter, unless the context
23 requires otherwise:

24 “(1) ‘Acquire’ or ‘acquisition’ means obtaining equipment, supplies, com-
25 ponents or facilities by any means, including purchase, capital or operating
26 lease, rental or donation, [*with intention*] **for the purpose** of using such
27 equipment, supplies, components or facilities to provide health services in
28 Oregon. When equipment or other materials are obtained outside of this
29 state, acquisition is considered to occur when the equipment or other mate-
30 rials begin to be used in Oregon for the provision of health services or when

1 such services are offered for use in Oregon.

2 “(2) ‘Affected persons’ has the same meaning as given to ‘party’ in ORS
3 183.310.

4 “(3)(a) ‘Ambulatory surgical center’ means a facility or portion of a fa-
5 cility that operates exclusively for the purpose of providing surgical services
6 to patients who do not require hospitalization and for whom the expected
7 duration of services does not exceed 24 hours following admission.

8 “(b) ‘Ambulatory surgical center’ does not mean:

9 “(A) Individual or group practice offices of private physicians or dentists
10 that do not contain a distinct area used for outpatient surgical treatment
11 on a regular and organized basis, or that only provide surgery routinely
12 provided in a physician’s or dentist’s office using local anesthesia or con-
13 scious sedation; or

14 “(B) A portion of a licensed hospital designated for outpatient surgical
15 treatment.

16 “[*(4) ‘Budget’ means the projections by the hospital for a specified future*
17 *time period of expenditures and revenues with supporting statistical*
18 *indicators.*]

19 “(4) **‘Delegated credentialing agreement’ means a written agreement**
20 **between an originating-site hospital and a distant-site hospital that**
21 **provides that the medical staff of the originating-site hospital will rely**
22 **upon the credentialing and privileging decisions of the distant-site**
23 **hospital in making recommendations to the governing body of the**
24 **originating-site hospital as to whether to credential a telemedicine**
25 **provider, practicing at the distant-site hospital either as an employee**
26 **or under contract, to provide telemedicine services to patients in the**
27 **originating-site hospital.**

28 “(5) ‘Develop’ means to undertake those activities that on their com-
29 pletion will result in the offer of a new institutional health service or the
30 incurring of a financial obligation, as defined under applicable state law, in

1 relation to the offering of such a health service.

2 “(6) **‘Distant-site hospital’ means the hospital where a telemedicine**
3 **provider, at the time the telemedicine provider is providing telemedi-**
4 **cine services, is practicing as an employee or under contract.**

5 “[6] (7) ‘Expenditure’ or ‘capital expenditure’ means the actual expendi-
6 ture, an obligation to an expenditure, lease or similar arrangement in lieu
7 of an expenditure, and the reasonable value of a donation or grant in lieu
8 of an expenditure but not including any interest thereon.

9 “[7] (8) ‘Freestanding birthing center’ means a facility licensed for the
10 primary purpose of performing low risk deliveries.

11 “[8] (9) ‘Governmental unit’ means the state, or any county, municipality
12 or other political subdivision, or any related department, division, board or
13 other agency.

14 “[9] (10) ‘Gross revenue’ means the sum of daily hospital service charges,
15 ambulatory service charges, ancillary service charges and other operating
16 revenue. ‘Gross revenue’ does not include contributions, donations, legacies
17 or bequests made to a hospital without restriction by the donors.

18 “[10](a) (11)(a) ‘Health care facility’ means:

19 “(A) A hospital;

20 “(B) A long term care facility;

21 “(C) An ambulatory surgical center;

22 “(D) A freestanding birthing center; or

23 “(E) An outpatient renal dialysis center.

24 “(b) ‘Health care facility’ does not mean:

25 “(A) A residential facility licensed by the Department of Human Services
26 or the Oregon Health Authority under ORS 443.415;

27 “(B) An establishment furnishing primarily domiciliary care as described
28 in ORS 443.205;

29 “(C) A residential facility licensed or approved under the rules of the
30 Department of Corrections;

1 “(D) Facilities established by ORS 430.335 for treatment of substance
2 abuse disorders; or

3 “(E) Community mental health programs or community developmental
4 disabilities programs established under ORS 430.620.

5 “[~~(11)~~] **(12)** ‘Health maintenance organization’ or ‘HMO’ means a public
6 organization or a private organization organized under the laws of any state
7 that:

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

10 “(b)(A) Provides or otherwise makes available to enrolled participants
11 health care services, including at least the following basic health care ser-
12 vices:

13 “(i) Usual physician services;

14 “(ii) Hospitalization;

15 “(iii) Laboratory;

16 “(iv) X-ray;

17 “(v) Emergency and preventive services; and

18 “(vi) Out-of-area coverage;

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

22 “(C) Provides physicians’ services primarily directly through physicians
23 who are either employees or partners of such organization, or through ar-
24 rangements with individual physicians or one or more groups of physicians
25 organized on a group practice or individual practice basis.

26 “[~~(12)~~] **(13)** ‘Health services’ means clinically related diagnostic, treatment
27 or rehabilitative services, and includes alcohol, drug or controlled substance
28 abuse and mental health services that may be provided either directly or
29 indirectly on an inpatient or ambulatory patient basis.

30 “[~~(13)~~] **(14)** ‘Hospital’ means:

1 “(a) A facility with an organized medical staff and a permanent building
2 that is capable of providing 24-hour inpatient care to two or more individuals
3 who have an illness or injury and that provides at least the following health
4 services:

5 “(A) Medical;

6 “(B) Nursing;

7 “(C) Laboratory;

8 “(D) Pharmacy; and

9 “(E) Dietary; or

10 “(b) A special inpatient care facility as that term is defined by the Oregon
11 Health Authority by rule.

12 “[~~(14)~~] (15) ‘Institutional health services’ means health services provided
13 in or through health care facilities and includes the entities in or through
14 which such services are provided.

15 “[~~(15)~~] (16) ‘Intermediate care facility’ means a facility that provides, on
16 a regular basis, health-related care and services to individuals who do not
17 require the degree of care and treatment that a hospital or skilled nursing
18 facility is designed to provide, but who because of their mental or physical
19 condition require care and services above the level of room and board that
20 can be made available to them only through institutional facilities.

21 “[~~(16)~~] (17)(a) ‘Long term care facility’ means a **permanent** facility with
22 [*permanent facilities that include*] inpatient beds, providing:

23 “(A) Medical services, including nursing services but excluding surgical
24 procedures except as may be permitted by the rules of the Director of Human
25 Services[, *to provide*]; **and**

26 “(B) Treatment for two or more unrelated patients.

27 “(b) ‘Long term care facility’ includes skilled nursing facilities and
28 intermediate care facilities but [*may not be construed to*] **does not** include
29 facilities licensed and operated pursuant to ORS 443.400 to 443.455.

30 “[~~(17)~~] (18) ‘New hospital’ means:

1 “(a) A facility that did not offer hospital services on a regular basis
2 within its service area within the prior 12-month period and is initiating or
3 proposing to initiate such services[. *‘New hospital’ also includes*]; **or**

4 “(b) Any replacement of an existing hospital that involves a substantial
5 increase or change in the services offered.

6 “[(18)] (19) ‘New skilled nursing or intermediate care service or facility’
7 means a service or facility that did not offer long term care services on a
8 regular basis by or through the facility within the prior 12-month period and
9 is initiating or proposing to initiate such services. ‘New skilled nursing or
10 intermediate care service or facility’ also includes the rebuilding of a long
11 term care facility, the relocation of buildings that are a part of a long term
12 care facility, the relocation of long term care beds from one facility to an-
13 other or an increase in the number of beds of more than 10 or 10 percent of
14 the bed capacity, whichever is the lesser, within a two-year period.

15 “[(19)] (20) ‘Offer’ means that the health care facility holds itself out as
16 capable of providing, or as having the means for the provision of, specified
17 health services.

18 “(21) ‘**Originating-site hospital**’ means a hospital in which a patient
19 **is located while receiving telemedicine services.**

20 “[(20)] (22) ‘Outpatient renal dialysis facility’ means a facility that pro-
21 vides renal dialysis services directly to outpatients.

22 “[(21)] (23) ‘Person’ means an individual, a trust or estate, a partnership,
23 a corporation (including associations, joint stock companies and insurance
24 companies), a state, or a political subdivision or instrumentality, including
25 a municipal corporation, of a state.

26 “[(22)] (24) ‘Skilled nursing facility’ means a facility or a distinct part of
27 a facility, that is primarily engaged in providing to inpatients skilled nursing
28 care and related services for patients who require medical or nursing care,
29 or an institution that provides rehabilitation services for the rehabilitation
30 of individuals who are injured or sick or who have disabilities.

1 “(25) ‘Telemedicine’ means the provision of health services to pa-
2 tients by physicians and health care practitioners from a distance us-
3 ing electronic communications.

4 “**SECTION 4.** ORS 442.807 is amended to read:

5 “442.807. (1) Within 30 days of receiving the recommendations of the Ad-
6 visory Committee on Physician Credentialing Information, the Administrator
7 of the Office for Oregon Health Policy and Research shall forward the rec-
8 ommendations to the Director of the Oregon Health Authority. The admin-
9 istrator shall request that the Oregon Health Authority adopt rules to carry
10 out the efficient implementation and enforcement of the recommendations
11 of the committee.

12 “(2) The Oregon Health Authority shall:

13 “(a) Adopt administrative rules in a timely manner, as required by the
14 Administrative Procedures Act, for the purpose of effectuating the provisions
15 of ORS 442.800 to 442.807; and

16 “(b) Consult with each other and with the administrator to ensure that
17 the rules adopted by the Oregon Health Authority are identical and are
18 consistent with the recommendations developed pursuant to ORS 442.805 for
19 affected hospitals and health care service contractors.

20 “(3) The uniform credentialing information required pursuant to the ad-
21 ministrative rules of the Oregon Health Authority represent the minimum
22 uniform credentialing information required by the affected hospitals and
23 health care service contractors. *[Nothing in]* ORS 442.800 to 442.807 *[shall*
24 *be interpreted to]* **do not** prevent an affected hospital or health care service
25 contractor from requesting additional credentialing information from a li-
26 censed physician, **other than a telemedicine provider**, for the purpose of
27 completing physician credentialing procedures used by the affected hospital
28 or health care service contractor. **Hospital credentialing requirements for**
29 **telemedicine providers must be in accordance with the list of infor-**
30 **mation and documents prescribed by the authority under section 2 of**

1 **this 2013 Act.**

2 **“SECTION 5. (1) Section 2 of this 2013 Act and the amendments to**
3 **ORS 442.015 and 442.807 by sections 3 and 4 of this 2013 Act become**
4 **operative October 1, 2013.**

5 **“(2) The Director of the Oregon Health Authority may take any**
6 **actions necessary before October 1, 2013, in order to implement section**
7 **2 of this 2013 Act and the amendments to ORS 442.015 and 442.807 by**
8 **sections 3 and 4 of this 2013 Act on and after October 1, 2013.”.**

9 In line 29, delete “5” and insert “6”.

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