

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Laurie Byerly, Legislative Fiscal Office

Date: July 1, 2017

Subject: HB 3359 – Relating to long term care
Work Session Recommendations

HB 3359 includes several requirements related to safety, quality, training, licensing, and staffing of residential care facilities, long term care facilities, and adult foster homes licensed by the Department of Human Services. The bill establishes a Residential Care Quality Measurement Program within DHS and creates a Quality Measurement Council to advise the agency regarding Program operations.

The amendments, previous staff measure summary, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS). The measure previously had hearings in the House Committee on Human Services and Housing on 4/6/17 and 4/18/17.

The -A4 amendment replaces the measure and includes the following components:

- Sets a target of July 1, 2019 for having administrators of residential care facilities being licensed by a professional board.
- Establishes new amounts for civil penalties, sets licensing conditions, and increases or changes some fees for residential care facilities and long term care facilities.
- Establishes the Residential Care Quality Management Program overseen by Quality Measurement Council; the program will produce an annual report with facility performance data and provide online training to address performance issues. The first annual report is required no later than July 1, 2020.
- Creates a licensure process for long term care facilities to convert to a community based residential facility.
- Sets out an Enhanced Oversight and Supervision Program to focus on residential care facilities that fail to meet certain compliance standards and metrics.
- Requires implementation of an acuity-based staffing tool to determine the appropriate level of staffing for residential care facilities.
- Requires training in dementia care for direct care staff working in residential care facilities and adult foster homes.

- Establishes new language around prescription drug packaging to reduce medication errors.
- Modifies resident evacuation standards for adult foster homes having an indoor sprinkling system.
- Directs the Oregon Medical Board to encourage physicians in certain specialties to obtain continuing medical education related to Alzheimer’s disease.
- Changes definitions to allow licensing of a residential care facility for six or fewer people with co-occurring behavioral health needs.

The fiscal impact of the bill on the DHS is primarily around workload related to the licensing condition changes (re-inspections and re-evaluations); collecting quality data and developing training; supporting the Council; operating the enhanced oversight and supervision program (new processes, more surveys/field visits, assisting with corrective action, training); and implementation of and compliance with the new staffing tool. 10 positions are needed to carry out these functions.

The -A6 amendment is the -A4 amendment plus sections adding \$1,274,528 Other Funds expenditure limitation and \$1,271,273 Federal Funds expenditure limitation, which provide DHS budget authority to implement the bill. The Other Funds come from licensing fees and civil penalties that accrue to the Quality Care Fund; changes under this bill are expected to increase that revenue stream.

Recommended Changes

LFO recommends adoption of the -A6 amendment.

MOTION: I move adoption of the -A6 amendment to HB 3359. (VOTE)

Final Subcommittee Action

LFO recommends that HB 3359, as amended by the -A6 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 3359, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____