

## HOUSE AMENDMENTS TO HOUSE BILL 4020

By COMMITTEE ON HEALTH CARE

February 16

1 On page 1 of the printed bill, line 3, after “442.015,” insert “442.120,” and after “442.700” insert  
2 “, 442.837”.

3 After line 4, insert:

4  
5 **“EXTENDED STAY CENTER LICENSING”.**  
6

7 Delete lines 7 through 30.

8 Delete pages 2 and 3.

9 On page 4, delete lines 1 through 19 and insert:

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

11 **“(a) ‘Extended stay center’ means a facility that provides extended stay services.**

12 **“(b) ‘Extended stay services’ means post-surgical and post-diagnostic medical and nurs-**  
13 **ing services provided to a patient who is recovering from a surgical procedure performed in**  
14 **an ambulatory surgical center.**

15 **“(c) ‘Local hospital’ has the meaning given that term in rules adopted by the Oregon**  
16 **Health Authority that are consistent with federal requirements.**

17 **“(d) ‘Operating room’ has the meaning given that term in rules adopted by the authority.**

18 **“(2) The authority shall adopt rules and procedures for the licensing of extended stay**  
19 **centers to ensure that each licensed extended stay center:**

20 **“(a) Is affiliated with a facility:**

21 **“(A) That is licensed by the authority as an ambulatory surgical center;**

22 **“(B) Whose license is in good standing with the authority; and**

23 **“(C) That meets the criteria in subsection (3) of this section;**

24 **“(b) Has no more than two recovery beds for each operating room that is in its affiliated**  
25 **ambulatory surgical center and a total of no more than 10 recovery beds;**

26 **“(c) Discharges patients within 48 hours from the time of admission to the ambulatory**  
27 **surgical center;**

28 **“(d)(A) Has an agreement with at least one local hospital that has the capabilities to**  
29 **treat patients requiring medical care that exceeds the capabilities of the extended stay cen-**  
30 **ter and the agreement complies with the federal requirements applicable to patient transfer**  
31 **agreements between ambulatory surgical centers and local hospitals; or**

32 **“(B) Is affiliated with an ambulatory surgical center in which all of the physicians per-**  
33 **forming surgeries have admitting privileges at a local hospital that has the capabilities to**  
34 **treat patients requiring medical care that exceeds the capabilities of the extended stay cen-**  
35 **ter;**

1 “(e) Conforms to all patient safety and facility requirements adopted by the authority by  
2 rule;

3 “(f) Uses admission criteria based only on the extended stay center’s:

4 “(A) Medical screening criteria;

5 “(B) Evidence-based surgery guidelines; or

6 “(C) Patient safety standards;

7 “(g) Orally and in writing, clearly notifies patients with Medicare coverage of the services  
8 provided by the extended stay center that are not covered by Medicare;

9 “(h) Reports data and metrics to the authority as prescribed by the authority by rule,  
10 including but not limited to the:

11 “(A) Types of procedures performed at the affiliated ambulatory surgical center for which  
12 patients are transferred to the extended stay center for recovery;

13 “(B) Average duration of patient stays at the extended stay center;

14 “(C) Medical acuity of the patients served by the extended stay center;

15 “(D) Types of payers that reimburse services provided at the extended stay center and  
16 the percentage of each payer type in the total number of payers; and

17 “(E) Frequency and cause of patient transfers from the extended stay center to a hospi-  
18 tal; and

19 “(i) Is located within an urban area as defined by the Office of Rural Health.

20 “(3) The ambulatory surgical center that is affiliated with an extended stay center must:

21 “(a) Not be affiliated with any other licensed extended stay center;

22 “(b) Be physically contiguous with the extended stay center;

23 “(c) Have demonstrated safe operating procedures in an outpatient surgery setting for  
24 no less than 24 consecutive months;

25 “(d) Be certified by the Centers for Medicare and Medicaid Services as participating in  
26 the ambulatory surgical center quality reporting program administered by the Centers for  
27 Medicare and Medicaid Services; and

28 “(e) Be accredited by a national accrediting organization approved by the authority.

29 “(4) The authority shall mitigate barriers to and facilitate the reimbursement of extended  
30 stay centers with medical assistance funds.

31 “SECTION 3. (1) The Health Evidence Review Commission established under ORS 414.688  
32 shall develop evidence-based guidelines regarding the patient characteristics and surgical  
33 procedures that may be appropriate for ambulatory surgical centers and extended stay cen-  
34 ters. The commission shall provide a report of the timeline and plan for implementing the  
35 guidelines to the Legislative Assembly during the 2019 regular session.

36 “(2) No later than December 31, 2022, the Oregon Health Authority shall report to the  
37 interim committees of the Legislative Assembly related to health on the implementation of  
38 section 2 of this 2018 Act.”.

39 In line 20, delete “5” and insert “4”.

40 On page 5, line 39, delete “6” and insert “5”.

41 On page 8, line 38, delete “7” and insert “6”.

42 On page 11, after line 32, insert:

43 “SECTION 7. ORS 442.120 is amended to read:

44 “442.120. In order to provide data essential for health planning programs:

45 “(1) The Oregon Health Authority may request, by July 1 of each year, each general hospital

1 to file with the authority ambulatory surgery and inpatient discharge abstract records covering all  
2 patients discharged during the preceding calendar year. The ambulatory surgery and inpatient dis-  
3 charge abstract record for each patient must include the following information, and may include  
4 other information deemed necessary by the authority for developing or evaluating statewide health  
5 policy:

6 “(a) Date of birth;

7 “(b) Sex;

8 “(c) Race and ethnicity;

9 “(d) Primary language;

10 “(e) Disability;

11 “(f) Zip code;

12 “(g) Inpatient admission date or outpatient service date;

13 “(h) Inpatient discharge date;

14 “(i) Type of discharge;

15 “(j) Diagnostic related group or diagnosis;

16 “(k) Type of procedure performed;

17 “(L) Expected source of payment, if available;

18 “(m) Hospital identification number; and

19 “(n) Total hospital charges.

20 “(2) By July 1 of each year, the authority may request from ambulatory surgical centers licensed  
21 under ORS 441.015 ambulatory surgery discharge abstract records covering all patients admitted  
22 during the preceding year. Ambulatory surgery discharge abstract records must include information  
23 similar to that requested from general hospitals under subsection (1) of this section.

24 “(3) **By July 1 of each year, the authority may request from extended stay centers li-**  
25 **censed under section 2 of this 2018 Act extended stay center discharge abstract records**  
26 **covering all patients admitted during the preceding year. Extended stay center discharge**  
27 **abstract records must include information prescribed by the authority by rule.**

28 “[3] (4) In lieu of abstracting and compiling the records itself, the authority may solicit the  
29 voluntary submission of [*such data from Oregon hospitals or other sources*] **the data described in**  
30 **subsections (1) to (3) of this section** to enable [*it*] **the authority** to carry out its responsibilities  
31 under this section. If such data are not available to the authority on an annual and timely basis, the  
32 authority may establish by rule a fee to be charged to each hospital, **ambulatory surgical center**  
33 **or extended stay center.**

34 “[4] (5) [*Subject to prior approval of the Oregon Health Policy Board and a report to the Emer-*  
35 *gency Board, if the Legislative Assembly is not in session, prior to adopting the fee, and within the*  
36 *budget authorized by the Legislative Assembly as the budget may be modified by the Emergency*  
37 *Board,*] The fee established under subsection [(3)] (4) of this section may not exceed the cost of ab-  
38 stracting and compiling the records.

39 “[5] (6) The authority may specify by rule the form in which [*the*] records are to be submitted.  
40 If the form adopted by rule requires conversion from the form regularly used by a hospital,  
41 **ambulatory surgical center or extended stay center**, reasonable costs of such conversion shall  
42 be paid by the authority.

43 “[6] (7) Abstract records must include a patient identifier that allows for the statistical  
44 matching of records over time to permit public studies of issues related to clinical practices, health  
45 service utilization and health outcomes. Provision of such a patient identifier must not allow for

1 identification of the individual patient.

2 “[(7)] (8) In addition to the records required in subsection (1) of this section, the authority may  
3 obtain abstract records for each patient that identify specific services, classified by International  
4 Classification of Disease Code, for special studies on the incidence of specific health problems or  
5 diagnostic practices. However, nothing in this subsection shall authorize the publication of specific  
6 data in a form that allows identification of individual patients or licensed health care professionals.

7 “[(8)] (9) The authority may provide by rule for the submission of records for enrollees in a  
8 health maintenance organization from a hospital, **ambulatory surgical center or extended stay**  
9 **center** associated with such an organization in a form the authority determines appropriate to the  
10 authority’s needs for such data and the organization’s record keeping and reporting systems for  
11 charges and services.

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13 **“PATIENT SAFETY REPORTING BY EXTENDED STAY CENTERS**

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15 **“SECTION 8.** ORS 442.837 is amended to read:

16 **“442.837.** (1) The Oregon Patient Safety Reporting Program is created in the Oregon Patient  
17 Safety Commission to develop a serious adverse event reporting system. The program shall include  
18 but is not limited to:

19 “(a) Reporting by participants, in a timely manner and in the form determined by the Oregon  
20 Patient Safety Commission Board of Directors established in ORS 442.830, of the following:

21 “(A) Serious adverse events;

22 “(B) Root cause analyses of serious adverse events;

23 “(C) Action plans established to prevent similar serious adverse events; and

24 “(D) Patient safety plans establishing procedures and protocols.

25 “(b) Analyzing reported serious adverse events, root cause analyses and action plans to develop  
26 and disseminate information to improve the quality of care with respect to patient safety. This in-  
27 formation shall be made available to participants and shall include but is not limited to:

28 “(A) Statistical analyses;

29 “(B) Recommendations regarding quality improvement techniques;

30 “(C) Recommendations regarding standard protocols; and

31 “(D) Recommendations regarding best patient safety practices.

32 “(c) Providing technical assistance to participants, including but not limited to recommendations  
33 and advice regarding methodology, communication, dissemination of information, data collection,  
34 security and confidentiality.

35 “(d) Auditing participant reporting to assess the level of reporting of serious adverse events,  
36 root cause analyses and action plans.

37 “(e) Overseeing action plans to assess whether participants are taking sufficient steps to prevent  
38 the occurrence of serious adverse events.

39 “(f) Creating incentives to improve and reward participation, including but not limited to pro-  
40 viding:

41 “(A) Feedback to participants; and

42 “(B) Rewards and recognition to participants.

43 “(g) Distributing written reports using aggregate, deidentified data from the program to describe  
44 statewide serious adverse event patterns and maintaining a website to facilitate public access to  
45 reports, as well as a list of names of participants. The reports shall include but are not limited to:

- 1 “(A) The types and frequencies of serious adverse events;  
2 “(B) Yearly serious adverse event totals and trends;  
3 “(C) Clusters of serious adverse events;  
4 “(D) Demographics of patients involved in serious adverse events, including the frequency and  
5 types of serious adverse events associated with language barriers or ethnicity;  
6 “(E) Systems’ factors associated with particular serious adverse events;  
7 “(F) Interventions to prevent frequent or high severity serious adverse events;  
8 “(G) Analyses of statewide patient safety data in Oregon and comparisons of that data to na-  
9 tional patient safety data; and  
10 “(H) Appropriate consumer information regarding prevention of serious adverse events.  
11 “(2) Participation in the program is voluntary. The following entities are eligible to participate:  
12 “(a) Hospitals as defined in ORS 442.015;  
13 “(b) Long term care facilities as defined in ORS 442.015;  
14 “(c) Pharmacies licensed under ORS chapter 689;  
15 “(d) Ambulatory surgical centers as defined in ORS 442.015;  
16 “(e) Outpatient renal dialysis facilities as defined in ORS 442.015;  
17 “(f) Freestanding birthing centers as defined in ORS 442.015; [and]  
18 “(g) Independent professional health care societies or associations[.]; **and**  
19 “(h) **Extended stay centers licensed under section 2 of this 2018 Act.**  
20 “(3) Reports or other information developed and disseminated by the program may not contain  
21 or reveal the name of or other identifiable information with respect to a particular participant pro-  
22 viding information to the commission for the purposes of ORS 442.819 to 442.851, or to any individual  
23 identified in the report or information, and upon whose patient safety data, patient safety activities  
24 and reports the commission has relied in developing and disseminating information pursuant to this  
25 section.  
26 “(4) After a serious adverse event occurs, a participant must provide written notification in a  
27 timely manner to each patient served by the participant who is affected by the event. Notice pro-  
28 vided under this subsection may not be construed as an admission of liability in a civil action.  
29 “(5) The commission shall collaborate with providers of ambulatory health care to develop ini-  
30 tiatives to promote patient safety in ambulatory health care.

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#### “CONFORMING AMENDMENTS”.

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In line 33, delete “8” and insert “9”.

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On page 13, line 31, delete “9” and insert “10”.

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On page 15, line 21, delete “10” and insert “11”.

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On page 16, line 12, delete “11” and insert “12”.

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In line 33, delete “12” and insert “13”.

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On page 17, line 1, delete “13” and insert “14”.

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In line 26, delete “14” and insert “15”.

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On page 18, after line 16, insert:

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#### “IMPLEMENTATION”.

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In line 17, delete “15” and insert “16”.

1 In line 18, delete “120” and insert “180”.

2 Delete lines 19 through 22 and insert:

3 **“SECTION 17. (1) No later than January 1, 2019, the Oregon Health Authority shall apply**  
4 **to the Centers for Medicare and Medicaid Services for approval of a demonstration project**  
5 **or other authorization to permit the state to receive federal financial participation in the**  
6 **costs of extended stay services and to permit extended stay centers and ambulatory surgical**  
7 **centers to operate under a single license.**

8 **“(2) The authority shall report to the interim committees of the Legislative Assembly**  
9 **related to health no later than July 1, 2019, on the status of the application described in**  
10 **subsection (1) of this section.”.**

11 In line 23, delete “17” and insert “18”.

12 In line 24, delete “18” and insert “19” and delete “and 442.015” and insert “, 442.015, 442.120  
13 and 442.837”.

14 In line 25, delete “5 and 6” and insert “4 to 8”.

15 Delete lines 26 and 27.

16 Delete lines 29 through 32 and insert:

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18 **“CAPTIONS**

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20 **“SECTION 21. The unit captions used in this 2018 Act are provided only for the conven-**  
21 **ience of the reader and do not become part of the statutory law of this state or express any**  
22 **legislative intent in the enactment of this 2018 Act.**

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24 **“EMERGENCY CLAUSE”.**

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