

June 12, 2025

Oregon State Legislature
House Committee on Rules
900 Court Street NE
Salem, OR 97301

Submitted electronically via OLIS

RE: HB 3294, Relating to staffing plans for health care provider entities; prescribing an effective date.

Chair Bowman, Vice-Chair Drazan & Vice-Chair Pham and Members of the Committee:

The Hospital Association of Oregon is a mission-driven nonprofit association representing Oregon's 61 community hospitals. We believe that all Oregonians should have excellent, dependable hospitals in their communities today, tomorrow, and for decades to come. The hospital association is pleased to provide this letter in support of the -3 amendment to HB 3294.

During the 2023 Regular Session, representatives of Oregon's hospitals and representatives of labor formed a coalition and advocated for the passage of a package of legislation to support Oregon's health care workforce. One bill within that package was HB 2697, the hospital staffing law.

The hospital association is proud of its work with the coalition during the 2023 session. The hospital staffing law was intended to give professional, technical, and service health care workers a stronger voice in the creation of staffing plans, establish enforceable statutory nurse-to-patient ratios with built in flexibility for nurse staffing committees, reduce administrative burden affecting hospitals, and build partnerships that we hoped would protect access to care for patients.

Hospitals and labor partners have identified concerns regarding implementation of the hospital staffing law by the Oregon Health Authority (OHA). OHA's interpretations of several aspects of the law are inconsistent with the intent of the law. Confusion and misunderstandings have increased tensions between healthcare workers and hospitals and added to the cost of delivering hospital care.



The -3 amendment to HB 3294 is critical to create clarity that health care workers and hospitals need. We appreciated the opportunity to engage in meaningful discussions with the Oregon Nurses Association and the House Speaker's Office to develop this amendment.

Statutory nurse-to-patient ratios

OHA did not implement statutory nurse-to-patient ratios in the way that we were expecting.

Under this amendment to HB 3294, if a hospital nurse staffing committee has not adopted a nurse staffing plan for a unit, OHA has authority to enforce the nurse-to-patient ratios established by the hospital staffing law until the nurse staffing committee reaches an agreement.

When a nurse staffing committee has agreed to a unit nurse staffing plan, OHA's authority is to enforce the unit nurse staffing plan. OHA's authority to enforce statutory nurse-to-patient ratios is available only when the nurse staffing committee has not agreed to a unit nurse staffing plan.

Important components of the hospital law are preserved, including:

- The type A and type B variance remain available
- Innovative care models remain available
- A hospital will not be in violation if the alleged violation is an allowed deviation
- OHA is prohibited from imposing a civil penalty if the hospital took the following actions:
 - Scheduled staff in accordance with the direct care registered nurse-to-patient staffing ratio applicable to the unit;
 - Sought volunteers from all available qualified employees to work extra time;
 - Contacted qualified employees who made themselves available to work extra time;
 - Solicited per diem staff to work; and
 - Contacted contracted temporary agencies that the hospital regularly uses if temporary staff from such agencies are permitted to work in the hospital by law or any applicable collective bargaining agreement.

Hospital-wide nurse staffing plan

There has been confusion regarding how OHA will calculate civil penalties when a nurse staffing committee has not adopted a nurse staffing plan.

Under this amendment to HB 3294, OHA will assess civil penalties on hospitals without an approved hospital-wide nurse staffing plan. These civil penalties are hospital-wide, not by unit. OHA cannot



impose more than one civil penalty per day per hospital for lack of an approved hospital-wide nurse staffing plan.

Reducing administrative burden

One shared goal for the hospital staffing law was to reduce administrative burden affecting hospitals. Although some burden under the prior nurse staffing law has been eliminated, new burdens have been added. OHA is also experiencing some of that administrative burden.

Under this amendment to HB 3294, OHA may consolidate specified complaints into a single investigation or enforcement action, reducing administrative burden.

Also under HB 3294-3, OHA is directed to prioritize the investigation and disposition of complaints that contain allegations that occur on or after June 1, 2025.

Next phase

We recognize that implementation of this complex and groundbreaking law is challenging, requiring the coalition, legislators, and other stakeholders to work together to refine the law as issues emerge. We stand ready to work in good faith, to preserve the intent of the law while creating an environment where hospitals can deliver the affordable, high-quality care that Oregonians expect.

This legislation is an important step in that process, creating clarity for frontline workers, hospitals, and the OHA. More steps will be needed in the future. Hospitals are at a tipping point in Oregon, and changes at the federal level could put many of them in immediate financial jeopardy. It is in all our interests to work together so that Oregonians can get the health care services that they need, health care workers can have stable, good paying jobs, and hospitals can continue serving as the economic anchors in our communities. We look forward to working with our labor partners and others to accomplish these objectives together.

Sincerely,



Sean Kolmer
Executive Vice President, External Affairs
Hospital Association of Oregon



About the Hospital Association of Oregon

Founded in 1934, the Hospital Association of Oregon (HAO) is a mission-driven, nonprofit trade association representing Oregon's 61 hospitals. Together, hospitals are the sixth largest private employer statewide, employing more than 70,000 employees. Committed to fostering a stronger, safer, more equitable Oregon where all people have access to the high-quality care they need, the hospital association supports Oregon's hospitals so they can support their communities; educates government officials and the public on the state's health landscape, and works collaboratively with policymakers, community based organizations and the health care community to build consensus on and advance health care policy benefiting the state's four million residents.



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