HB 2432-A7 (LC 2700) 4/25/17 (SCT/ps)

Requested by SENATE COMMITTEE ON HEALTH CARE (at the request of Oregon Health Authority)

## PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 2432

- On page 1 of the printed A-engrossed bill, line 2, after "ORS" insert
- 2 "676.185, 676.580, 676.583, 676.586, 676.608, 676.610, 676.612, 676.613, 676.615,
- 3 676.622, 676.625 and".
- In line 5, delete "6" and insert "7".
- On page 2, line 29, delete "6" and insert "7".
- 6 On page 3, after line 8, insert:
- 7 "SECTION 6. In the manner prescribed in ORS chapter 183 for
- 8 contested cases, the Health Licensing Office may impose a form of
- 9 discipline as specified in ORS 676.612 against any person practicing art
- therapy for any of the grounds listed in ORS 676.612 and for any vio-
- lation of sections 1 to 7 of this 2017 Act, or the rules adopted under
- sections 1 to 7 of this 2017 Act.".
- In line 9, delete "6" and insert "7".
- 14 After line 21, insert:
- "SECTION 8. ORS 676.583 is amended to read:
- "676.583. Pursuant to ORS 676.586, the Health Licensing Office shall pro-
- 17 vide administrative and regulatory oversight and centralized service for the
- 18 following boards [and], councils and programs:
- "(1) Board of Athletic Trainers, as provided in ORS 688.701 to 688.734;
- 20 "(2) Board of Cosmetology, as provided in ORS 690.005 to 690.225;
- "(3) State Board of Denture Technology, as provided in ORS 680.500 to

- 1 680.565;
- 2 "(4) State Board of Direct Entry Midwifery, as provided in ORS 687.405
- 3 to 687.495;
- 4 "(5) Respiratory Therapist and Polysomnographic Technologist Licensing
- 5 Board, as provided in ORS 688.800 to 688.840;
- 6 "(6) Environmental Health Registration Board, as provided in ORS chapter 700;
- 8 "(7) Board of Electrologists and Body Art Practitioners, as provided in 9 ORS 690.350 to 690.410;
- "(8) Advisory Council on Hearing Aids, as provided in ORS 694.015 to 694.170;
- "(9) Sex Offender Treatment Board, as provided in ORS 675.360 to 675.410;
- 13 "(10) Nursing Home Administrators Board, as provided in ORS 678.710 to 678.820;
- "(11) Board of Licensed Dietitians, as provided in ORS 691.405 to 691.485;
- 16 "(12) Behavior Analysis Regulatory Board, as provided in ORS 676.806; 17 [and]
- 18 "(13) Board of Certified Advanced Estheticians, as provided in ORS 19 676.630 to 676.660; and
- 20 "(14) Art therapy, as provided in sections 1 to 7 of this 2017 Act.
- "SECTION 9. ORS 676.610 is amended to read:
- "676.610. (1)(a) The Health Licensing Office is under the supervision and control of a director, who is responsible for the performance of the duties, functions and powers and for the organization of the office.
- "(b) The Director of the Oregon Health Authority shall establish the qualifications for and appoint the Director of the Health Licensing Office, who holds office at the pleasure of the Director of the Oregon Health Authority.
- "(c) The Director of the Health Licensing Office shall receive a salary as provided by law or, if not so provided, as prescribed by the Director of the

1 Oregon Health Authority.

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- "(d) The Director of the Health Licensing Office is in the unclassified service.
- "(2) The Director of the Health Licensing Office shall provide the boards and councils administered by the office with such services and employees as the office requires to carry out the office's duties. Subject to any applicable provisions of the State Personnel Relations Law, the Director of the Health Licensing Office shall appoint all subordinate officers and employees of the office, prescribe their duties and fix their compensation.
- "(3) The Director of the Health Licensing Office is responsible for carrying out the duties, functions and powers under ORS 675.360 to 675.410, 676.575 to 676.625, 676.810, 676.815, 676.825, 676.992, 678.710 to 678.820, 680.500 to 680.565, 687.405 to 687.495, 687.895, 688.701 to 688.734, 688.800 to 688.840, 690.005 to 690.225, 690.350 to 690.410, 691.405 to 691.485 and 694.015 to 694.170 and ORS chapter 700 and sections 1 to 7 of this 2017 Act.
  - "(4) The enumeration of duties, functions and powers in subsection (3) of this section is not intended to be exclusive or to limit the duties, functions and powers imposed on or vested in the office by other statutes.

## **"SECTION 10.** ORS 676.612 is amended to read:

- "676.612. (1) Subject to ORS 676.616 and 687.445, and in the manner pre-20 scribed in ORS chapter 183 for contested cases and as specified in ORS 21 675.385, 676.825, 678.780, 680.535, 687.445, 688.734, 688.836, 690.167, 690.407, 22 691.477, 694.147 and 700.111 and section 6 of this 2017 Act, the Health Li-23 censing Office may refuse to issue or renew, may suspend or revoke or may 24 otherwise condition or limit an authorization or may discipline or place on 25 probation an authorization holder for commission of the prohibited acts 26 listed in subsection (2) of this section. 27
  - "(2) A person subject to the authority of a board [or], council **or program** listed in ORS 676.583 commits a prohibited act if the person engages in:
    - "(a) Fraud, misrepresentation, concealment of material facts or deception

- in applying for or obtaining an authorization to practice in this state, or in any written or oral communication to the office concerning the issuance or retention of the authorization.
- "(b) Using, causing or promoting the use of any advertising matter, promotional literature, testimonial, guarantee, warranty, label, insignia or any other representation, however disseminated or published, that is false, misleading or deceptive.
- 8 "(c) Making a representation that the authorization holder knew or 9 should have known is false or misleading regarding skill or the efficacy or 10 value of treatment or remedy administered by the authorization holder.
- 11 "(d) Practicing under a false, misleading or deceptive name, or 12 impersonating another authorization holder.
  - "(e) Permitting a person other than the authorization holder to use the authorization.
  - "(f) Practicing with a physical or mental condition that presents an unreasonable risk of harm to the authorization holder or to the person or property of others in the course of performing the authorization holder's duties.
  - "(g) Practicing while under the influence of alcohol, controlled substances or other skill-impairing substances, or engaging in the illegal use of controlled substances or other skill-impairing substances so as to create a risk of harm to the person or property of others in the course of performing the duties of an authorization holder.
- 24 "(h) Failing to properly and reasonably accept responsibility for the 25 actions of employees.
- "(i) Employing, directly or indirectly, any suspended, uncertified, unlicensed or unregistered person to practice a regulated occupation or profession subject to the authority of the boards [and], councils and programs listed in ORS 676.583.
  - "(j) Unprofessional conduct, negligence, incompetence, repeated violations

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- or any departure from or failure to conform to standards of practice in per-
- 2 forming services or practicing in a regulated occupation or profession subject
- 3 to the authority of the boards [and], councils and programs listed under
- 4 ORS 676.583.
- 5 "(k) Conviction of any criminal offense, subject to ORS 670.280. A copy
- of the record of conviction, certified by the clerk of the court entering the
- 7 conviction, is conclusive evidence of the conviction. A plea of no contest or
- 8 an admission of guilt is a conviction for purposes of this paragraph.
- "(L) Failing to report any adverse action, as required by statute or rule,
- taken against the authorization holder by another regulatory jurisdiction or
- any peer review body, health care institution, professional association, gov-
- 12 ernmental agency, law enforcement agency or court for acts or conduct
- 13 similar to acts or conduct that would constitute grounds for disciplinary
- 14 action as described in this section.
- "(m) Violation of a statute regulating an occupation or profession subject
- to the authority of the boards [and], councils and programs listed in ORS
- 17 676.583.
- 18 "(n) Violation of any rule regulating an occupation or profession subject
- to the authority of the boards [and], councils and programs listed in ORS
- 20 676.583.
- "(o) Failing to cooperate with the office in any investigation, inspection
- 22 or request for information.
- 23 "(p) Selling or fraudulently obtaining or furnishing an authorization to
- 24 practice in a regulated occupation or profession subject to the authority of
- 25 the boards [and], councils and programs listed in ORS 676.583, or aiding
- or abetting such an act.
- 27 "(q) Selling or fraudulently obtaining or furnishing any record related to
- 28 practice in a regulated occupation or profession subject to the authority of
- 29 the boards [and], councils and programs listed in ORS 676.583, or aiding
- 30 or abetting such an act.

- "(r) Failing to pay an outstanding civil penalty or fee that is due or failing to meet the terms of any order issued by the office that has become final.
- "(3) For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the office may require the fingerprints of a person who is:
- 7 "(a) Applying for an authorization;

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- "(b) Applying for renewal of an authorization; or
- 9 "(c) Under investigation by the office.
- "(4) If the office places an authorization holder on probation under subsection (1) of this section, the office, in consultation with the appropriate board [or], council **or program**, may determine and at any time modify the conditions of the probation.
  - "(5) If an authorization is suspended, the authorization holder may not practice during the term of suspension. Upon the expiration of the term of suspension, the authorization may be reinstated by the office if the conditions of suspension no longer exist and the authorization holder has satisfied all requirements in the relevant statutes or administrative rules for issuance, renewal or reinstatement.

## **"SECTION 11.** ORS 676.613 is amended to read:

"676.613. (1) In addition to all other remedies, when it appears to the 21 Health Licensing Office that a person is engaged in, has engaged in or is 22 about to engage in any act, practice or transaction that violates any pro-23 vision of ORS 675.360 to 675.410, 676.810, 676.815, 678.710 to 678.820, 680.500 24 to 680.565, 687.405 to 687.495, 688.701 to 688.734, 688.800 to 688.840, 690.005 to 25 690.225, 690.350 to 690.410, 691.405 to 691.485 or 694.015 to 694.170 or ORS 26 chapter 700 or sections 1 to 7 of this 2017 Act, the office may, through the 27 Attorney General or the district attorney of the county in which the act, 28 practice or transaction occurs or will occur, apply to the court for an in-29 junction restraining the person from the act, practice or transaction. 30

- "(2) A court may issue an injunction under this section without proof of actual damages. An injunction issued under this section does not relieve a person from any other prosecution or enforcement action taken for violation of statutes listed in subsection (1) of this section.
- **"SECTION 12.** ORS 676.622 is amended to read:
- "676.622. (1) A transaction conducted through a state or local system or 6 network that provides electronic access to the Health Licensing Office in-7 formation and services is exempt from any requirement under ORS 675.360 8 to 675.410, 676.575 to 676.625, 676.810, 676.815, 676.992, 680.500 to 680.565, 9 687.405 to 687.495, 688.701 to 688.734, 688.800 to 688.840, 690.005 to 690.225, 10 690.350 to 690.410, 691.405 to 691.485 and 694.015 to 694.170 and ORS chapter 11 700 and sections 1 to 7 of this 2017 Act, and rules adopted thereunder, re-12 quiring an original signature or the submission of handwritten materials. 13
- 14 "(2) Electronic signatures subject to ORS 84.001 to 84.061 and facsimile 15 signatures are acceptable and have the same force as original signatures.
- "SECTION 12a. ORS 676.185 is amended to read:
- 17 "676.185. As used in ORS 676.185 to 676.200:
- "(1) 'Direct supervisor' means the individual who is responsible for:
- "(a) Supervising a licensee enrolled in the impaired health professional program;
- "(b) Monitoring the licensee's compliance with the requirements of the program; and
- 23 "(c) Periodically reporting to the program on the licensee's compliance 24 with the requirements of the program.
  - "(2) 'Health profession licensing board' means:
- 26 "(a) A health professional regulatory board as defined in ORS 676.160; or
- 27 "(b) The Health Licensing Office for a board [or], council **or program** 28 listed in ORS 676.583.
- "(3) 'Impaired professional' means a licensee who is unable to practice with professional skill and safety by reason of habitual or excessive use or

- abuse of drugs, alcohol or other substances that impair ability or by reason
- 2 of a mental health disorder.
- 3 "(4) 'Licensee' means a health professional licensed or certified by or
- 4 registered with a health profession licensing board.
- 5 "(5) 'Substantial noncompliance' includes the following:
- 6 "(a) Criminal behavior;
- 7 "(b) Conduct that causes injury, death or harm to the public, or a patient,
- 8 including sexual impropriety with a patient;
- 9 "(c) Impairment in a health care setting in the course of employment;
- "(d) A positive toxicology test result as determined by federal regulations
  pertaining to drug testing;
- "(e) Violation of a restriction on a licensee's practice imposed by the
- impaired health professional program established under ORS 676.190 or the
- licensee's health profession licensing board;
- "(f) Civil commitment for mental illness;
- 16 "(g) Failure to participate in the program after entering into a diversion
- agreement under ORS 676.190; or
- 18 "(h) Failure to enroll in the program after being referred to the program.
- "SECTION 12b. ORS 676.580 is amended to read:
- 20 "676.580. As used in ORS 676.575 to 676.625:
- 21 "(1) 'Active authorization' means an authorization that is current and not 22 suspended.
- "(2) 'Authorization' means a certificate, license, permit or registration issued by the Health Licensing Office that allows a person to practice:
- 25 "(a) One of the occupations or professions or maintain a facility subject
- to the authority of the boards [and], councils and programs listed in ORS
- 27 676.583; or
- 28 "(b) A profession or occupation subject to direct oversight by the office.
- "(3) 'Expired authorization' means an authorization that has been not
- 30 current for more than three years.

- "(4) 'Inactive authorization' means an authorization that has been not current for three years or less.
- "SECTION 12c. ORS 676.586 is amended to read:
- 4 "676.586. (1) The Health Licensing Office is responsible for the adminis-
- 5 tration and regulatory oversight of the boards [and], councils and programs
- 6 listed in ORS 676.583. The responsibilities of the office include, but are not
- 7 limited to:
- 8 "(a) Budgeting;
- 9 "(b) Record keeping;
- "(c) Staffing;

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- "(d) Contracting;
- "(e) Consumer protection and investigating complaints;
- "(f) Establishing and collecting fees;
- "(g) Establishing and administering uniform application processes for the issuance of authorizations;
- "(h) Issuing and renewing authorizations;
- "(i) Subject to ORS 676.616 and 687.445, conditioning, limiting, suspending, revoking or refusing to issue or renew an authorization or otherwise disciplining applicants and authorization holders;
  - "(j) Sanctioning any examination service provider, interpreter or proctor who is under contract or agreement with the office and who compromises the security, confidentiality or integrity of examinations developed or conducted pursuant to the statutory authority of the boards [and], councils **and programs** listed in ORS 676.583;
- "(k) Enforcing all administrative rules adopted under any statute the office is charged with enforcing, including board [and], council **and program** administrative rules establishing professional code of conduct and practice standards, the scope of professional practice and requirements for obtaining informed consent before providing certain services or performing any procedure on clients;

- "(L) Preparing, tracking and reporting office performance measures;
- "(m) Implementing regulatory streamlining initiatives to reduce regulatory burdens without compromising regulatory standards;
- "(n) Preparing and circulating printed and electronic materials for edutating or otherwise assisting applicants, authorization holders and the public;
- "(o) Adopting rules for the issuance of waivers or provisional authorisations to practice, and establishing special conditions of practice, during a state of emergency declared by the Governor under ORS 401.165;
  - "(p) Referring impaired practitioners to a diversion program approved or recognized by the office and establishing criteria by rule for monitoring the impaired practitioner's progress and successful completion of the program;
- "(q) Establishing requirements for additional education, training or supervised experience to achieve compliance with the laws and rules governing professional practice;
  - "(r) Establishing by rule continuing education requirements for renewal of an authorization if the office determines that continuing education is appropriate for renewal of the authorization;
  - "(s) Exempting from authorization requirements a person who provides services at charitable or fund raising events, after the office has considered and evaluated the written request for an exemption on an individual basis; and
  - "(t) Establishing requirements by rule for the issuance of a provisional authorization for purposes related to education or training.
- "(2) The enumeration of duties, functions and powers in subsection (1) of this section is not intended to be exclusive or to limit the duties, functions and powers imposed on or vested in the office by other statutes.
  - **"SECTION 12d.** ORS 676.608 is amended to read:
- 29 "676.608. (1) As used in this section, 'public entity' has the meaning given that term in ORS 676.177.

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- "(2)(a) The Health Licensing Office shall carry out the investigatory duties necessary to enforce the provisions of ORS 676.575 to 676.625 and 676.992.
- 3 "(b) Subject to subsection (12) of this section, the office, upon its own
- 4 motion, may initiate and conduct investigations of matters relating to the
- 5 practice of occupations or professions subject to the authority of the boards
- 6 [and], councils and programs listed in ORS 676.583.
- "(c) Subject to subsection (12) of this section, when the office receives a complaint against an authorization holder, the office shall investigate the complaint as provided in ORS 676.165.
- "(3) While conducting an investigation authorized under subsection (2) of this section or a hearing related to an investigation, the office may:
- "(a) Take evidence;
- "(b) Administer oaths;
- "(c) Take the depositions of witnesses, including the person charged;
- "(d) Compel the appearance of witnesses, including the person charged;
- "(e) Require answers to interrogatories;
- "(f) Compel the production of books, papers, accounts, documents and testimony pertaining to the matter under investigation; and
- "(g) Conduct criminal and civil background checks to determine conviction of a crime that bears a demonstrable relationship to the field of practice.
- "(4) In exercising its authority under this section, the office may issue subpoenas over the signature of the Director of the Health Licensing Office or designated employee of the director and in the name of the State of Oregon.
- "(5) If a person fails to comply with a subpoena issued under this section, the judge of the Circuit Court for Marion County may compel obedience by initiating proceedings for contempt as in the case of disobedience of the requirements of a subpoena issued from the court.
  - "(6) If necessary, the director, or an employee designated by the director,

- 1 may appear before a magistrate empowered to issue warrants in criminal
- 2 cases to request that the magistrate issue a warrant. The magistrate shall
- 3 issue a warrant, directing it to any sheriff or deputy or police officer, to
- 4 enter the described property, to remove any person or obstacle, to defend any
- 5 threatened violence to the director or a designee of the director or an officer,
- 6 upon entering private property, or to assist the director in enforcing the
- 7 office's authority in any way.
- 8 "(7) In all investigations and hearings, the office and any person affected
- 9 by the investigation or hearing may have the benefit of counsel.
- 10 "(8) If an authorization holder who is the subject of a complaint or an
- investigation is to appear before the office, the office shall provide the au-
- 12 thorization holder with a current summary of the complaint or the matter
- being investigated not less than 10 days before the date that the authori-
- 14 zation holder is to appear. At the time the summary of the complaint or the
- 15 matter being investigated is provided, the office shall provide the authori-
- 26 zation holder with a current summary of documents or alleged facts that the
- 17 office has acquired as a result of the investigation. The name of the
- 18 complainant may be withheld from the authorization holder.
- "(9) An authorization holder who is the subject of an investigation, and
  - any person acting on behalf of the authorization holder, may not contact the
  - complainant until the authorization holder has requested a contested case
- 22 hearing and the office has authorized the taking of the complainant's depo-
- 23 sition pursuant to ORS 183.425.

- 24 "(10) Except in an investigation or proceeding conducted by the office or
- 25 another public entity, or in an action, suit or proceeding in which a public
- 26 entity is a party, an authorization holder may not be questioned or examined
- 27 regarding any communication with the office made in an appearance before
- 28 the office as part of an investigation.
- 29 "(11) This section does not prohibit examination or questioning of an au-
- 30 thorization holder regarding records about the authorization holder's care

- and treatment of a patient or affect the admissibility of those records.
- "(12) In conducting an investigation related to the practice of direct entry midwifery, as defined in ORS 687.405, the office shall:
- "(a) Allow the State Board of Direct Entry Midwifery to review the motion or complaint before beginning the investigation;
- 6 "(b) Allow the board to prioritize the investigation with respect to other 7 investigations related to the practice of direct entry midwifery; and
- 8 "(c) Consult with the board during and after the investigation for the 9 purpose of determining whether to pursue disciplinary action.

## "SECTION 12e. ORS 676.615 is amended to read:

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- "676.615. (1) In accordance with applicable provisions of ORS chapter 183, the Director of the Health Licensing Office may adopt rules necessary for the administration of the laws that the Health Licensing Office is charged with administering.
- "(2) In accordance with applicable provisions of ORS chapter 183, the director may adopt rules necessary for the administration of ORS 676.575 to 676.625 and 676.992.
- "(3) The office may adopt rules establishing requirements for placement of an authorization issued by the office in a dormant status upon application by the authorization holder and establishing conditions for reactivation of the authorization.
  - "(4) Pursuant to ORS 676.575 and 676.586, the office may adopt rules to recognize specialties within a regulated field of practice subject to the authority of the boards [and], councils **and programs** listed in ORS 676.583 and may establish requirements for education, experience, examinations and supervision as necessary to ensure public safety and competency within the specialty.
- "SECTION 12f. ORS 676.625, as amended by section 7, chapter 240, Oregon Laws 2013, is amended to read:
- 30 "676.625. (1) The Health Licensing Office shall establish by rule and shall

- collect fees and charges to carry out the office's responsibilities under ORS 676.575 to 676.625, 676.850 and 676.992 and any responsibility imposed on the office pertaining to the boards [and], councils **and programs** administered and regulated by the office pursuant to ORS 676.583.
- "(2) The Health Licensing Office Account is established separate and 5 distinct from the General Fund. The account shall consist of the moneys 6 credited to the account by the Legislative Assembly. All moneys in the ac-7 count are continuously appropriated to and shall be used by the office for 8 payment of expenses of the office in carrying out the duties, functions and 9 obligations of the office, and for payment of the expenses of the boards 10 [and], councils and programs administered and regulated by the office 11 pursuant to ORS 676.583. The office shall keep a record of all moneys cred-12 ited to the account and report the source from which the moneys are derived 13 and the activity of each board [or], council or programs that generated the 14 moneys. 15
  - "(3) Subject to prior approval of the Oregon Department of Administrative Services and a report to the Emergency Board prior to establishing fees and charges credited to the account, the fees and charges may not exceed the cost of administering the office and the boards [and], councils and program within the office, as authorized by the Legislative Assembly within the office's budget, as the budget may be modified by the Emergency Board.
  - "(4) All moneys credited to the account pursuant to ORS 676.592 and 676.806, and moneys credited to the account from other office and program fees established by the office by rule, are continuously appropriated to the office for carrying out the duties, functions and powers of the office under ORS 676.575 to 676.625, 676.806, 676.850 and 676.992.
  - "(5) The moneys received from civil penalties assessed under ORS 676.992 shall be deposited and accounted for as are other moneys received by the office and shall be for the administration and enforcement of the statutes governing the boards [and], councils **and programs** administered by the of-

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- In line 22, delete "7" and insert "13".
- In line 43, after "to" delete "6" and insert "7".
- On page 4, line 16, delete "8" and insert "14".
- In line 19, after "section" delete "9" and insert "15".
- In line 22, after "section" delete ',6" and insert "7".
- 7 Delete lines 23 through 29 and insert:
- 8 "SECTION 15. (1) Sections 1 to 7 and 14 of this 2017 Act and the 9 amendments to ORS 676.583, 676.610, 676.612, 676.613, 676.622 and 676.992 10 by sections 8 to 13 of this 2017 Act become operative on January 1, 2018.
  - "(2) The Health Licensing Office may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the office to exercise, on or after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the office by sections 1 to 7 and 14 of this 2017 Act and the amendments to ORS 676.185, 676.580, 676.583, 676.586, 676.608, 676.610, 676.612, 676.613, 676.615, 676.622, 676.625 and 676.992 by sections 8 to 13 of this 2017 Act."
- In line 30, delete "10" and insert "16".

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