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Ore. Weighs Tough New Requirements For Long-Term Care

By **Dan McKay**

Law360 (July 8, 2025, 1:56 PM EDT) -- Following the death of an elderly woman who wandered from a senior living center, Oregon lawmakers are moving to tighten oversight of long-term care facilities.



Oregon's bill would add substantially to regulatory requirements for assisted living and memory care facilities, which now face less scrutiny than federally regulated nursing homes. Some (iStock.com/Heiko Cuverling)

Among the new strictures of a bill now on the governor's desk are a near-immediate deadline to begin some investigations and new requirements for notifying residents' families of serious violations.

The measure, S.B. 739, would also establish more stringent requirements for on-site investigations and inspections of new facilities.

Nina A. Kohn, a professor at the Syracuse University College of Law, said the law could serve as a national model.

It's "refreshing to see a state like Oregon taking a hard look at what it can do to better protect residents of long-term care facilities that are not nursing homes," said Kohn, who is also a distinguished scholar in elder law at the Solomon Center for Health Law and Policy at Yale Law School.

The legislation "is a good example of how a state can try to leverage its licensure scheme to encourage

safer, better care," she said.

If enacted, the new rules would add considerably to regulatory requirements for assisted living and similar long-term care facilities. The bill — awaiting action by Gov. Tina Kotek — does not apply to nursing homes, which offer more comprehensive care and are subject to federal regulations.

The bill calls for state investigations of serious complaints to begin within 24 hours. It also requires that facility inspections be triggered by initial license applications, ownership changes and license renewals.

The bill "sets itself apart by combining some of the nation's strictest long-term care regulations into a single regulatory framework," said Aaron Sagedahl, a member of the health and life sciences practice group at Quarles & Brady LLP.

The legislative action came after the state's long-term care ombudsman investigated the death of Ki Soon Hyun, 83. Hyun suffered from dementia and left a memory care unit in Sandy, Oregon, unattended in December 2023. She was later found dead in a wooded area near the facility.

The ombudsman's office said Oregon health administrators hadn't responded effectively to red flags at Hyun's facility and that regulatory gaps allowed the facility to avoid closer scrutiny.

State Sen. Sara Gelser Blouin, a Corvallis Democrat and co-sponsor of the oversight bill, said Hyun's death provided just one example of the need to better protect long-term care residents.

These "are not throwaway people. These are moms and dads and aunts and grandmothers and grandfathers," Gelser Blouin said in an interview. "They deserve to live out their lives in dignity, and the families deserve to have all the information that they can to make sure that their rights are upheld."

"More Transparency"

The legislation advancing in Oregon has already cleared the House and Senate by overwhelming margins.

The proposal covers how residential care facilities — such as assisted living facilities and memory care units — are licensed and regulated.

It's designed to ensure the state responds more quickly to complaints, with a requirement for an on-site investigation within 24 hours or the end of the next business day if a complaint alleges a licensing violation that resulted in death. Investigators would have to interview all available witnesses.

If a violation is substantiated, the facility would have 72 hours to report it to the residents of the facility and their contact persons. There are also reporting requirements triggered when a facility is placed under enhanced state oversight and supervision.

The bill also sets specific rules for periodic inspections. Besides an initial inspection, a follow-up visit would be required three to four months after an initial license is granted. Ownership changes and license renewals would also trigger inspections.

Gelser Blouin said the disclosure to families after a violation and the inspections after ownership changes are meaningful provisions that other states should consider.

"There has to be more transparency for consumers to know when there are licensing violations," she said. It's clear that "just having a state website isn't enough."

The bill also bars the state from granting waivers to long-term care facilities that seek exemptions from certain state regulations, unless there's an emergency or a specific waiver process authorized in the law.

Applicants new to the industry would also have to get help from an experienced consultant or management company. The consultant would submit monthly progress reports to the state.

"Taken together, these components create a new and rigorous regulatory structure on residential care facility oversight," Sagedahl of Quarles & Brady said.

The bill has a notable focus, he said, on ensuring that "facilities start off on the right foot, creating a stronger foundation for compliance from the very beginning."

To prepare for more frequent inspections, assisted living facilities in the state should ensure they have up-to-date records and effective training for staff members.

"Conducting mock inspections and audits will help staff practice responding to complaints within the required 24-hour timeline and will also allow facilities to identify gaps in documentation or inspection response practices before state surveyors do," Sagedahl said.

Rosie Ward, a spokesperson for the Oregon Health Care Association, a trade group representing more than 90% of the state's long-term care providers, said the law's deadlines could make regulatory oversight more efficient.

The bill "supports a more efficient and effective regulatory framework by, among other things, requiring the state agency to be timely and responsive in its survey and enforcement activities," she said.

Exposure Death

The legislation matches some of the recommendations issued by the Oregon long-term care ombudsman's office after its investigation into Hyun's death.

Her body was found on Dec. 25, 2023, after she had wandered away from a 33-bed memory care unit operated at a since-closed senior living facility. She likely got lost due to her dementia and died in the cold overnight, the ombudsman's report said.

The facility failed to lock its doors as required, the report said, and wasn't staffed appropriately to care for residents.

The ombudsman also faulted state regulators. The state licensing unit had been informed in November that the facility had no administrator, and an investigation found understaffing, inadequate training and two staff members who hadn't undergone required background checks.

After Hyun's death, state licensing staff members didn't launch their investigation until almost a month later, the ombudsman said. The facility's owner had worked in real estate but had no experience providing long-term care.

"No one should have a loved one, placed in what they believe to be a safe and well-regulated care facility, endure what Ki Soon and her family have, at the end of her life," the ombudsman's report said.

Regulatory Patchwork

Hyun's death — and lawmakers' response to it — shines a light on the growing role of assisted living and memory care facilities, which face less scrutiny than federally regulated nursing homes.

Kohn said there's "virtually no federal oversight" of assisted living facilities, and state regulations vary widely.

The gaps can leave older adults vulnerable. As many as 70% of assisted living residents have a cognitive impairment, Kohn said.

"As a general matter, state oversight of what are typically termed 'assisted living' facilities is far more limited than that over 'nursing homes,'" she told Law360. "And that means there is a lot less protection for residents of these facilities, even though they often have needs much like those of nursing home residents."

Oregon's legislation, she said, offers an example of how a state can take action to encourage better care.

"Licensure power is often underutilized, and other states should take note of Oregon leveraging its existing licensure scheme in this way," Kohn said.

Sen. Gelser Blouin said the aging of the U.S. population and the presence of private equity firms in the long-term care market make it all the more important for states to ensure they have effective regulations.

"There are good providers out there," she said, "and it really sullies the entire industry when these types

of abuses and poor care go unchecked."

Gov. Kotek's office didn't respond to a request for comment on the bill.

--Editing by Philip Shea.

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