79th OREGON LEGISLATIVE ASSEMBLY--2017 Regular Session

## HOUSE AMENDMENTS TO HOUSE BILL 2664

By COMMITTEE ON HEALTH CARE

April 20

On page 1 of the printed bill, delete lines 7 through 26 and insert: 1 2 "SECTION 2. (1) As used in this section: 3 "(a) 'Extended stay center' means a facility that is a separate and distinct entity from an ambulatory surgical center and that provides extended stay services. 4 "(b) 'Extended stay services' means post-surgical and post-diagnostic medical and nurs- $\mathbf{5}$ ing services provided to a patient for whom the attending physician expects an uncomplicated 6 7 recovery from surgery. "(c) 'Health system' means a corporate entity that owns or operates at least one hospital 8 9 licensed by the Oregon Health Authority under this chapter. 10 "(d) 'Local hospital' means a hospital that is located within a 15-mile radius of an extended stay center or within an area prescribed by rule by the Oregon Health Authority as 11 12necessary to ensure the safety of patients admitted to an extended stay center. 13 "(2) The Oregon Health Authority shall adopt rules for the licensing of extended stay 14 centers. The rules must ensure that each licensed extended stay center: 15"(a) Is sponsored by an ambulatory surgical center that has demonstrated safe operating 16 procedures in an outpatient surgery setting for no less than 24 consecutive months; 17 "(b) Has an emergency transfer agreement with a local hospital or has emergency pro-18 cedures in place for transferring patients in need of hospitalization to a local hospital; 19 "(c) Is adjacent to the facility where the extended stay patients are receiving surgical 20 services; 21"(d) Conforms to rules adopted by the authority that pertain to overnight hospital stays, 22including but not limited to: 23 "(A) Ownership and management of the extended stay center; 24 "(B) Responsibilities and duties of the governing body; 25"(C) Administrator qualifications and medical staff requirements; "(D) Requirements for patient admissions and discharges; 2627"(E) Requirements for maintaining medical records; 28"(F) Emergency and safety standards that ensure a high level of patient safety and that 29meet or exceed the patient safety standards required of hospitals in this state; "(G) Quality control requirements and the submission of data regarding the quality of 30 31 patient care; and 32"(H) Patient care standards, including 24-hour staffing requirements; 33 "(e) Orally and in writing, clearly notifies patients with Medicare coverage that services 34 provided in an extended stay center are not covered by Medicare; 35"(f) Requires certification by a patient's physician prior to the patient's admission to the

extended stay center that the patient requires services provided in the extended stay center;
 "(g) Except as provided in subsection (3) of this section, admits patients following surgery

in an ambulatory surgical center for no more than 48 hours beginning at the time of admis sion to the ambulatory surgical center;

5 "(h) Is located in a county with a population of more than 70,000 as of the effective date 6 of this 2017 Act; and

"(i) Has detailed a plan to accept patients who are enrolled in the medical assistance program and Medicare, if allowed by federal law, who meet the center's medical screening criteria, evidence based surgery guidelines and patient safety standards, for services that are reimbursed by the medical assistance program or Medicare.

"(3) A patient may stay in an extended stay center for up to four hours longer than the A8 hours prescribed in subsection (2)(g) of this section, based on patient safety or clinical necessity as determined by the medical director of the extended stay center, but must be discharged by 10 a.m.

15 "(4) The authority shall adopt by rule key data and metrics that must be reported to the 16 authority by an extended stay center at least every five years.

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"(5) The authority shall license no more than 16 extended stay centers, including:

18 "(a) Eight extended stay centers that are owned as joint ventures between ambulatory 19 surgical centers and health systems with the health systems having at least a 25 percent 20 interest in the joint venture;

21 "(b) Five extended stay centers that are not owned as joint ventures between ambulatory 22 surgical centers and health systems; and

23 "(c) Three extended stay centers in addition to the extended stay centers described in 24 paragraph (a) or (b) of this subsection, licensed in the order that the license applications are 25 received by the authority.".

In line 28, after "Services" insert ", no later than July 1, 2018,".

On page 2, line 1, after "recipients" insert "and prevent ambulatory surgical centers and extended stay centers from operating under a single license".

29 Delete lines 15 through 18 and insert:

30 "(F) The rate of infection and other adverse events; and

31 "(G) Patient satisfaction, including grievances filed by or on behalf of patients;

32 "(d) The frequency and causes of transfers from extended stay centers to local hospitals and the

33 patients' health outcomes; and".

34 In line 21, delete "and the Department of Consumer and".

35 In line 22, delete "Business Services".

36 In line 27, delete "and".

37 In line 28, after "authority" insert a colon and delete the rest of the line and line 29.

38 In line 39, after "state" insert "; and

"(d) The Director of the Department of Consumer and Business Services or the director'sdesignee as an ex officio member".

41 On page 3, delete lines 6 through 26 and insert:

42 "SECTION 5. Section 2 of this 2017 Act is amended to read:

43 **"Sec. 2.** (1) As used in this section:

44 "(a) 'Extended stay center' means a facility that is a separate and distinct entity from an 45 ambulatory surgical center and that provides extended stay services.

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1 "(b) 'Extended stay services' means post-surgical and post-diagnostic medical and nursing ser-2 vices provided to a patient for whom the attending physician expects an uncomplicated recovery 3 from surgery.

4 "(c) 'Health system' means a corporate entity that owns or operates at least one hospital li-5 censed by the Oregon Health Authority under this chapter.

6 "(d) 'Local hospital' means a hospital that is located within a 15-mile radius of an extended stay 7 center or within an area prescribed by rule by the Oregon Health Authority as necessary to ensure 8 the safety of patients admitted to an extended stay center.

9 "(2) The Oregon Health Authority shall adopt rules for the licensing of extended stay centers.
10 The rules must ensure that each licensed extended stay center:

"(a) Is sponsored by an ambulatory surgical center that has demonstrated safe operating procedures in an outpatient surgery setting for no less than 24 consecutive months;

"(b) Has an emergency transfer agreement with a local hospital or has emergency procedures
in place for transferring patients in need of hospitalization to a local hospital;

15 "(c) Is adjacent to the facility where the extended stay patients are receiving surgical services;

16 "(d) Conforms to rules adopted by the authority that pertain to overnight hospital stays, in-17 cluding but not limited to:

18 "(A) Ownership and management of the extended stay center;

19 "(B) Responsibilities and duties of the governing body;

20 "(C) Administrator qualifications and medical staff requirements;

21 "(D) Requirements for patient admissions and discharges;

22 "(E) Requirements for maintaining medical records;

"(F) Emergency and safety standards that ensure a high level of patient safety and that meet
 or exceed the patient safety standards required of hospitals in this state;

25 "(G) Quality control requirements and the submission of data regarding the quality of patient 26 care; and

27 "(H) Patient care standards, including 24-hour staffing requirements;

"(e) Orally and in writing, clearly notifies patients with Medicare coverage that services provided in an extended stay center are not covered by Medicare;

30 "(f) Requires certification by a patient's physician prior to the patient's admission to the ex-31 tended stay center that the patient requires services provided in the extended stay center;

32 "(g) Except as provided in subsection (3) of this section, admits patients following surgery in an 33 ambulatory surgical center for no more than 48 hours beginning at the time of admission to the 34 ambulatory surgical center;

"(h) Is located in a county with a population of more than 70,000 as of the effective date of this
 2017 Act; and

"(i) Has detailed a plan to accept patients who are enrolled in the medical assistance program and Medicare, if allowed by federal law, who meet the center's medical screening criteria, evidence based surgery guidelines and patient safety standards, for services that are reimbursed by the medical assistance program or Medicare.

41 "(3) A patient may stay in an extended stay center for up to four hours longer than the 48 hours 42 prescribed in subsection (2)(g) of this section, based on patient safety or clinical necessity as deter-43 mined by the medical director of the extended stay center, but must be discharged by 10 a.m.

44 "(4) The authority shall adopt by rule key data and metrics that must be reported to the au-45 thority by an extended stay center at least every five years.

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1 "[(5) The authority shall license no more than 16 extended stay centers, including:]

2 "[(a) Eight extended stay centers that are owned as joint ventures between ambulatory surgical 3 centers and health systems with the health systems having at least a 25 percent interest in the joint 4 venture;]

5 "[(b) Five extended stay centers that are not owned as joint ventures between ambulatory surgical 6 centers and health systems; and]

"[(c) Three extended stay centers in addition to the extended stay centers described in paragraph
(a) or (b) of this subsection, licensed in the order that the license applications are received by the authority.]".

10 On page 17, after line 14, insert:

"<u>SECTION 16.</u> The Oregon Health Authority shall adopt all rules necessary to carry out
 section 2 of this 2017 Act no later than 120 days after the effective date of this 2017 Act.

<sup>13</sup> "<u>SECTION 17.</u> The Oregon Health Authority may solicit and accept gifts, grants and do-

nations from public and private sources, which shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and used only for the purpose of carrying out the

16 provisions of sections 2 and 4 of this 2017 Act.

17 "<u>SECTION 18.</u> (1) ORS 441.086 is added to and made a part of ORS 441.015 to 441.087.

18 "(2) ORS 441.087 is added to and made a part of ORS chapter 441.".

19 In line 15, delete "16" and insert "19".

20 In line 17, delete "17" and insert "20".

In line 18, delete "18" and insert "21".

In line 21, after "4" insert "and 16".

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