

Requested by Representative NOSSE

**PROPOSED AMENDMENTS TO
HOUSE BILL 2664**

1 On page 1 of the printed bill, delete lines 7 through 26 and insert:

2 **“SECTION 2. (1) As used in this section:**

3 **“(a) ‘Extended stay center’ means a facility that is a separate and**
4 **distinct entity from an ambulatory surgical center and that provides**
5 **extended stay services.**

6 **“(b) ‘Extended stay services’ means post-surgical and post-**
7 **diagnostic medical and nursing services provided to a patient for**
8 **whom the attending physician expects an uncomplicated recovery from**
9 **surgery.**

10 **“(c) ‘Health system’ means a corporate entity that owns or operates**
11 **at least one hospital licensed by the Oregon Health Authority under**
12 **this chapter.**

13 **“(d) ‘Local hospital’ means a hospital that is located within a**
14 **15-mile radius of an extended stay center or within an area prescribed**
15 **by rule by the Oregon Health Authority as necessary to ensure the**
16 **safety of patients admitted to an extended stay center.**

17 **“(2) The Oregon Health Authority shall adopt rules for the licensing**
18 **of extended stay centers. The rules must ensure that each licensed**
19 **extended stay center:**

20 **“(a) Is sponsored by an ambulatory surgical center that has dem-**
21 **onstrated safe operating procedures in an outpatient surgery setting**

1 for no less than 24 consecutive months;

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

5 “(c) Is located in close proximity to the facility where the extended
6 stay patients are receiving surgical services;

7 “(d) Conforms to rules adopted by the authority that pertain to
8 overnight hospital stays, including but not limited to:

9 “(A) Ownership and management of the extended stay center;
10 “(B) Responsibilities and duties of the governing body;
11 “(C) Administrator qualifications and medical staff requirements;
12 “(D) Requirements for patient admissions and discharges;
13 “(E) Requirements for maintaining medical records;
14 “(F) Emergency and safety standards;
15 “(G) Quality control requirements and the submission of data re-
16 garding the quality of patient care; and
17 “(H) Patient care standards, including 24-hour staffing require-
18 ments;

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

22 “(f) Requires certification by a patient’s physician prior to the
23 patient’s admission to the extended stay center that the patient re-
24 quires services provided in the extended stay center; and

25 “(g) Except as provided in subsection (3) of this section, admits
26 patients following surgery in an ambulatory surgical center for no
27 more than 48 hours beginning at the time of admission to the
28 ambulatory surgical center.

29 “(3) A patient may stay in an extended stay center for up to four
30 hours longer than the 48 hours prescribed in subsection (2)(g) of this

1 section, as determined by the medical director of the extended stay
2 center, but must be discharged by 10 a.m.

3 “(4) The rules adopted under subsection (2) of this section may give
4 a preference to extended stay centers sponsored by ambulatory surgi-
5 cal centers that have experience in performing highly complex proce-
6 dures.

7 “(5) The authority shall adopt by rule key data and metrics that
8 must be reported to the authority by an extended stay center at least
9 every five years.

10 “(6) The authority shall license no more than 16 extended stay
11 centers, including:

12 “(a) Eight extended stay centers that are owned as joint ventures
13 between ambulatory surgical centers and health systems;

14 “(b) Five extended stay centers that are not owned as joint ventures
15 between ambulatory surgical centers and health systems; and

16 “(c) Three extended stay centers in addition to the extended stay
17 centers described in paragraph (a) or (b) of this subsection, licensed
18 in the order that the license applications are received by the
19 authority.”.

20 On page 2, delete lines 15 through 17 and insert:

21 “(F) The rate of infection and other adverse events; and

22 “(G) Patient satisfaction, including grievances filed by or on behalf of
23 patients;

24 “(d) The frequency and causes of transfers from extended stay centers to
25 local hospitals and the patients”.

26 After line 20, insert:

27 “(3) The authority shall explore with the Centers for Medicare and
28 Medicaid Services the possibility of allowing the authority to license an
29 ambulatory surgical center and an extended stay center as a single
30 licensee.”.

1 In line 21, delete “and the Department of Consumer and”.

2 In line 22, delete “Business Services”.

3 In line 27, delete “and”.

4 In line 28, after “authority” insert a colon and delete the rest of the line
5 and line 29.

6 In line 39, after “state” insert “; and

7 “(d) The Director of the Department of Consumer and Business Services
8 or the director’s designee as an ex officio member”.

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

10 **“SECTION 5.** Section 2 of this 2017 Act is amended to read:

11 **“Sec. 2.** (1) As used in this section:

12 “(a) ‘Extended stay center’ means a facility that is a separate and distinct
13 entity from an ambulatory surgical center and that provides extended stay
14 services.

15 “(b) ‘Extended stay services’ means post-surgical and post-diagnostic
16 medical and nursing services provided to a patient for whom the attending
17 physician expects an uncomplicated recovery from surgery.

18 “(c) ‘Health system’ means a corporate entity that owns or operates at
19 least one hospital licensed by the Oregon Health Authority under this
20 chapter.

21 “(d) ‘Local hospital’ means a hospital that is located within a 15-mile ra-
22 dius of an extended stay center or within an area prescribed by rule by the
23 Oregon Health Authority as necessary to ensure the safety of patients ad-
24 mitted to an extended stay center.

25 “(2) The Oregon Health Authority shall adopt rules for the licensing of
26 extended stay centers. The rules must ensure that each licensed extended
27 stay center:

28 “(a) Is sponsored by an ambulatory surgical center that has demonstrated
29 safe operating procedures in an outpatient surgery setting for no less than
30 24 consecutive months;

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

4 “(c) Is located in close proximity to the facility where the extended stay
5 patients are receiving surgical services;

6 “(d) Conforms to rules adopted by the authority that pertain to overnight
7 hospital stays, including but not limited to:

8 “(A) Ownership and management of the extended stay center;

9 “(B) Responsibilities and duties of the governing body;

10 “(C) Administrator qualifications and medical staff requirements;

11 “(D) Requirements for patient admissions and discharges;

12 “(E) Requirements for maintaining medical records;

13 “(F) Emergency and safety standards;

14 “(G) Quality control requirements and the submission of data regarding
15 the quality of patient care; and

16 “(H) Patient care standards, including 24-hour staffing requirements;

17 “(e) Orally and in writing, clearly notifies patients with Medicare cover-
18 age that services provided in an extended stay center are not covered by
19 Medicare;

20 “(f) Requires certification by a patient’s physician prior to the patient’s
21 admission to the extended stay center that the patient requires services
22 provided in the extended stay center; and

23 “(g) Except as provided in subsection (3) of this section, admits patients
24 following surgery in an ambulatory surgical center for no more than 48
25 hours beginning at the time of admission to the ambulatory surgical center.

26 “(3) A patient may stay in an extended stay center for up to four hours
27 longer than the 48 hours prescribed in subsection (2)(g) of this section, as
28 determined by the medical director of the extended stay center, but must be
29 discharged by 10 a.m.

30 “(4) The rules adopted under subsection (2) of this section may give a

1 preference to extended stay centers sponsored by ambulatory surgical centers
2 that have experience in performing highly complex procedures.

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

5 “[*(6) The authority shall license no more than 16 extended stay centers,*
6 *including:*]

7 “[*(a) Eight extended stay centers that are owned as joint ventures between*
8 *ambulatory surgical centers and health systems;*]

9 “[*(b) Five extended stay centers that are not owned as joint ventures be-*
10 *tween ambulatory surgical centers and health systems; and*]

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

14 On page 17, after line 14, insert:

15 **“SECTION 16. The Oregon Health Authority shall adopt all rules**
16 **necessary to carry out section 2 of this 2017 Act no later than 120 days**
17 **after the effective date of this 2017 Act.**

18 **“SECTION 17. The Oregon Health Authority may solicit and accept**
19 **gifts, grants and donations from public and private sources, which**
20 **shall be deposited in the Oregon Health Authority Fund established**
21 **under ORS 413.101 and used only for the purpose of carrying out the**
22 **provisions of sections 2 and 4 of this 2017 Act.”.**

23 In line 15, delete “16” and insert “18”.

24 In line 17, delete “17” and insert “19”.

25 In line 18, delete “18” and insert “20”.

26 In line 21, after “4” insert “and 16”.

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