

SB 1575-1  
(LC 151)  
2/5/26 (RH/ps)

Requested by Senator PATTERSON

**PROPOSED AMENDMENTS TO  
SENATE BILL 1575**

On page 1 of the printed bill, delete lines 12 through 25 and delete pages 2 through 5 and insert:

**“SECTION 1.** ORS 443.860 is amended to read:

“443.860. (1) A person may not establish, [*conduct*] **operate** or maintain a hospice program providing hospice services, or hold itself out to the public as a hospice program, without obtaining a license from the Oregon Health Authority.

“[(2) *The authority:*]

“[(a) *Shall adopt rules to carry out the provisions of ORS 443.850 to 443.869, including but not limited to rules for licensure that require an in-person site inspection of each licensed hospice program at least once every three years.*]

“[(b) *May accept certification by a federal agency or accreditation by an accrediting organization approved by the authority as evidence of compliance with the requirements for licensure adopted under paragraph (a) of this subsection if:*]

“[(A) *The certification or accreditation meets standards and conditions established for hospice programs by the Centers for Medicare and Medicaid Services;*]

“[(B) *The hospice program invites the authority to participate in any exit interview conducted by the agency or organization; and*]

1       “[(C) The hospice program provides the authority with copies of all doc-  
2       umentation requested by the authority concerning the certification or accredi-  
3       tation.]

4       “[(3) The fee to obtain or renew a hospice program license is \$1,140.]

5       “[(4) The authority shall prescribe by rule the form and manner for appli-  
6       cation for or renewal of a license. The authority shall issue a license to an  
7       applicant that has the necessary qualifications, meets all requirements estab-  
8       lished by the authority by rule and has paid the fee.]

9       “[(5) A license issued under this section is valid for one year and is not  
10      transferable. A license may be renewed by payment of the fee and demon-  
11      stration of compliance with requirements for renewal established by the au-  
12      thority by rule.]

13      **“(2) The authority shall prescribe the form and manner for applying  
14      for an initial license or renewal of a license.**

15      **“(3) The authority shall establish by rule fees for initial and renewal  
16      license applications, not to exceed the costs of administering ORS  
17      443.850 to 443.869. In establishing application fees under this section,  
18      the authority may:**

19      **“(a) Adopt a graduated fee structure based on factors such as an-  
20      nual patient census or total revenue; and**

21      **“(b) Include the costs of completing the criminal records checks  
22      required under this section.**

23      **“(4) An application for an initial license shall include:**

24      **“(a)(A) Any negative performance history of the applicant in  
25      Oregon or another state, including:**

26      **“(i) Any hospice or other health care license suspension or revoca-  
27      tion, adverse regulatory finding or other sanction;**

28      **“(ii) Any determination, adjudication or settlement related to  
29      health care fraud or abuse; and**

30      **“(iii) Any exclusion from Medicare, Medicaid or any other federal**

1 or state health care program.

2 “(B) As used in this paragraph, ‘applicant’ includes any entity  
3 managed by the proposed administrator or proposed medical director  
4 of the applicant and any entity in which an owner of the applicant  
5 holds a five percent or greater ownership interest, but does not include  
6 an individual health care practitioner;

7 “(b) Documentation demonstrating that the proposed administrator  
8 and proposed medical director of the applicant meet minimum training  
9 and qualification requirements, as established by the authority by  
10 rule;

11 “(c) The tax status of the applicant; and

12 “(d) The financial and operational information required under sub-  
13 section (5) of this section.

14 “(5)(a) The authority shall adopt a financial and operational capac-  
15 ity review process to ensure that applicants possess adequate resources  
16 to operate safely and continuously for the initial licensure period of  
17 one year. The process shall require an applicant for an initial license  
18 to submit the following information:

19 “(A) A pro forma operating budget, in a format prescribed by the  
20 authority and including projected revenues, expenditures, staffing and  
21 patient days for the first year of operation;

22 “(B) Documentation demonstrating that the applicant has sufficient  
23 financial resources to sustain operations for the initial one-year  
24 licensure period, including the capacity to maintain operations during  
25 potential delays in reimbursement; and

26 “(C) An attestation, signed by an authorized representative of the  
27 applicant, acknowledging that reimbursement delays may occur and  
28 affirming the applicant’s ability to maintain operations during such  
29 delays.

30 “(b) The authority shall review an applicant’s pro forma operating

1 budget for completeness, internal consistency and reasonable feasibility,  
2 as defined by the authority by rule.

3 “(c) If the authority determines that an applicant does not possess  
4 adequate resources to operate safely and continuously for the initial  
5 one-year licensure period, the authority shall deny the application.

6 “(6) Upon receipt of an application and fee for an initial license, the  
7 authority shall:

8 “(a) Complete a criminal records check under ORS 181A.195 on:

9 “(A) The proposed administrator;

10 “(B) The proposed medical director; and

11 “(C) If the applicant is a privately owned entity, any individual who  
12 holds a five percent or greater ownership interest in the applicant  
13 entity; and

14 “(b) Review the information submitted under subsections (4) and (5)  
15 of this section.

16 “(7) The authority may deny an application for an initial license:

17 “(a) Based on the severity, frequency or timing of the applicant’s  
18 negative performance history, as described in subsection (4) of this  
19 section;

20 “(b) If the authority determines that the hospice program know-  
21 ingly provided false information, as described in subsection (12) of this  
22 section; and

23 “(c) For other reasons established by the authority by rule.

24 “(8) The authority shall issue an initial license to an applicant that:

25 “(a) Meets all requirements under ORS 443.850 to 443.869 and rules  
26 adopted under ORS 443.850 to 443.869; and

27 “(b) Has paid the application fee.

28 “(9) A license issued under this section is valid for one year and is  
29 not transferable.

30 “(10) A license may be renewed by payment of the application fee

1 established under subsection (3) of this section and demonstration of  
2 compliance with requirements for renewal established by the authority  
3 by rule.

4 “(11) The authority may accept certification by a federal agency or  
5 accreditation by an accrediting organization approved by the authority  
6 as evidence of compliance with the requirements for license renewal  
7 adopted under this section if:

8 “(a) The certification or accreditation meets standards and condi-  
9 tions established for hospice programs by the Centers for Medicare and  
10 Medicaid Services;

11 “(b) The hospice program invites the authority to participate in any  
12 exit interview conducted by the agency or organization; and

13 “(c) The hospice program provides the authority with copies of all  
14 documentation requested by the authority concerning the certification  
15 or accreditation.

16 “(12) The authority may deny an application for an initial license  
17 or renewal of a license and may suspend or revoke a hospice program’s  
18 license if the authority determines that the hospice program know-  
19 ingly provided false information under this section or section 3 or 4  
20 of this 2026 Act.

21 “(13) A person may not hold an ownership interest in a hospice  
22 program licensed under this section if the person has been:

23 “(a) Excluded from participation in the Medicare or Medicaid pro-  
24 grams; or

25 “(b) Found liable for health care fraud or abuse in any jurisdiction.

26 “(14) The authority shall adopt rules to carry out the provisions of  
27 ORS 443.850 to 443.869, including but not limited to rules that require  
28 an in-person site inspection of each licensed hospice program at least  
29 once every three years.

30 **SECTION 2.** Sections 3 and 4 of this 2026 Act are added to and

1 made a part of ORS 443.850 to 443.869.

2 **“SECTION 3.** (1) As used in this section, ‘consumer assessment  
3 survey’ means a survey developed by the Centers for Medicare and  
4 Medicaid Services that assesses the experiences of patients who died  
5 while receiving hospice care and the experiences of the patients’ in-  
6 formal primary caregivers.

7 **“(2) The Oregon Health Authority may require an applicant for an**  
8 **initial license or renewal of a license under ORS 443.860 to submit the**  
9 **performance history from other states, including past licensing survey**  
10 **results, of:**

11 **“(a) The hospice program applying for a license;**

12 **“(b) A person holding a five percent or greater ownership interest**  
13 **in the hospice program;**

14 **“(c) The administrator or proposed administrator of the hospice**  
15 **program; and**

16 **“(d) The medical director or proposed medical director of the**  
17 **hospice program.**

18 **“(3) If an applicant operates a hospice program in this state or any**  
19 **other state, to be eligible for an initial or renewal license under ORS**  
20 **443.860, the applicant must have submitted the consumer assessment**  
21 **survey results for the previous year to the Centers for Medicare and**  
22 **Medicaid Services, unless the applicant received an exemption from**  
23 **the Centers for Medicare and Medicaid Services.**

24 **“SECTION 4.** (1) If a person acquires a five percent or greater  
25 ownership interest in a privately owned hospice program licensed un-  
26 der ORS 443.860, the hospice program shall submit a new application  
27 for an initial license under ORS 443.860.

28 **“(2) The Oregon Health Authority may deny the application and**  
29 **suspend or revoke the hospice program’s license if the authority de-**  
30 **termines that the new owner has a significant history of prior non-**

1 compliance or enforcement actions taken against the owner.

2 **“SECTION 5.** The Oregon Health Authority shall complete  
3 rulemaking required under the amendments to ORS 443.860 by section  
4 1 of this 2026 Act no later than 24 months after the effective date of  
5 this 2026 Act.

6 **“SECTION 6.** (1) As used in this section:

7 **“(a) ‘Hospice program’ and ‘hospice services’ have the meanings**  
8 **given those terms in ORS 443.850.**

9 **“(b) ‘Underserved area’ means a geographic area of this state in**  
10 **which residents do not have adequate access to hospice services, in-**  
11 **cluding:**

12 **“(A) An area with no hospice program currently serving residents;**

13 **“(B) An area in which existing hospice programs lack capacity to**  
14 **meet community need; and**

15 **“(C) An area designated by state or federal laws or regulations as**  
16 **rural, frontier or medically underserved.**

17 **“(c) ‘Underserved population’ means a group of individuals that**  
18 **experience barriers to accessing hospice services, including:**

19 **“(A) Residents of rural or frontier counties;**

20 **“(B) Members of the nine federally recognized Indian tribes in this**  
21 **state;**

22 **“(C) Individuals with limited English proficiency;**

23 **“(D) Individuals with disabilities;**

24 **“(E) Members of racial or ethnic minority communities; and**

25 **“(F) Individuals with low incomes or inadequate health care cover-**  
26 **age.**

27 **“(2) Except as provided in subsection (3) of this section, until the**  
28 **Oregon Health Authority has completed rulemaking required under**  
29 **the amendments to ORS 443.860 by section 1 of this 2026 Act, the au-**  
30 **thority may not issue any new initial licenses under ORS 443.860.**

1       “(3) During the time frame specified in subsection (2) of this sec-  
2       tion, the authority may issue a new initial license under ORS 443.860  
3       to the following:

4       “(a) A hospice program licensed under ORS 443.860 that is seeking  
5       a new initial license to operate a hospice program in a new service  
6       area;

7       “(b) A health care provider licensed in this state, long term care  
8       facility as defined in ORS 442.015 or residential care facility as defined  
9       in ORS 443.400 that is seeking to provide hospice services to patients  
10      or residents of the provider or facility; and

11      “(c) An applicant that proposes to serve an underserved area or an  
12      underserved population.

13      “SECTION 7. Section 6 of this 2026 Act is repealed on January 2,  
14      2029.

15      “SECTION 8. This 2026 Act being necessary for the immediate  
16      preservation of the public peace, health and safety, an emergency is  
17      declared to exist, and this 2026 Act takes effect on its passage.”.