



March 29, 2023

The Honorable Deb Patterson  
Chair, Senate Health Care Committee  
State Capital  
Salem, Oregon

Re: Senate Bill 1079 (as amended) – Hospital capacity and post-acute care access

Dear Senator Patterson and members of the committee,

Providence proudly serves as Oregon’s largest health care provider, including eight hospitals, 90 primary care clinics, comprehensive behavioral health services and a range of elderly services, like Programs of All-Inclusive Care for the Elderly (PACE), palliative and hospice care. Through our continuum of services, Providence is committed to ensuring patients have access to the appropriate care at the appropriate time – but we can’t do it alone. Health care systems need meaningful engagement from providers across Oregon’s health care continuum to be part of the solution. Senate Bill 1079 is part of a compromise package of bills, agreed to by hospitals and labor, that will bring all stakeholders to the table to address hospital capacity in Oregon. Please join us in support of Senate Bill 1079.

As Oregon hospitals and caregivers emerge from the wave of COVID-19 surges that plagued our state for the last three years, we were hopeful the pressure would be taken off our acute care workforce, emergency departments and Emergency Management Systems. To the contrary, the need for hospital services continues to increase and we reached an unprecedented capacity crisis this winter with the tripledemic.

There are several factors that contribute to the capacity crisis in Oregon hospitals: patients who delayed care during COVID are coming to hospitals with more complex needs and they require longer lengths of stay. Once they are ready to discharge from the hospital, the lack of community placement leaves them “stuck” in the hospital. On average, Providence has nearly 75 patients ready to be discharged from our hospitals that cannot access appropriate care in the community. For context, this is two full hospitals for patients, more than can be served at both Providence Newberg Medical Center (40 beds) and Providence Seaside Hospital (25 beds) combined.

Our inability to discharge “stuck” patients increases hospital average length of stay and creates a chain reaction requiring boarding of admitted patients in the emergency department, reduced access through the emergency department, longer wait times and people leaving without being seen, ambulance diverts and long wall-times for EMS providers needing to drop-off patients. The net impact is a reduction in the number of individual patients that can be seen in Oregon hospitals.

Prior to the pandemic, the process of hospital discharge was primarily considered a singular issue that was within the sole control of a hospital. Today the severity of the problem is creating a community wide crisis we cannot ignore. As such, in late-2022, Providence partnered with the Oregon Department of Human Services Adult and People with Disabilities (ODHS APD) office to analyze the problem. Our objective was to share data and identify opportunities to accelerate hospital discharges for complex patients prioritizing patient centered outcomes, health equity and quality of life, above cost and health care utilization. Our target patient population was patients served by ODHS APD, primarily Medicaid and Medicare patients, or patients with dementia.

Through analysis of three sources of information - retrospective patient discharge data, real-time information about patients “stuck” at Providence St. Vincent Medical Center from Oct. – Dec. 2023 and case studies from across Providence Oregon hospitals – we were able to identify common discharge barriers. Examples of these barriers included: delays in patient assessment and approval for post-hospital services; delays with cross-system communication among hospitals, state and county agencies, and post-acute care settings; limited escalation opportunities for hospice patients; and reimbursement rates that didn’t reflect the level of care patients needed. Across the board, the difficulty around patient discharge was compounded for patients with complex social needs, like guardianship and housing.

Senate Bill 1079 will allow us to build on this work statewide. With all stakeholders at the table, we can evaluate clinical care requirements, opportunities to reduce administrative burden, ensure adequate access to post-acute care, and make sure we have processes in place to escalate issues with patients facing complex circumstances. Thank you for your support of Seante Bill 1079, and the full package of compromise legislation. Providence looks forward to coming back to the Oregon Legislature in 2024 with scalable solutions to address hospital discharge barriers.

Respectfully,

A handwritten signature in black ink, appearing to read "William Olson". The signature is fluid and cursive, with a large initial "W" and a distinct "O".

William Olson  
Chief executive  
Providence Health & Services – Oregon