Senate Bill 427

Sponsored by Senator KRUSE (Presession filed.)

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 **as introduced.**

Permits county with population less than 30,000 to site emergency department in urgent care facility, subject to Oregon Health Authority approval. Requires authority, with advice of State Trauma Advisory Board, to prescribe criteria for urgent care facility to house emergency department.

A BILL FOR AN ACT

- 2 Relating to trauma centers; creating new provisions; and amending ORS 431.580, 431.609, 431.611 and 442.015.
- 4 Be It Enacted by the People of the State of Oregon:
- 5 SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 441.
 - SECTION 2. (1) An urgent care facility located in a county with a population of no more than 30,000 residents may operate an emergency department within the facility subject to approval by the Oregon Health Authority.
 - (2) The authority, with the advice of the State Trauma Advisory Board established in ORS 431.580, shall prescribe by rule the procedure for an urgent care facility to obtain approval to operate an emergency department and the requirements for an emergency department operated within an urgent care facility, consistent with ORS 431.575 to 431.619, 431.623, 431.633 and 431.671.
- **SECTION 3.** ORS 431.580 is amended to read:
- 431.580. (1) The State Trauma Advisory Board is established within the Oregon Health Authority.
 - (2) The Director of the Oregon Health Authority shall, subject to subsection (3) of this section, appoint at least 17 members to serve on the State Trauma Advisory Board, including:
 - (a) At least one member from each area trauma advisory board described in ORS 431.613.
- 20 (b) At least two physicians who are trauma surgeons from each trauma center designated by the 21 authority as a Level I trauma center.
 - (c) From trauma centers designated by the authority as Level I or Level II trauma centers:
- 23 (A) At least one physician who is a neurosurgeon; and
 - (B) At least one physician who is an orthopedic surgeon.
 - (d) From trauma centers designated by the authority as Level I trauma centers:
- 26 (A) At least one physician who practices emergency medicine; and
- 27 (B) At least one nurse who is a trauma program manager.
- 28 (e) From trauma centers designated by the authority as Level II trauma centers:
- 29 (A) At least one physician who is a trauma surgeon; and
 - (B) At least one nurse who is a trauma coordinator.

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.

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- (f) From trauma centers designated by the authority as Level III trauma centers: 1
- 2 (A) At least one physician who is a trauma surgeon or who practices emergency medicine; and
- (B) At least one nurse who is a trauma coordinator.
- (g) At least one nurse who is a trauma coordinator from a trauma center designated by the authority as a Level IV trauma center. 5
 - (h) From a predominately urban area:
 - (A) At least one trauma [hospital] center administration representative; and
- (B) At least one emergency medical services provider.
- (i) From a predominately rural area:

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- 10 (A) At least one trauma [hospital] center administration representative; and
- (B) At least one emergency medical services provider. 11
- 12 (j) At least two public members.
 - (3)(a) In appointing members under subsection (2)(c) to (g) of this section, the director may not appoint a member from the same trauma center in consecutive terms.
- 15 (b) In appointing members under subsection (2)(j) of this section, the director may not appoint a member who has an economic interest in the provision of emergency medical services or trauma 16 care.
 - (4)(a) The State Trauma Advisory Board shall:
 - (A) Advise the authority with respect to the authority's duties and responsibilities under ORS 431.575 to 431.619, 431.623, 431.627, 431.633, 431.635 and 431.671;
 - (B) Advise the authority with respect to the adoption of rules under ORS 431.575 to 431.619, 431.623, 431.633 and 431.671 and section 2 of this 2015 Act;
 - (C) Analyze data related to the emergency medical services and trauma system developed pursuant to ORS 431.575; and
 - (D) Suggest improvements to the emergency medical services and trauma system developed pursuant to ORS 431.575.
 - (b) In fulfilling the duties, functions and powers described in this subsection, the board shall:
 - (A) Make evidence-based decisions that emphasize the standard of care attainable throughout this state and by individual communities located in this state; and
 - (B) Seek the advice and input of coordinated care organizations.
 - (5)(a) The State Trauma Advisory Board may establish a Quality Assurance Subcommittee for the purposes of providing peer review support to and discussing evidence-based guidelines and protocols with the members of area trauma advisory boards and trauma care providers located in this state.
- 35 (b) Notwithstanding ORS 414.227, meetings of the subcommittee are not subject to ORS 192.610 to 192.690. 36
 - (c) Personally identifiable information provided by the State Trauma Advisory Board to individuals described in paragraph (a) of this subsection is not subject to ORS 192.410 to 192.505.
 - (6) A majority of the members of the board constitutes a quorum for the transaction of business.
- (7) Official action taken by the board requires the approval of a majority of the members of the 40 board. 41
 - (8) The board shall nominate and elect a chairperson from among its members.
- (9) The board shall meet at the call of the chairperson or of a majority of the members of the 43 board. 44
- (10) The board may adopt rules necessary for the operation of the board. 45

- (11) The term of office of each member of the board is four years, but a member serves at the pleasure of the director. Before the expiration of the term of a member, the director shall appoint a successor whose term begins January 1 next following. A member is eligible for reappointment, but may not serve consecutive terms. If there is a vacancy for any cause, the director shall make an appointment to become immediately effective for the unexpired term.
- (12) Members of the board are not entitled to compensation, but may be reimbursed from funds available to the Oregon Health Authority, for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495.

SECTION 4. ORS 431.609 is amended to read:

- 431.609. (1) With the advice of the State Trauma Advisory Board, the Oregon Health Authority shall:
 - (a) Develop and monitor a statewide trauma system; and
- (b) Designate within the state, trauma areas consistent with local resources, geography and current patient referral patterns.
 - (2) Each trauma area shall have:

- (a) Central medical control for all field care and transportation consistent with geographic and current communications capability.
 - (b) The development of triage protocols.
- (c) One or more hospitals or urgent care facilities described in section 2 of this 2015 Act categorized according to trauma care capabilities using standards adopted by the authority by rule. Such rules shall be modeled after the American College of Surgeons Committee on Trauma standards.
- (d) The establishment of area trauma advisory boards to develop trauma system plans for each trauma area.
- (3) [On and after July 1, 1986,] The authority may designate trauma [system hospitals] centers in accordance with area trauma advisory board plans which meet state objectives and standards.
- [(4) Trauma system plans shall be implemented by June 30, 1987, in Health Systems Area I, and June 30, 1988, in Health Systems Areas II and III.]

SECTION 5. ORS 431.611 is amended to read:

- 431.611. (1) Prior to approval and implementation of area trauma plans submitted to the Oregon Health Authority by area trauma advisory boards, the authority shall adopt rules pursuant to ORS chapter 183 which specify state trauma objectives and standards, [hospital] trauma center categorization criteria and criteria and procedures to be utilized in designating trauma [system hospitals] centers.
- (2) For approved area trauma plans recommending designation of trauma [system hospitals] centers, the authority rules shall provide for:
- (a) The transport of a member of a health maintenance organization, or other managed health care system, as defined by rule, to a hospital that contracts with the health maintenance organization when central medical control determines that the condition of the member permits such transport; and
- (b) The development and utilization of protocols between designated trauma [hospitals] centers and health maintenance organizations, or other managed health care systems, as defined by rule, including notification of admission of a member to a designated trauma [hospital] center within 48 hours of admission, and coordinated discharge planning between a designated trauma [hospital]

center and a hospital that contracts with a health maintenance organization to facilitate transfer of the member when the medical condition of the member permits.

SECTION 6. ORS 442.015 is amended to read:

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

- (1) "Acquire" or "acquisition" means obtaining equipment, supplies, components or facilities by any means, including purchase, capital or operating lease, rental or donation, for the purpose of using such equipment, supplies, components or facilities to provide health services in Oregon. When equipment or other materials are obtained outside of this state, acquisition is considered to occur when the equipment or other materials begin to be used in Oregon for the provision of health services or when such services are offered for use in Oregon.
 - (2) "Affected persons" has the same meaning as given to "party" in ORS 183.310.
- (3)(a) "Ambulatory surgical center" means a facility or portion of a facility that operates exclusively for the purpose of providing surgical services to patients who do not require hospitalization and for whom the expected duration of services does not exceed 24 hours following admission.
 - (b) "Ambulatory surgical center" does not mean:
- (A) Individual or group practice offices of private physicians or dentists that do not contain a distinct area used for outpatient surgical treatment on a regular and organized basis, or that only provide surgery routinely provided in a physician's or dentist's office using local anesthesia or conscious sedation; or
 - (B) A portion of a licensed hospital designated for outpatient surgical treatment.
- (4) "Delegated credentialing agreement" means a written agreement between an originating-site hospital and a distant-site hospital that provides that the medical staff of the originating-site hospital will rely upon the credentialing and privileging decisions of the distant-site hospital in making recommendations to the governing body of the originating-site hospital as to whether to credential a telemedicine provider, practicing at the distant-site hospital either as an employee or under contract, to provide telemedicine services to patients in the originating-site hospital.
- (5) "Develop" means to undertake those activities that on their completion will result in the offer of a new institutional health service or the incurring of a financial obligation, as defined under applicable state law, in relation to the offering of such a health service.
- (6) "Distant-site hospital" means the hospital where a telemedicine provider, at the time the telemedicine provider is providing telemedicine services, is practicing as an employee or under contract.
- (7) "Essential long term care facility" means an individual long term care facility that serves predominantly rural and frontier communities, as designated by the Office of Rural Health, and meets other criteria established by the Department of Human Services by rule.
- (8) "Expenditure" or "capital expenditure" means the actual expenditure, an obligation to an expenditure, lease or similar arrangement in lieu of an expenditure, and the reasonable value of a donation or grant in lieu of an expenditure but not including any interest thereon.
- (9) "Freestanding birthing center" means a facility licensed for the primary purpose of performing low risk deliveries.
- (10) "Governmental unit" means the state, or any county, municipality or other political subdivision, or any related department, division, board or other agency.
- (11) "Gross revenue" means the sum of daily hospital service charges, ambulatory service charges, ancillary service charges and other operating revenue. "Gross revenue" does not include

- 1 contributions, donations, legacies or bequests made to a hospital without restriction by the donors.
- 2 (12)(a) "Health care facility" means:
- 3 (A) A hospital and any urgent care facility or other outpatient care facility operated under 4 the hospital's license;
 - (B) A long term care facility;

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- 6 (C) An ambulatory surgical center;
 - (D) A freestanding birthing center; or
- 8 (E) An outpatient renal dialysis center.
- (b) "Health care facility" does not mean:
- 10 (A) A residential facility licensed by the Department of Human Services or the Oregon Health 11 Authority under ORS 443.415;
 - (B) An establishment furnishing primarily domiciliary care as described in ORS 443.205;
- 13 (C) A residential facility licensed or approved under the rules of the Department of Corrections;
- 14 (D) Facilities established by ORS 430.335 for treatment of substance abuse disorders; or
- 15 (E) Community mental health programs or community developmental disabilities programs es-16 tablished under ORS 430.620.
- 17 (13) "Health maintenance organization" or "HMO" means a public organization or a private 18 organization organized under the laws of any state that:
 - (a) Is a qualified HMO under section 1310 (d) of the U.S. Public Health Services Act; or
 - (b)(A) Provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services:
- 22 (i) Usual physician services;
- 23 (ii) Hospitalization;
- 24 (iii) Laboratory;
- 25 (iv) X-ray;
- 26 (v) Emergency and preventive services; and
- 27 (vi) Out-of-area coverage;
 - (B) Is compensated, except for copayments, for the provision of the basic health care services listed in subparagraph (A) of this paragraph to enrolled participants on a predetermined periodic rate basis; and
 - (C) Provides physicians' services primarily directly through physicians who are either employees or partners of such organization, or through arrangements with individual physicians or one or more groups of physicians organized on a group practice or individual practice basis.
 - (14) "Health services" means clinically related diagnostic, treatment or rehabilitative services, and includes alcohol, drug or controlled substance abuse and mental health services that may be provided either directly or indirectly on an inpatient or ambulatory patient basis.
 - (15) "Hospital" means:
 - (a) A facility with an organized medical staff and a permanent building that is capable of providing 24-hour inpatient care to two or more individuals who have an illness or injury and that provides at least the following health services:
 - (A) Medical;
- 42 (B) Nursing;
- 43 (C) Laboratory;
- 44 (D) Pharmacy; and
- 45 (E) Dietary; or

- (b) A special inpatient care facility as that term is defined by the authority by rule.
- (16) "Institutional health services" means health services provided in or through health care facilities and includes the entities in or through which such services are provided.
- (17) "Intermediate care facility" means a facility that provides, on a regular basis, health-related care and services to individuals who do not require the degree of care and treatment that a hospital or skilled nursing facility is designed to provide, but who because of their mental or physical condition require care and services above the level of room and board that can be made available to them only through institutional facilities.
 - (18)(a) "Long term care facility" means a permanent facility with inpatient beds, providing:
- (A) Medical services, including nursing services but excluding surgical procedures except as may be permitted by the rules of the Director of Human Services; and
 - (B) Treatment for two or more unrelated patients.
- (b) "Long term care facility" includes skilled nursing facilities and intermediate care facilities but does not include facilities licensed and operated pursuant to ORS 443.400 to 443.455.
 - (19) "New hospital" means:

- (a) A facility that did not offer hospital services on a regular basis within its service area within the prior 12-month period and is initiating or proposing to initiate such services; or
- (b) Any replacement of an existing hospital that involves a substantial increase or change in the services offered.
- (20) "New skilled nursing or intermediate care service or facility" means a service or facility that did not offer long term care services on a regular basis by or through the facility within the prior 12-month period and is initiating or proposing to initiate such services. "New skilled nursing or intermediate care service or facility" also includes the rebuilding of a long term care facility, the relocation of buildings that are a part of a long term care facility, the relocation of long term care beds from one facility to another or an increase in the number of beds of more than 10 or 10 percent of the bed capacity, whichever is the lesser, within a two-year period in a facility that applied for a certificate of need between August 1, 2011, and December 1, 2012, or submitted a letter of intent under ORS 442.315 (7) between January 15, 2013, and January 31, 2013.
- (21) "Offer" means that the health care facility holds itself out as capable of providing, or as having the means for the provision of, specified health services.
- (22) "Originating-site hospital" means a hospital in which a patient is located while receiving telemedicine services.
- (23) "Outpatient renal dialysis facility" means a facility that provides renal dialysis services directly to outpatients.
- (24) "Person" means an individual, a trust or estate, a partnership, a corporation (including associations, joint stock companies and insurance companies), a state, or a political subdivision or instrumentality, including a municipal corporation, of a state.
- (25) "Skilled nursing facility" means a facility or a distinct part of a facility, that is primarily engaged in providing to inpatients skilled nursing care and related services for patients who require medical or nursing care, or an institution that provides rehabilitation services for the rehabilitation of individuals who are injured or sick or who have disabilities.
- (26) "Telemedicine" means the provision of health services to patients by physicians and health care practitioners from a distance using electronic communications.
- (27) "Urgent care facility" means a facility providing outpatient care for urgent medical conditions.

(28) "Urgent medical condition" means a medical condition that arises suddenly, is not life-threatening and requires prompt treatment to avoid the development of more serious medical problems.

SECTION 7. ORS 442.015, as amended by section 22, chapter 608, Oregon Laws 2013, is amended to read:

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

- (1) "Acquire" or "acquisition" means obtaining equipment, supplies, components or facilities by any means, including purchase, capital or operating lease, rental or donation, for the purpose of using such equipment, supplies, components or facilities to provide health services in Oregon. When equipment or other materials are obtained outside of this state, acquisition is considered to occur when the equipment or other materials begin to be used in Oregon for the provision of health services or when such services are offered for use in Oregon.
 - (2) "Affected persons" has the same meaning as given to "party" in ORS 183.310.
- (3)(a) "Ambulatory surgical center" means a facility or portion of a facility that operates exclusively for the purpose of providing surgical services to patients who do not require hospitalization and for whom the expected duration of services does not exceed 24 hours following admission.
 - (b) "Ambulatory surgical center" does not mean:

- (A) Individual or group practice offices of private physicians or dentists that do not contain a distinct area used for outpatient surgical treatment on a regular and organized basis, or that only provide surgery routinely provided in a physician's or dentist's office using local anesthesia or conscious sedation; or
 - (B) A portion of a licensed hospital designated for outpatient surgical treatment.
- (4) "Delegated credentialing agreement" means a written agreement between an originating-site hospital and a distant-site hospital that provides that the medical staff of the originating-site hospital will rely upon the credentialing and privileging decisions of the distant-site hospital in making recommendations to the governing body of the originating-site hospital as to whether to credential a telemedicine provider, practicing at the distant-site hospital either as an employee or under contract, to provide telemedicine services to patients in the originating-site hospital.
- (5) "Develop" means to undertake those activities that on their completion will result in the offer of a new institutional health service or the incurring of a financial obligation, as defined under applicable state law, in relation to the offering of such a health service.
- (6) "Distant-site hospital" means the hospital where a telemedicine provider, at the time the telemedicine provider is providing telemedicine services, is practicing as an employee or under contract.
- (7) "Expenditure" or "capital expenditure" means the actual expenditure, an obligation to an expenditure, lease or similar arrangement in lieu of an expenditure, and the reasonable value of a donation or grant in lieu of an expenditure but not including any interest thereon.
- (8) "Freestanding birthing center" means a facility licensed for the primary purpose of performing low risk deliveries.
- (9) "Governmental unit" means the state, or any county, municipality or other political subdivision, or any related department, division, board or other agency.
- (10) "Gross revenue" means the sum of daily hospital service charges, ambulatory service charges, ancillary service charges and other operating revenue. "Gross revenue" does not include contributions, donations, legacies or bequests made to a hospital without restriction by the donors.

- 1 (11)(a) "Health care facility" means:
- 2 (A) A hospital and any urgent care facility or other outpatient care facility operated under 3 the hospital's license;
- 4 (B) A long term care facility;

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- (C) An ambulatory surgical center;
- (D) A freestanding birthing center; or
- (E) An outpatient renal dialysis center.
- 8 (b) "Health care facility" does not mean:
- 9 (A) A residential facility licensed by the Department of Human Services or the Oregon Health 10 Authority under ORS 443.415;
 - (B) An establishment furnishing primarily domiciliary care as described in ORS 443.205;
- 12 (C) A residential facility licensed or approved under the rules of the Department of Corrections;
 - (D) Facilities established by ORS 430.335 for treatment of substance abuse disorders; or
- 14 (E) Community mental health programs or community developmental disabilities programs es-15 tablished under ORS 430.620.
 - (12) "Health maintenance organization" or "HMO" means a public organization or a private organization organized under the laws of any state that:
 - (a) Is a qualified HMO under section 1310 (d) of the U.S. Public Health Services Act; or
 - (b)(A) Provides or otherwise makes available to enrolled participants health care services, including at least the following basic health care services:
- 21 (i) Usual physician services;
- 22 (ii) Hospitalization;
- 23 (iii) Laboratory;
- 24 (iv) X-ray;
- 25 (v) Emergency and preventive services; and
- 26 (vi) Out-of-area coverage;
- 27 (B) Is compensated, except for copayments, for the provision of the basic health care services 28 listed in subparagraph (A) of this paragraph to enrolled participants on a predetermined periodic 29 rate basis; and
 - (C) Provides physicians' services primarily directly through physicians who are either employees or partners of such organization, or through arrangements with individual physicians or one or more groups of physicians organized on a group practice or individual practice basis.
 - (13) "Health services" means clinically related diagnostic, treatment or rehabilitative services, and includes alcohol, drug or controlled substance abuse and mental health services that may be provided either directly or indirectly on an inpatient or ambulatory patient basis.
 - (14) "Hospital" means:
 - (a) A facility with an organized medical staff and a permanent building that is capable of providing 24-hour inpatient care to two or more individuals who have an illness or injury and that provides at least the following health services:
 - (A) Medical;
- 41 (B) Nursing;
- 42 (C) Laboratory;
- 43 (D) Pharmacy; and
- 44 (E) Dietary; or
- 45 (b) A special inpatient care facility as that term is defined by the authority by rule.

- (15) "Institutional health services" means health services provided in or through health care facilities and includes the entities in or through which such services are provided.
- (16) "Intermediate care facility" means a facility that provides, on a regular basis, health-related care and services to individuals who do not require the degree of care and treatment that a hospital or skilled nursing facility is designed to provide, but who because of their mental or physical condition require care and services above the level of room and board that can be made available to them only through institutional facilities.
 - (17)(a) "Long term care facility" means a permanent facility with inpatient beds, providing:
- (A) Medical services, including nursing services but excluding surgical procedures except as may be permitted by the rules of the Director of Human Services; and
 - (B) Treatment for two or more unrelated patients.
- (b) "Long term care facility" includes skilled nursing facilities and intermediate care facilities but does not include facilities licensed and operated pursuant to ORS 443.400 to 443.455.
 - (18) "New hospital" means:

- (a) A facility that did not offer hospital services on a regular basis within its service area within the prior 12-month period and is initiating or proposing to initiate such services; or
- (b) Any replacement of an existing hospital that involves a substantial increase or change in the services offered.
- (19) "New skilled nursing or intermediate care service or facility" means a service or facility that did not offer long term care services on a regular basis by or through the facility within the prior 12-month period and is initiating or proposing to initiate such services. "New skilled nursing or intermediate care service or facility" also includes the rebuilding of a long term care facility, the relocation of buildings that are a part of a long term care facility, the relocation of long term care beds from one facility to another or an increase in the number of beds of more than 10 or 10 percent of the bed capacity, whichever is the lesser, within a two-year period.
- (20) "Offer" means that the health care facility holds itself out as capable of providing, or as having the means for the provision of, specified health services.
- (21) "Originating-site hospital" means a hospital in which a patient is located while receiving telemedicine services.
- (22) "Outpatient renal dialysis facility" means a facility that provides renal dialysis services directly to outpatients.
- (23) "Person" means an individual, a trust or estate, a partnership, a corporation (including associations, joint stock companies and insurance companies), a state, or a political subdivision or instrumentality, including a municipal corporation, of a state.
- (24) "Skilled nursing facility" means a facility or a distinct part of a facility, that is primarily engaged in providing to inpatients skilled nursing care and related services for patients who require medical or nursing care, or an institution that provides rehabilitation services for the rehabilitation of individuals who are injured or sick or who have disabilities.
- (25) "Telemedicine" means the provision of health services to patients by physicians and health care practitioners from a distance using electronic communications.
- (26) "Urgent care facility" means a facility providing outpatient care for urgent medical conditions.
- (27) "Urgent medical condition" means a medical condition that arises suddenly, is not life-threatening and requires prompt treatment to avoid the development of more serious medical problems.