

DRAFT

SUMMARY

Digest: The Act allows DHS to deem an IDD services provider to be unqualified. (Flesch Readability Score: 63.4).

Authorizes the Department of Human Services to revoke a license, certificate or endorsement of a provider of community-based services to individuals with intellectual or developmental disabilities if the department deems the provider unqualified. Specifies the circumstances under which a provider shall be deemed unqualified.

A BILL FOR AN ACT

Relating to developmental disabilities services providers.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 427.

SECTION 2. (1) As used in this section, “excluded provider list” means the comprehensive listing maintained by the United States Department of Health and Human Services’ Office of Inspector General of providers that are excluded from participation in federal health care programs.

(2) The Department of Human Services may revoke the license, certificate or endorsement of a provider of community-based services to individuals with intellectual or developmental disabilities if the department deems the provider to be unqualified.

(3) The department shall deem a provider to be unqualified:

(a) For at least 12 months if a manager or resident manager of the provider is placed on the excluded provider list while employed by the provider.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (b) For at least 12 months if the provider denies the department or
2 a community developmental disabilities program access to records, a
3 facility or an individual receiving services.

4 (c) For at least 24 months if the provider alters, conceals, destroys
5 or otherwise manipulates records.

6 (d) For at least 24 months if the provider is found to have commit-
7 ted a serious health or safety violation three or more times in any
8 18-month period.

9 (e) At all times if the provider engages in financial mismanagement
10 or fraud.

11 (f) At all times if the owner of the provider or a member of the
12 provider's governing board or executive team, or a family member of
13 the owner or member of the governing board or executive team, has:

14 (A) Been placed on the preclusion list;

15 (B) Been found to have committed Medicaid fraud within the pre-
16 ceding 10 years;

17 (C) Had revoked a license, certificate or endorsement for the pro-
18 vision of care or services to children, adults with physical disabilities
19 or developmental disabilities or older adults within the preceding 10
20 years; or

21 (D) Voluntarily surrendered a license, certificate or endorsement
22 for the provision of care or services to children, adults with physical
23 disabilities or developmental disabilities or older adults while under
24 investigation for fraud, maltreatment, financial mismanagement,
25 criminal activity or other licensing violations within the preceding
26 seven years.

27 (4) If the department has reasonable cause to believe that the op-
28 erations of a provider put the health, safety, rights or welfare of the
29 individuals served by the provider at risk, the department shall deem
30 the provider to be unqualified for a length of time as determined by
31 the department. The provider may not be deemed qualified until the

1 department has confirmed that all concerns have been remediated.

2 (5) The department shall prescribe by rule when and for what length
3 of time a provider may be deemed unqualified if the provider:

4 (a) Repeatedly violates an individual's rights;

5 (b) Fails to make a mandatory abuse report;

6 (c) Is the subject of repeated substantiated allegations of abuse;

7 (d) Fails to complete plans of correction in a timely fashion;

8 (e) Repeatedly fails to maintain appropriate, qualified staffing lev-
9 els;

10 (f) Repeatedly fails to provide access to needed care or services; or

11 (g) Repeatedly fails to document and report incidents as required
12 by state or federal law.