HB 2664 A STAFF MEASURE SUMMARY

House Committee On Health Care

Action Date: 04/14/17

Action: Do pass with amendments

and be referred to Ways and Means by prior reference. (Printed A-Eng.)

Vote: 8-1-0-0

Yeas: 8 - Alonso Leon, Buehler, Greenlick, Hayden, Kennemer, Keny-Guyer, Malstrom, Nosse

Nays: 1 - Hack

Fiscal: Fiscal impact issued

Revenue: Has minimal revenue impact **Prepared By:** Sandy Thiele-Cirka, LPRO Analyst

WHAT THE MEASURE DOES:

Defines extended stay center, extended stay services, health system and local hospital. Directs Oregon Health Authority (OHA) to adopt rules specifying the criteria for the licensing of extended stay centers (ESC) and for emergency transfer agreements. Outlines criteria to be contained in the rules. Specifies hospital requirements where patient would be transferred, that the patient stay in the ESC for up to 48 hours, or four hours past the 48 hours limit based on patient safety. Requires OHA to license no more than 16 ESCs until January 2, 2023; that an ESC be located in counties where the population is more than 70,000; and that the ESC has a detailed plan to accept medical assistance and Medicare clients. Outlines ESC ownership guidelines. Requires OHA and the Department of Consumer and Business Services to convene a nine-member ESC advisory group. Specifies advisory group membership. Directs OHA to report to the appropriate interim committee of the Legislative Assembly no later than September 10, 2022. Sunsets reporting requirement January 2, 2023.

ISSUES DISCUSSED:

- Process for OHA to license extended stay centers as health care facilities
- Concerns relating to patients requiring comprehensive care post surgery
- Extended stay facility versus inpatient facility
- Successes in outpatient settings
- Current guidelines for ambulatory surgery centers
- Centers for Medicare and Medicaid Services guidelines and current covered procedures
- Concerns relating to patient safety and quality of care
- Proposed amendments

EFFECT OF AMENDMENT:

Defines extended stay center, extended stay services, health system and local hospital. Directs OHA to adopt rules for emergency transfer agreement, specifies hospital requirements where patient would be transferred, that the patient stay in the extended stay center (ESC) for up to 48 hours, or four hours past the 48 hours limit based on patient safety. Specifies that ESC be located in county where the population is more than 70,000 and that the ESC have a detailed plan to accept medical assistance and Medicare clients. Outlines ESC ownership guidelines.

BACKGROUND:

Ambulatory Surgery Centers (ASCs) are health care facilities that focus on providing same-day surgical care, including diagnostic and preventive procedures. In response to the increasing interest in ASCs and extended stay facilities, in 2015, the House Health Care Committee formed a work group to explore the possibility of allowing patients to recover from outpatient surgery in an extended stay facility or extended stay recovery centers. Currently, Arizona, Colorado, Florida, Illinois and Nevada have adopted extended stay recovery licensure.

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House Bill 2664-A establishes how many hours patients can remain in an ASC, the number of facilities that would be licensed in the state, types of facility ownership, standards and metrics process, and evaluation and oversight process.